SENATE—*Friday, October 2, 1998*

The Senate met at 9:29 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, we hear again the question You put before Solomon: "Ask! What shall I give you?" Suddenly we are challenged to identify our deepest need. We agree with Solomon's response when he asked for an understanding heart, one that listens to You and responds to Your guidance. Help us to listen attentively to You. A cacophony of other voices often limits our ability to hear what You have to say about the issues we face. We really need to hear the assurance You gave to Solomon and claim it for ourselves. "See, I have given you a wise and listening heart." We urgently need that gift coupled with the gift of courage to follow Your direction.

Father, continue to bless the women and men of this Senate as they humble themselves, confess their need to hear Your voice in their souls, and give dynamic leadership to our Nation at this crucial time. Through our Lord and Saviour. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, Senator MCCAIN, is recognized.

SCHEDULE

Mr. MCCAIN. Mr. President, this morning, the pending business will be S. 442, the Internet tax bill. An agreement has been reached on the bill allowing for relevant amendments, with the addition of a Bumpers amendment regarding catalog sales. Rollcall votes are expected during today's session on or in relation to amendments offered to the Internet bill or possibly an executive nomination. In either case, the first rollcall vote today will occur by 10:30 a.m.

Members are reminded that a cloture motion was filed yesterday on the motion to proceed to H.R. 10, the financial services bill. That vote will occur at 5:30 p.m. on Monday, October 5. Also, during Monday's session the Senate may consider any available appropriations conference reports. Therefore, further votes could occur following the 5:30 cloture on Monday. I thank my colleagues for their attention.

MEASURES PLACED ON CALENDAR—S. 2529

Mr. MCCAIN. Mr. President, there is a bill at the desk due for its second reading.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2529) entitled the "Patients' Bill of Rights Act of 1998."

Mr. MCCAIN. Mr. President, I object to further proceedings on this bill.

The PRESIDING OFFICER. Objection is heard and the bill will be placed on the calendar.

MEASURE PLACED ON CALENDAR—S.J. RES. 59

Mr. MCCAIN. I understand there is also a Senate joint resolution at the desk awaiting its second reading.

The PRESIDING OFFICER. The clerk will report the joint resolution.

The assistant legislative clerk read as follows:

A joint resolution (S.J. Res. 59) to provide for a balanced budget constitutional amendment that prohibits the use of Social Security surpluses to achieve compliance.

Mr. MCCAIN. I object to further consideration of this matter at this time.

The PRESIDING OFFICER. The joint resolution will be placed on the calendar.

INTERNET TAX FREEDOM ACT

The PRESIDING OFFICER (Mr. ALLARD). The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (S. 442) to establish national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exaction that would interfere with the free flow of commerce via the Internet, and for other purposes.

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the committee amendments reported by the Finance and the Commerce Committees are agreed to. The bill is considered original text for the purpose of further amendment.

Who seeks recognition?

Mr. MCCAIN. Mr. President, I am pleased that the Senate is today beginning debate on S. 442, the Internet Tax Freedom Act. Shortly, Senator BUMPERS will come to the floor to propose his amendment, and we expect further amendments following that.

Before I summarize the bill, I want to note for the record the importance of this measure. The reality is that this bill could determine the fate of electronic commerce. Without it, the economic revolution we are hoping for may never take place. Without it, electronic commerce may—and we are in fact seeing this occur—be hampered by politicians who see it as not as revolutionary, but as a source of new tax revenue.

First, I want to commend Senator WYDEN for his extraordinary leadership in moving this legislation forward. He kept all of the interested parties at the negotiating table when on many occasions it appeared as though we were at an impasse. After months of hard work and determination, we have come much closer to appeasing the National Governors' Association and other state and local organizations. Without Senator WYDEN's assistance, the bill may never have made it this far.

This bill will do the following: It would prohibit state and local governments from imposing any Internet access tax, bit tax or any multiple or discriminatory tax on electronic commerce for a two-year period.

The bill would establish a 16 member Advisory Commission on Electronic Commerce comprised of 4 Federal representatives (the Secretaries of Commerce, State, Treasury and USTR); 6 representatives of State and local government, as well as 6 representatives of electronic industry and consumer groups, all to be appointed by the Speaker of the House, the House Minority Leader, and the Senate Majority and Minority Leaders.

The Commission would exist for 18 months to study and develop policy recommendations on the appropriate domestic and international taxation and tariff treatment of transactions using the Internet, Internet access, and other comparable or international sales. The Commission's findings and any legislative recommendations are required to be transmitted to the Congress within 18 months after the bill's enactment.

The bill also includes a sense of the Congress that there should be no new federal taxes on the Internet; a requirement that electronic commerce be examined as part of USTR's annual trade estimates report; a declaration that the Internet should be free of foreign tariffs and other barriers; and a provision stating that nothing in this bill is intended to affect implementation of the 1996 Telecommunications Act.

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

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

Mr. President, we find ourselves at a critical juncture in the evolution of our economy and our society. The information technology industry, driven by the growth of the Internet, is connecting people and businesses around the world in ways we never dreamed possible.

At this critical juncture, we are faced with a choice. We can choose to hamper the growth of this vital medium by imposing old ways of thinking that just do not apply. Or we can seek new principles to govern in this new era of ubiquitous access to information, people, products, and services.

Mr. President, I hope that Congress will take this opportunity to establish new principles and ways of thinking and governing that will allow this vibrant medium to grow and flourish.

I believe we must embrace three fundamental principles: There must be no piecemeal regulation of the Internet, a medium with interstate and global reach. There must be no discrimination between goods sold over the Internet and goods sold by other means. There must be no tax on the right to access information.

The vast potential of the Internet can no longer be denied. According to one recently released research report, it took radio almost 40 years to reach 50 million listeners in the United States, while broadcast and cable television took about 13 and 10 years, respectively, to reach that many viewers. The number of Internet users in the U.S. reached 50 million users in just five years.

By the end of 1998, an estimated 100 million users will be connected worldwide. Some estimate that the Internet will soon reach 500 million users—nearing universal connectivity and access.

According to a recent Business Week article, online sales are expected to reach nearly $5 billion this year—double that of 1997. From computer software and airplane tickets to cars and investing, people are taking advantage of the Internet in new ways each day.

Now is not the time to allow complicated and unadministrable taxes to kill the tremendous potential of electronic commerce.

The Internet is creating tremendous value for business as well as consumers. The innovative use of the internet enables thousands of businesses—big and small—to establish internal networks, or intranets, that link geographically dispersed workers and information within an enterprise. Lockheed Martin and Boeing Aircraft collaborating over an Intranet developed the Darkstar aircraft in 11 months with 50 people, a process that would normally require hundreds of designers and years of work.

But a business need not be the sizer of a Lockheed Martin or a Boeing to utilize the advantages of the Internet. With the Internet, even small local companies can obtain a global reach that would otherwise have been unthinkable. A small supply company in Pennsylvania, the Lehigh Valley Safety Supply Company, realized a 150 percent increase in revenue when they placed 50 of their items for sale on the Internet.

Given the tremendous potential of the Internet, I see no reason for partisanship on an issue which is so vitally important to the future of America. I know we are in agreement that we want to see the Internet grow and expand. Everyone, including the experts, is astonished at how quickly the Internet has grown. Literally, every expert who has studied this industry has underestimated the growth that has taken place in the past few years. So it is very likely that they are underestimating the dramatic changes and growth that we will see in the future.

That is why we need a moratorium on Internet taxation as proposed in the Internet Tax Freedom Act. This bill will allow the various experts from industry and government to sit down and do the difficult work of determining how the Internet is different from other media and under what circumstances it should be taxed.

The time to act is now. Over the last several months, individuals representing government, consumers, and industry have been working tirelessly to make this a bill that achieves the goal of a temporary moratorium on confusing Internet taxing schemes while preserving the states' rights to continue collecting taxes. Those states that have been collecting Internet access taxes have been specifically grandfathered in the amendment that Senator WYDEN and I offer today so they can continue to collect those taxes during the moratorium.

The Commission created by this bill will address the issues of how the Internet and all remote commerce should be taxed. This Commission will make recommendations to Congress on how best to proceed. By working to create a clear taxing scheme for the Internet, we will continue to set an example for the world on how to nurture this vibrant medium.

Mr. President, the Internet Tax Freedom Act will allow the Internet to continue to develop and ultimately reach its full potential. Given the importance of this goal to consumers, businesses, and our global economy, I urge my colleagues to support this legislation.

Mr. President, on September 4, we received "An Open Letter To Congress" in support of the Internet tax moratorium legislation. It is paid for by the National Taxpayers Union, American Conservative Union, American Council of the Blind, American Legislative Exchange Council—some 60 organizations.

Mr. President, I ask unanimous consent this be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AN OPEN LETTER TO CONGRESS

SEPTEMBER 4, 1998

Congress is considering various versions of Internet tax moratorium legislation. Some Members are attempting to add an issue onto these bills which we oppose. We, the undersigned organizations, oppose efforts to force vendors to collect out-of-state sales taxes when they do not have any physical presence in a state. This position is consistent with the landmark *Quill* decision by the Supreme Court, which we support.

The laudable goal behind Internet tax moratorium legislation is to create a no-new-taxes moratorium for the Internet. It would be ironic, to say the least, if Congress added a provision to this legislation that even raises the possibility for businesses, many of them quite small, to become tax collectors for the government.

Americans now pay more in taxes than they do for food, clothing, shelter, and transportation combined. The members of our organizations, like all Americans, already pay enough taxes. Some of our members are home bound, or otherwise lack the ability to visit retail stores. They like to shop at home. We strongly urge you not to add the out-of-state sales tax issue to Internet moratorium legislation.

Sincerely,

National Taxpayers Union; 60 Plus Association; American Conservative Union; American Council of the Blind; American Legislative Exchange Council; Americans for Hope, Growth and Opportunity; Americans for Tax Reform; Association of Concerned Taxpayers; Christian Coalition; Citizens for a Sound Economy; Coalitions for America; Council for Affordable Health Insurance; Council for Citizens Against Government Waste; Empower America; Food Distributors International; Independent Insurance Agents of America.

Bill Price, Independent Living for the Handicapped; National Association for Home Care; National Association of Manufacturers; National Association of People with AIDs; National Association of Wholesaler-Distributors; National Federation of Nonprofits; National Grange; National Tax Limitation Committee; Seniors Coalition; Small Business Survival Committee; United Seniors Association; Vietnam Veterans of America; Women for Tax Reform.

CLOTURE MOTION

Mr. MCCAIN. Mr. President, in an effort to conclude this bill in a timely fashion, and with appropriations bills and other important legislation waiting in the wings for Senate action, I sent a cloture motion to the desk to S. 442, the Internet tax bill.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on Calendar No. 509, S. 442, the Internet tax bill;

Trent Lott, John McCain, Wayne Allard, Connie Mack, Gordon Smith, Paul

Coverdell, Spencer Abraham, Mike DeWine, Conrad Burns, James Inhofe, Judd Gregg, Rod Grams, Craig Thomas, Olympia Snowe, Rick Santorum, and Larry E. Craig.

Mr. MCCAIN. For the information of all Senators, this cloture vote will occur on Tuesday, or if cloture is invoked on the motion to proceed to H.R. 10, the financial modernization bill, then this cloture vote will occur immediately following the adoption of the motion to proceed to H.R. 10. All Members will be notified as to the exact time.

I now ask unanimous consent the mandatory quorum under rule XXII be waived.

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

Mr. MCCAIN. Mr. President, we expect Senator BUMPERS momentarily to propose his amendment. We would like to have a vote on that amendment as soon as Senator BUMPERS is able to describe that amendment adequately. We will have a rather brief response.

I thank Senator DORGAN for his continued efforts to reach a compromise on some of the differences we have had, as well as Senator GRAHAM of Florida and Senator GREGG of New Hampshire. We are close to agreement on several issues. I hope we can dispatch this legislation in an orderly fashion without having to go to cloture. It is just not something that we enjoy doing, because it prevents people, over time, from getting the attention to their amendments that they deserve. So I hope we will have an agreement and not have to have a cloture vote, and conclude this legislation as soon as possible.

Again, I thank Senator DORGAN. I yield the floor knowing that the Senator from Oregon has some important comments. I hope all of us understand as soon as Senator BUMPERS gets here we will move to his amendment as quickly as possible.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, first let me thank the chairman of the full committee, Senator MCCAIN. I introduced S. 442 in March of 1997. Chairman MCCAIN and his staff have worked almost nonstop with me since that time to try to put together a bipartisan bill. I thank Chairman MCCAIN for all of these efforts. I share his views. We are anxious to get to the Bumpers amendment this morning. I have a few brief comments and, hopefully, we will be able to move to that expeditiously.

If ever there was an issue that called out for treatment as interstate commerce, it is the Internet. The Internet, as we all know, knows no boundaries—not Federal boundaries, not State boundaries, in effect not even global boundaries. But what we have tried to do in our efforts over the last few months, and we have done it through more than 30 separate changes, is try to be fair to all parties—the States that are trying to look thoughtfully at the ground rules for the new economy and small businesses who overwhelmingly have endorsed this legislation. For the small businesses, the Internet is a chance to compete with the Wal-Marts and other big guys because geography becomes irrelevant. So, small businesses have supported it. I think that is why we have fashioned a bill with so much bipartisan support.

The essence of this bill is that in the 21st century the new digital economy should be built on the principle of technological neutrality. The Internet should get no preference, nor should the Internet be the target of selective discrimination. Unfortunately, around the country we have seen instances, for example, where if you purchase a newspaper the traditional way, what is called snail mail, it is sent to you in your home and you pay no tax. But if you subscribe to the same newspaper via the Internet, you pay a hefty tax as a result.

Depending on what State you are in, electronic commerce may be taxed as a telecommunications service, computer service, information service, or some combination, and there are different rates around the country. My concern has long been that if a significant number of the 30,000 taxing jurisdictions in America all decide to take a bite out of the Internet, or if we have 50 States going at it individually, the Internet is going to look like Dodge City before the marshals showed up.

Chairman MCCAIN was very right, that Internet growth is going to be enormous. There is a fair amount of Internet commerce going on today, but it is going to grow dramatically in the years ahead. That is why in our legislation we seek to come up with some ground rules for the new economy, and to do it before we have to react to critical problems.

I submit the greatest beneficiaries of this legislation are not the affluent and the powerful. The affluent and the powerful have lots of tax lawyers and specialists who, if they run up against a crazy quilt of taxes on the Internet, they are not going to have any problem using all of their legions of tax specialists to deal with that kind of situation. The people who are really going to benefit from this legislation are folks like home-based businesses, one of the fastest growing sectors of our economy. My home State of Oregon has more than 100,000 home-based businesses, and in meeting with them, many of them have said that electronic commerce is the key to their survival.

For rural communities and at-home parents and disabled individuals, the online world is a gateway to economic opportunity. If somebody in a rural community has a home-based business, for example, selling fruit or jam or something of this nature, I cannot believe that there is a single Member of the U.S. Senate who would want to subject that kind of person to a score of different taxes. I don't think there is a Senator who would want to do that. That is why we have this legislation before the Senate today, to come up with a set of ground rules.

Mr. President, here is the kind of example we are going to be talking about: If the present Senator in the chair wants to send a gift basket from Harry and David's in Medford, OR, to his cousin, say, in Florida, paying for it with a bank card in New York, using America Online in Virginia, how many jurisdictions would have the opportunity to impose a tax on that kind of transaction?

There really are no ground rules for that sort of thing today, and if there were to be a hodgepodge of large, new taxes on electronic commerce, it would be especially punitive on those folks in rural States, like Colorado and Oregon. That is one of the reasons that I and Senator MCCAIN and others who have worked on this legislation have sought to bring this to the floor expeditiously.

I would like to take a minute to explain exactly what is in the bill and what is before the Senate.

First, the legislation is not going to preempt existing State and local taxes as long as they are technologically neutral. What that means is, if the authority is there for someone to pay a 5-percent sales tax when they buy a sweater in a particular jurisdiction, under the Internet tax freedom proposal, they will pay exactly the same kind of tax if they order it on the Internet.

States that impose and enforce taxes on Internet access in place today are going to be able to keep them. None of the States that tax Internet access today actually has a law on the books that expressly authorizes the taxation of Internet access, but as we heard in the hearings before the Commerce Committee, there are a variety of problems already cropping up as a result of administrative rulings and reinterpretations of existing law.

In fact, there is one major firm, Vertex, which has tried to sort through the status at the State level of how the Internet is being taxed. In a number of States, they basically said that they couldn't give a clear answer, but if anybody was interested in doing a business deal, a deal involving electronic commerce that touched on that particular State, they would be wise to get a consultation.

The legislation will not allow any State to attempt to impose or assess or attempt to collect a tax on Internet access after October 1, 1998, unless it already had done that with a tax in effect.

It is very clear that we are trying to be sensitive to the laws in place and

the concerns of the States, but at the same time making sure that there is not going to be an opportunity for discriminatory taxes on electronic commerce.

In effect, what this legislation does is it ensures a timeout so that the commission of experts called for in the legislation can study these complicated questions and make sound policy recommendations to the Congress. But during that time, we take steps that we believe will be critically important to the development of electronic commerce as it relates to the smallest concerns in America. For example, the legislation assures that a web site is treated exactly like a mail-order catalog for purposes of interstate sales, so the taxing jurisdiction cannot attempt to impose a tax on a web site with respect to an out-of-State computer server.

The fact is, the online world is racing past outdated policies. The ground rules that we seek to establish here are just the beginning of what I think is going to be needed for the digital economy.

We have begun to debate in the Commerce Committee a variety of other issues. Yesterday, an important bill of Senator BRYAN's was passed dealing with online privacy concerns as they relate to children. We may hear more about that before the end of the session, but I think that with this legislation we will begin to get the common definitions, the more clearly defined principles and standards, that are going to be essential for Internet commerce to go forward.

Recently, I was home and met with some small businesses, and one of them said that he was very excited about the work that we were doing on this legislation. He said: "Just understand that I am not going to be able to grow my Internet business if there are 30,000 taxing jurisdictions all with their hands in our pocket."

The American taxpayers made it clear of late how they regard the IRS. If we were to have thousands of small jurisdictions collecting Internet taxes, I think that the concern we would have with respect to the IRS would be multiplied many times over at the thought of thousands of mini-IRS-taxing authorities collecting Internet taxes.

I see that Senator BUMPERS has arrived. I want to say, as Senator BUMPERS comes to the floor and prepares his amendment, that I have agreed with him on a great many concerns over the years. I have agreed with Senator BUMPERS about Social Security and the many times that he has led this body to take on spending boondoggles, environmental concerns, and the like. We don't happen to agree on this issue. I think it would be a mistake to let each State have its own sales tax arrangement for the Internet. It would certainly jack up taxes dramatically on the 100,000 home-based businesses in my State and the thousands of others across the country. I do think that if we have the States going off in their own directions, we do run the real risk of having the Internet look like Dodge City before the marshals showed up.

I will conclude by way of saying that Senator BUMPERS has worked very closely with this Senator, knowing that it is particularly important to me. We have gotten agreement on a number of key questions, and that was critical to getting the legislation to the floor.

I want the Senator to know that he is going to be somebody whom this Senator will miss very, very much next year when I cannot look over and see Senator BUMPERS and get his counsel on everything from Social Security to spending boondoggles. I thank him, because he has been aware that this legislation has been a priority of mine. I know he has strong feelings about it, and he was gracious enough to let it come forward and let us get these matters resolved. I express my appreciation to Senator BUMPERS.

Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER (Mr. GORTON). The Senator from North Dakota.

Mr. DORGAN. Mr. President, I have not made an opening statement on this piece of legislation. I will do that at some future point. I want to allow the Senator from Arkansas to proceed with his amendment. I will, at some more convenient time, make an opening statement.

I have some very strong thoughts about a whole range of issues, including the issue that is going to be raised by the Senator from Arkansas.

But I think in an attempt to try to move this along—we want to get to a first vote on this at some point—I will ask the Senator from Arkansas to proceed and then at some point in the proceeding I will make an opening statement.

AMENDMENT NO. 3677

(Purpose: To authorize collection of certain State and local taxes with respect to the sale, delivery, and use of tangible personal property)

Mr. BUMPERS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. BUMPERS], for himself and Mr. GRAHAM, proposes an amendment numbered 3677.

Mr. BUMPERS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. BUMPERS. Mr. President, first, let me thank my very good friend, my distinguished colleague from the great State of Oregon, Mr. WYDEN, for his very kind and gracious comments. He talked about how he is going to miss me. Rest assured, wherever I am, if he will just raise the window, he can probably hear me.

But on a more serious note, I consider Senator WYDEN to be one of the finest additions to the U.S. Senate in my 24-year tenure here. He is truly becoming a great Senator, but more than anything else he has great values. Great values are the first thing you have to have to be a good Senator. So while I am prepared to leave at the end of this year, Senator WYDEN is one of the Senators I will certainly miss.

Let me just start off by saying, this amendment deals with the rights of States to require mail-order catalog houses to collect sales taxes on merchandise shipped into their States.

L.L. Bean, which does over $1 billion a year, ships a lot of merchandise into my State of Arkansas, as does Lands' End, as does 6,000 or 7,000 other mail-order catalog houses; and they do not pay one cent of tax to the State of Arkansas. They do not pay one cent of tax to any State. And I will tell you why.

In 1967, the Supreme Court said, in the National Bellas Hess v. Department of Revenue case, that States may not require mail-order catalog houses to collect use taxes for them because it violates the due process clause in the Constitution, No. 1, and, No. 2, it violates the interstate commerce clause of the Constitution—finis, end of story.

In 1992, as mail-order catalogs sales began to mushroom in this country, and States could see that their tax base was being eroded—incidentally, we depend on the sales tax in our State for 50 percent of our educational funds—being eroded by this constant stream of catalogs coming into people's homes every day through the mailbox—I have been checking; I have been averaging between 5 and 10 a day for the past year—North Dakota said, "Enough is enough." So they brought a lawsuit that resulted in the Quill decision in 1992.

They tried to get the Supreme Court to reverse the Bellas Hess decision that prohibited States from making mail-order houses collect sales tax. It is called a use tax. It is the same thing, but if it comes from out of State we call it a use tax. And the Supreme Court, in a very rare remarkable case of sanity, said, "We hereby reverse the National Bellas Hess case to the extent that we hold that the requirement of a State to make mail-order houses collect sales taxes on goods coming into their States no longer—no longer—violates the due process clause. However, we are not removing our objection to the fact that we believe the State's right to tax mail-order houses still is a violation of the interstate commerce clause." Now because the Commerce

Clause grants Congress exclusive authority over interstate commerce, Congress may, if it chooses, grant the states the authority to require out-of-state tax collection.

So here we are on October 2, 1998, about my sixth year to try to do something about this patently unfair proposition, asking Congress, please, do not impose a tax. My amendment does not impose a tax on anybody; it does not require the States to impose a tax on anybody. It simply does what the Supreme Court said in 1992 we had a right to do, and that is to give the States the right to require out-of-state sellers to collect sales tax on any goods they ship into that State. And what is wrong with that?

You know, in 1995, I offered this amendment to the unfunded mandates bill, stood right here where I am standing now, made the same speech I am making today. You remember the distinguished Senator from Idaho, Senator KEMPTHORNE, offered the unfunded mandates bill. I never saw as many tears shed in the U.S. Senate in my life as I saw during that debate—crocodile tears, of course—for those poor States and counties and municipalities that the Government was always imposing mandates on. We passed laws, and we said to the States and the counties and the cities, "You have got to do this; you must do that." And it was costing the States "gazillions." They said, "Let's get that old, mean Federal Government off the backs of the States and local governments. And in the future, any time Congress passes a law that mandates that the States and local governments do anything, we will make a computation of what it is going to cost the States to comply with it, and we will send them the money." I did not vote for that. I did not vote for it for a lot of reasons. I am not here to debate that one all over again. That is a done deal.

But the interesting thing is, when I offered this amendment on the unfunded mandates bill, I said, "Here is a mandate that you're imposing on the States by doing nothing. If you're so concerned about the States and local governments, why don't you help them with the biggest unfunded mandate of all?" It is about $4 billion a year we impose on the States by saying, you cannot collect taxes on anybody but the poor old sucker on Main Street who collects the tax on every sale, every bag of groceries, every refrigerator, every automobile, if he happens to live in your hometown or your State.

Yes, I was a Main Street merchant as well as a jackleg lawyer. I had a hardware, furniture and appliance store. And the catalog houses were my biggest competitors, not the guy down the street—the catalog sales. I was President of the Chamber of Commerce.

I arranged for the annual banquet. I was in charge of the Christmas parade. I was on the school board. I did all of those things to make my town a decent place to raise my children. And I made everybody who bought a dollar's worth of goods pay 3, 4 or 5 cents in sales taxes. It went to teachers' salaries. It went to law enforcement, police officers, and to sweep the streets. It went to test the purity of the water we drank. That is what we depended on, the sales tax. But only, of course, if you happen to live there.

Now, think about the fact that mail-order houses in this country are selling over $100 billion worth of goods through the mail. There are a few who collect this tax. Do you know why? Because they know it is right. Ask Senator BENNETT from Utah, a big stockholder and one of the original finders of a big mail-order house called Franklin Quest about collecting use taxes. Don't take my word for it. Ask Senator BENNETT what they did. I will tell you and let him ratify it. They sat around the table and said, "Shall we or shall we not collect sales taxes for the States in which we sell merchandise?" He said they discussed it and they concluded that, as good citizens, they should. And they did. I said, "Bob, when I was chairing the Small Business Committee and held hearings on this subject, they always talked about how complicated and difficult it was because there are 7,000 taxing jurisdictions in this country." He said, "Don't be fooled by that. Every month we push a computer button and it is done. It isn't complicated at all."

Now, 7 or 8 years ago when I started this, that was the principal debate—"It is so complicated. It is just so much paperwork, we can't do it." You rarely hear that argument anymore, since Senator BENNETT came and since I have enlightened this body about what he said. He is immensely respected here.

The NFIB—I don't know where they are now—in 1995, they said only about 35 percent of their people wanted Congress to take this action. I was getting ready to say something unkind, but I won't pursue that any further.

I simply want to say to my colleagues, where do you think this country is headed? The underlying bill is to give all sales on the Internet a free ride. The bill before the Senate is a 2-year moratorium. There will be amendments offered here to extend the moratorium to 3 or 5 years.

Listen to this, colleagues, because as I say, I am not lambasting Senator WYDEN's bill on Internet taxes. I am simply fortifying the argument I want to make on remote sales. That is, right now in 1997 Internet sales were roughly $8 billion. It is now estimated that by the year 2002 Internet sales will be $300 billion. You can buy an automobile on the Internet, no sales tax; you can buy a refrigerator; you can buy your furniture; you can buy anything you want on the Internet.

Now, if we are looking at Internet sales of $300 billion a year by the year 2002, what will they be at the end of 5 years and how much revenue will the States have lost? I ask my colleagues, why in the name of God will you go back home and tell the chamber of commerce your heart is in the right place, you are for small business, you are for Main Street merchants, and turn right around and put them at a hopeless, competitive disadvantage? Why? Why should I organize the Christmas parade, pay my taxes to go to the schools, taxes for law enforcement, the fire department, while other people ship 4 million tons of catalogs into the States for them to dispose of?

Ask any mayor, any Governor, what is their biggest headache? Almost invariably, it will come back, "We need more money." Secondly, "Our biggest headache is the landfill." Not only do states have to dispose of 4 million tons of catalogs, they also have to handle the boxes and the crates that the merchandise comes in. How can the catalog people tell us, "We don't cause a burden. We are no burden to the local jurisdictions. Why do you want to tax us? We don't send our children to school in Charleston, AR. Why should we pay sales taxes?"

I will tell you precisely why they should. Because the revenue base of the States and local jurisdictions of this country is being eroded to the point where it will wind up being about half of what it is right now or less. Let me ask you a better question: Why shouldn't they pay a sales tax and compete with the people who live in those communities that have to pay taxes? It is a mystery to me.

I don't take on these causes that I continue to lose for the fun of it. I take them on because I feel strongly about them. In 1995, the Senator from Maine, Mr. Cohen—who is now Secretary of Defense—and I got into a debate here. They said the Finance Committee had not even held a hearing. Of course, the Finance Committee hadn't held a hearing, the chairman of the Finance Committee doesn't favor this bill.

Do you know something else? Somebody else said, let's study this. That is always the way out, "Let's study it." For 7 years on the mining laws, they said we need to study this. We have been studying the mining laws since 1872, and the law is still fully intact, just as crass, just as base, just as unfair now as it was in 1872, and we are still studying it.

We will study this some more. Somebody will make the suggestion, "We have to study this. We don't know what the full impact of it is."

Let me shift gears a moment to another item, and this is always shocking to anybody you tell it to. Unhappily, most things said on the U.S. Senate floor don't get any higher than the dome here. Nobody hears it. Forty-five

States in this country have a use tax. Arkansas has one. It says to L.L. Bean, if you ship merchandise into Arkansas, the person you sell it to is liable for the Arkansas use tax. It is the same thing as a sales tax. In my State, it is 5 percent.

How many people in Arkansas do you think realize that when they buy something from a remote seller, they are responsible for that use tax? Maybe about 1 in 200,000. Nobody knows it. Yet, 45 States have it. Just 10 to 15 States—I forget which number—but it was 10 in 1995; so it is maybe 15 or 20 by now—have laws that say you must report on your State income tax whether or not you bought anything from out of State.

Now, the State of Maine does something that is really unique and, in my opinion, patently unconstitutional. If you live in Maine, when you fill out your income tax return, there is a line that says, "Did you buy anything from out of State?" You put in "yes" or "no," and if the answer is yes, you put the amount down.

Let's assume you bought some furniture for $1,000. I don't know what the sales tax is in Maine, but if it is 5 percent, you are liable for $50. "Please multiply 5 percent times the amount you bought." And so everybody kind of routinely ignores that because they don't want to pay it and they don't have to admit that they bought anything from out of State.

So do you know what else Maine does? They say that if this line is empty and you don't report having bought anything out of State from a mail-order house, please multiply .0366 times whatever your income is. If you make $30,000 a year, you put $11 on that line.

As I say, in my opinion, that is powerfully unconstitutionally. That is a tax that nobody ought to have to pay, and it is the wrong way to do it. A lot of people get rude awakenings. One couple from Florida went up to North Carolina because they saw this big catalog saying, "Buy your furniture at the factory in North Carolina and pay no sales tax." Not many people do this anymore. When I started in on this issue years ago, it was very common. Or, "Buy your tile or your linoleum for your kitchen from"—such-and-such—"no sales tax."

So this couple went from Florida to North Carolina and bought $25,000 to $35,000 worth of furniture. Later on, the North Carolina furniture company is audited and they find that they have sold this couple in Florida, as well as couples in a lot of other places, $25,000 worth of furniture. They notify Florida, and Florida calls these people up and say, "You owe us $1,000," or whatever it is. Now, that is a rude awakening, isn't it? You thought you bought something that was tax free and you find out, to your regret, that you didn't.

Well, Mr. President, I have just been handed a note that the majority leader wants to have a vote. Frankly, I don't like being interrupted in the middle of a debate. It is nothing but a bed check vote. But the majority leader apparently wants the floor by 10:30 and they want me to yield the floor. I got a note that I was going to yield so that Senator LEAHY and somebody else could talk about a judicial nomination. I don't see Senator LEAHY here. I don't see Senator HATCH here. Neither one of them is half as entertaining as I am either.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

EXECUTIVE SESSION

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider Executive Calendar No. 529, the nomination of Sonia Sotomayor to be a U.S. circuit judge for the second circuit.

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

NOMINATION OF SONIA SOTOMAYOR, OF NEW YORK, TO BE A UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT

The legislative clerk read the nomination of Sonia Sotomayor, of New York, to be a United States Circuit Judge for the Second Circuit.

Mr. MCCAIN. Mr. President, I ask unanimous consent that there be 20 minutes for debate equally divided in the usual form. I further ask consent that following the debate the Senate proceed immediately to a vote on the confirmation of the nomination. I finally ask consent that following that vote the motion to reconsider be laid upon the table, 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.

Mr. MCCAIN. Mr. President, I ask for the yeas and nays on the nomination.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, the chairman of the Judiciary Committee is delayed in a committee of conference, but I understand that he has no objection to this side beginning on this nomination. I also notify colleagues that if we reach a point where neither side has further members wishing to speak on the nomination, it is going to be the intention of the managers to yield back whatever time we have. I mention that so that people understand that it is possible that this rollcall may occur sooner than 20 minutes from now.

Mr. President, at long last, this day has finally arrived. Senate confirmation of Judge Sonia Sotomayor has been stalled for 7 long months without any explanation or justification. I have spoken on behalf of this outstanding nominee more than a dozen times. In fact, the most recent time was Monday of this week. I hope that now those who have had the secret hold on this nomination will come forth and claim "credit" for preventing this qualified nominee from helping end the emergency that has confronted the Second Circuit since March. Throughout all the time that there have been secret holds that have kept her nomination from going forward, she has been denied her rightful seniority on the court as others have gone forward. It has not been the Senate's finest hour.

I recall the glowing statement of support from Senator MOYNIHAN to the Judiciary Committee at her hearing back in September 1997, a year ago. I appreciate, as well, the strong statement Senator MOYNIHAN made to the Senate on behalf of this outstanding nominee this summer when her nomination was being stalled. I very much appreciate the efforts he has made on behalf of this outstanding nominee. He has been persistent in his support and in seeking to bring this nomination to the floor without delay. As members of the minority party, that has been a very, very difficult task.

Along with a number of Senators, I wrote to the majority leader on April 9, 1998, urging "prompt and favorable action on the nomination of Judge Sonia Sotomayor." We noted then the judicial emergency that had to be declared by Chief Judge Winter of the Second Circuit. Since March 23, he has had to cancel hearings and proceed with three-judge appellate panels that contain only one Second Circuit judge. That crisis is continuing.

What is happening is when they have these three-judge panels, only one of the judges is from the Second Circuit. They have to bring judges from elsewhere, or retired judges to hear cases. Judge Sonia Sotomayor's nomination has taken over 15 months in spite of the emergency that plagues the Second Circuit.

We have seen the strong support for this nominee from the Congressional Hispanic Caucus and from the Puerto Rican Bar Association, the Hispanic

National Bar Association, and many other bar associations around the country. We have received literally thousands of letters of support for this nominee.

Late this summer, a column in the Wall Street Journal noted that Judge Sotomayor was being held up on the Republican side of the aisle because of speculation that she might one day be considered by President Clinton for nomination to the United States Supreme Court. This was confirmed by a report in the New York Times on June 14.

As I said earlier, this has not been the Senate's finest hour.

How disturbing and how shameful: trying to disqualify an outstanding Hispanic woman judge by an anonymous hold. Here is a highly-qualified Hispanic woman judge who should have been confirmed to help end the crisis in the Second Circuit more than seven months ago.

How petty, how mean, how wrong to cost this judge the seniority she should have had on the Second Circuit by someone anonymously holding her up on the other side of the aisle.

I note very clearly for the RECORD that every time the question of her nomination came forth, it has been made clear that every single Democrat said they were prepared to go forward with her nomination. Every single Democrat said they would vote for her.

When she is confirmed as I fully expect she will be, she will be only the second woman and second judge of Puerto Rican descent to serve on the Second Circuit. Judge Sotomayor is a source of pride to Puerto Rican and other Hispanic supporters and to women everywhere.

Judge Sotomayor is a highly qualified nominee who was confirmed to the United States District Court for the Southern District of New York in 1992 after being nominated by President Bush. She rose from a housing project in the Bronx to attend Princeton University and Yale Law School. She worked for over four years in the New York District Attorney's Office as an Assistant District Attorney and was in private practice with Pavia & Harcourt in New York.

She has been a fine District Court Judge. It was Judge Sotomayor who issued a key decision in 1995 that brought an end to the work stoppage in major league baseball. She applies the law. In this, as in her other decisions, Judge Sotomayor followed the law. That is what judges are supposed to do. There is no basis for a charge that she is or will be a judicial activist.

In his annual report on the judiciary this year on new Year's Day, the Chief Justice of the United States Supreme Court observed: "Some current nominees have been waiting a considerable time for a Senate Judiciary Committee vote or a final floor vote.* * * "The Senate is surely under no obligation to confirm any particular nominee, but after the necessary time for inquiry it should vote him up or vote him down."

Acting to fill judicial vacancies is a constitutional duty that the Senate—and all of its members—are obligated to fulfill. In its unprecedented slowdown in the handling of nominees in the 104th and 105th Congresses, the Senate is shirking its duty. When those nominees are women or members of racial or ethnic minorities, this is especially disturbing.

Today, after holding this nomination for seven months on the Senate calendar, the Senate will finally get a chance to vote on the nomination of Judge Sonia Sotomayor to the Second Circuit. I look forward to our taking action to confirm this outstanding nominee.

Mr. President, obviously I am not going to put this in the RECORD. But I would just note that this two-foot stack of papers contains some of the letters from distinguished lawyers and distinguished bar associations from all over this country—from prosecutors and defense attorneys alike; from people who do appellate work and those who do not; from every spectrum of the bar. These are all letters from people who support the nomination of Judge Sotomayor. These are people who can now finally get a response, a response indicating that this superb candidate is finally being considered by the Senate, that the anonymous holds are no longer being allowed to restrain her nomination, and that the Senate finally walked out into the daylight to vote. I have every confidence that vote will be a favorable one and that she will finally be confirmed—even though she was unjustly denied the seniority she would have gotten had the confirmation gone forward on schedule.

Mr. President, I understand there is no one else seeking to speak on either side. And I have been told by the Republican side that I have permission to yield back their time. I yield their time. I yield our time. We are prepared to vote.

The PRESIDING OFFICER. All time having been yielded, the question is, Will the Senate advise and consent to the nomination of Sonia Sotomayor of New York to be the United State Circuit Judge for the Second Circuit? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Missouri (Mr. BOND) is necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Illinois (Ms. MOSELEY-BRAUN) are necessarily absent.

The PRESIDING OFFICER (Mr. FRIST). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 68, nays 28, as follows:

[Rollcall Vote No. 295 Ex.]

YEAS—68

Akaka	Durbin	Lugar
Baucus	Feingold	Mack
Bennett	Feinstein	Mikulski
Biden	Ford	Moynihan
Bingaman	Frist	Murkowski
Boxer	Graham	Murray
Breaux	Grams	Nickles
Bryan	Gregg	Reed
Bumpers	Harkin	Reid
Byrd	Hatch	Robb
Campbell	Helms	Rockefeller
Chafee	Inouye	Roth
Cleland	Jeffords	Santorum
Coats	Johnson	Sarbanes
Cochran	Kennedy	Smith (OR)
Collins	Kerrey	Snowe
Conrad	Kerry	Specter
D'Amato	Kohl	Stevens
Daschle	Landrieu	Torricelli
DeWine	Lautenberg	Warner
Dodd	Leahy	Wellstone
Domenici	Levin	Wyden
Dorgan	Lieberman	

NAYS—28

Abraham	Gramm	McConnell
Allard	Grassley	Roberts
Ashcroft	Hagel	Sessions
Brownback	Hutchinson	Shelby
Burns	Hutchison	Smith (NH)
Coverdell	Inhofe	Thomas
Craig	Kempthorne	Thompson
Enzi	Kyl	Thurmond
Faircloth	Lott	
Gorton	McCain	

NOT VOTING—4

Bond	Hollings
Glenn	Moseley-Braun

The nomination was confirmed.

The PRESIDING OFFICER. Under the previous order, the motion to reconsider is laid on the table and the President will be notified of the Senate's action.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

Mr. BURNS. Mr. President, the Senate is not in order.

The PRESIDING OFFICER. The Senate will be in order.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

INTERNET TAX FREEDOM ACT

The Senate continued with the consideration of the bill.

Mr. MCCAIN. Mr. President, what is the parliamentary situation?

AMENDMENT NO. 3677

The PRESIDING OFFICER. The Senate is considering the bill, S. 442, and the amendment offered by the Senator from Arkansas is the pending question.

Mr. MCCAIN. Mr. President, I am going to propound a unanimous consent request for a time agreement so that Members can know when the next vote will take place. I thank my colleagues for their cooperation. Perhaps not all time will be used.

I ask unanimous consent that prior to the vote on the Bumpers amendment, the following time be allocated: 10 minutes for Senator DORGAN, 10 minutes for Senator BUMPERS, 10 minutes for Senator GRAHAM of Florida, 10 minutes for Senator SNOWE and 5 minutes equally divided between Senator MCCAIN and Senator WYDEN.

The PRESIDING OFFICER. Is there objection?

Mr. BUMPERS. Reserving the right to object, and I shall not object, I want to include, if it is agreeable with the manager, 2 minutes for the distinguished Senator from New York to speak on the previous nomination.

Mr. MCCAIN. Will the Senator repeat that?

The PRESIDING OFFICER. Will the Senator repeat the request? Can we have all extraneous conversations taken to the Cloakroom?

Mr. BUMPERS. I suggest to the distinguished floor manager that I will not object to his request, but I want to include 2 minutes immediately for the distinguished Senator from New York to speak on the previous nomination.

Mr. MCCAIN. Mr. President, I ask unanimous consent that prior to resuming debate, the Senator from New York be recognized for 2 minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MCCAIN. I understand the unanimous consent request is now agreed to, Mr. President.

The PRESIDING OFFICER. The Senator is correct.

The Senator from New York is recognized.

NOMINATION OF SONIA SOTOMAYOR, OF NEW YORK, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT

Mr. MOYNIHAN. Mr. President, the Senate has just passed an enormous milestone in the composition of the American judiciary with the confirmation of Judge Sonia Sotomayor for the appointment to the second circuit court of appeals. It is a fine day for New York, I might say specifically for the Bronx, a fine day for the judiciary.

I thank our distinguished Judiciary Committee chairman, Senator HATCH, Senator LEAHY, and the majority leader, Mr. LOTT, and his colleague, Mr. DASCHLE, and, of course, my colleague, Senator D'AMATO.

It was 7 years ago in March that I had the honor to nominate Sonia Sotomayor to serve on the southern district of New York. President Bush placed her name in nomination, and she was sworn in directly on October 1992. Her subsequent experience on the bench has been admirable. In 5½ years, she has presided over 500 cases and has been overturned only 6 times. She has presided over cases of enormous complexity with skill and confidence that would befit the editor of the Yale Law Journal and a person who rose from the most simple circumstances in south Bronx to the eminence she is now assured.

I thank the Senate, I thank all those involved, and I thank, not least, my friend from Arkansas for yielding me this time.

INTERNET TAX FREEDOM ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The Senator from Arkansas.

AMENDMENT NO. 3677

Mr. BUMPERS. Mr. President, let me remind my colleagues of a very simple fact. Don't vote against this amendment because you want to go home and tell your constituents that it imposes a new tax. It does not. For all of you people, when we talked about unfunded mandates, who talked endlessly about States rights, this is a classic States rights issue. If you vote against my amendment, you are saying to the States: We don't trust you; we are not going to let you collect new taxes on remote sales; we are going to stand by while your tax base is eroded, while you try to raise property taxes in order to pay for schools, but we simply cannot trust you and, therefore, we are not going to give you the authority.

I am telling you—I do not know how I can say it more dramatically, more graphically—as a former Main Street merchant, I can tell you it is patently unfair to make the people of my State and your States make Main Street merchants collect sales tax on every single dime they take in, but if you want to move just across the State line and ship it back into the State, you can do it and not charge any sales tax.

I had a cousin who bought a fur coat in New York. The clerk said, "You sound like you're southern." She said, "I am. I'm from Little Rock." The clerk said, "Why don't you let us mail this coat to you? That way you won't have to pay this $100 or $300"—whatever it was—"in sales tax." She said, "Fine. Just mail it to me." That is the kind of thing that is going on, and it is going to continue to go on.

On your desk, in about 10 minutes, you will find the list of people in this country who strongly favor the Bumpers amendment. You know who they are? They are the Governors; they are the mayors; they are the city councils; they are a whole host of Main Street merchant organizations. Look at it before you vote, and figure out what you are going to say to them the next time you address their organizations on why you didn't vote for this amendment. Tell the Governors why their tax base is being eroded.

Mr. President, we exempt in this bill—listen carefully—we exempt every mail-order house in the United States that does less than $3 million a year. That exempts about 89% of the mail-order companies in the United States. My amendment would make the States put in a 1-800 number so any mail-order house that is confused can call the State and find out what that State's rule is. We have a blended rate so that the mail-order house only has to collect one rate and the States will distribute it between the cities and the counties. We have done everything in the world to make this as easy as possible for everybody.

Mr. President, here is an article from the New York Times this morning. There is a copy of the article on every member's desk. This article make all the arguments that I have made here this morning.

Let me tell you one other argument they make that I have not made, and that is that people who buy on the Internet are the wealthiest people in the country. They are the ones who are doing most of the buying, because they have Internet access. So if I am a wealthy person, I have a computer in my home, and I am on-line, this sales tax loophole favors me. The guy making $6 to $10 an hour does not have a computer in his house. He does not know what is available on the Internet. It is another way of discriminating against those who have the least.

Mr. President, I am really sorry that we are in such a rush. I know a lot of people want to catch planes, and I am sympathetic to that. I have been in that situation myself. But I want to say, No. 1, please read the New York Times article; please look at the list of people that will be on your desk in about 5 minutes who support this amendment; and, finally, if you are going to vote against this amendment, please figure out what you are going to say to the mayors and the Governors who have the responsibility of keeping the schools open, who have the responsibility of funding the fire departments, who have the responsibility of funding the police departments, keeping the streets clean, keeping the landfills in compliance with EPA rules, and all the other things that cost "gazillions" of dollars across the country. Ask them why they are not allowed to collect a little tax to at least help pay the landfill for covering up 4 million tons of catalogs a year, if nothing else.

So, Mr. President, I know everybody is in a hurry. And I guess I have said about all I need to say. I see Senator DORGAN on the floor who wants to speak and who has time allocated. So, Mr. President, I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, let me, in just the 10 minutes that I am allotted, make a comment about the

amendment offered by Senator BUMPERS and also to comment about the underlying bill.

Senator BUMPERS offers an amendment that I think is very important and one that I intend to vote for and feel is a good amendment. The bill brought to the floor of the Senate, in its original form when it was passed out of the Commerce Committee, was totally unacceptable to me. I voted against it, worked against it, and felt its provisions were counterproductive. But since that time, the Senator from Oregon, Senator WYDEN, Senator MCCAIN, I, and others, have worked together; and the bill that will now be presented—I believe changed also by the managers' amendment—is a piece of legislation that has merit. But I think the legislation will be improved by the amendment offered by the Senator from Arkansas as well.

This legislation is called the Internet Tax Freedom Act. And all of us understand that the information superhighway and new technology mean that commerce in this country is changing. Nowadays, if you want to buy a book, you can walk down to a bookstore someplace and buy a book. You might be able to look in a mail-order catalog and buy a book, or you might be able to go to your computer and buy a book. In either of those cases, you are a consumer purchasing a book.

You can do the same with a saddle, if you happen to ride horses. You can do the same with a car. For that matter, you can do the same with virtually all merchandise these days. And the Internet, used for commerce purposes, is exploding all around us.

The question is: When people are accessing the Internet or, for that matter, a mail-order catalog, or going downtown to make the purchase at a local business, what are the tax consequences? What kind of taxes do they pay? To whom do they pay those taxes? These are important issues.

I am not someone who believes we ought to impede the use of the Internet in any way with punitive taxes. I believe that if there are punitive or discriminatory taxes that would impede the ability of the Internet to serve this country's commerce interests, then let's stop that, let's prevent the States from doing that. I have always said to the Senator from Oregon, who has been a leader on this issue, you and I do not disagree on that score. If there are taxes imposed that are punitive, then I say, stop it. But the other question that is raised by the Senator from Arkansas is a very important question.

Someone decides to start a store on the main street of Fargo, ND, or Little Rock, AR, and they decide to open for business. They rent a place, buy a sign and put it out front. They hire some people to work in the place, get some inventory in, and then they open the door. And they are proud; they have some flowers around for their grand opening. There they are; they are in business. Then someone walks down the street, sees their picture window, goes on in, and buys a product.

When that person buys that product, in Little Rock or in Fargo, ND, that person is going to pay the local retail taxes that are imposed by that State. That is the way it works. That is the way it always works.

Then we see an increase in mail-order sales. What happens with mail-order sales is that someone sends a catalog into the home. The person sitting in a home orders the same products, does not go down to a store to order but just orders it through the mail, and gets those products sold without a sales tax attached. If that State has a 6-percent sales tax, it means that catalog seller has about a 6-percent advantage over the person who has hired the employees, rented the building, and holds himself open for business on Main Street.

The Senator from Arkansas is correct—and I think not many people know this—when the person orders from the mail-order catalog and gets the merchandise, that individual has a responsibility—in almost all the States—to pay a use tax. Most people will never do that because they do not know that requirement exists, don't have the forms to comply in any event, and would not want to fill out a set of forms for 86 cents or $1.86. So the fact is, it does not happen.

Now, add to mail-order catalog sales the question of Internet sales. And what are the tax consequences there? What will be the impact on the Main Street businessperson who is competing with that Internet seller, competing with the mail-order seller? What will be the impact on that Main Street merchant? That is the question that is raised by the Senator from Arkansas. It is a very legitimate question.

I come from the Jeffersonian wing of my political party. The Jeffersonian wing believes, as Thomas Jefferson did, that this country is made strong by broad-based economic ownership. A lot of men and women across this country are in the market system, opening up for business, with a network of small businesses doing business all across America. We ought to be mindful of how those folks on Main Street that are risking all their savings to open their businesses are treated with the tax system. If you are a real person that has a business on Main Street you are treated one way for tax purposes, but if you have a catalog firm or Internet selling operation you are treated a different way.

The Internet Tax Freedom Act, at its roots now, as it has been changed, is an attempt to say we don't want anybody to see this Internet system as some huge peach out there that they can take a big bite out of for tax purposes in a way that is punitive and impedes or retards the growth of Internet. I agree with that.

But the Senator from Arkansas raises another question: Do we want the Internet and/or mail-order sellers to have an advantage over the folks who open their businesses on Main Street with respect to the imposition of State and local taxes? The answer to that ought to be no. This ought to be tax neutral. The whole system ought to be tax neutral. No matter how you are selling your product, you ought not be in a circumstance where you are selling it at an advantage over the person that hired the people, found the location and is open for business on Main Street. That is the point the Senator from Arkansas is making.

This is not a new issue, incidentally, for mail-order catalogs, but it certainly is a new issue with respect to the Internet.

I guess it was probably 7 years ago when I was in the other body serving on the Ways and Means Committee, probably 8 years ago, and got a bill through the subcommittee on the Ways and Means Committee to do just exactly what the Senator from Arkansas is proposing. It was very controversial. It never got beyond the subcommittee. I got the subcommittee to vote it out. But then our committee got millions of post cards from across the mail-order spectrum saying that the attempt here was to increase taxes. That is not true at all. The Senator from Arkansas doesn't propose, and I would never propose, we increase taxes on transactions. That is not the case. There is no proposal here that would increase anybody's tax.

The question here is: How do you treat different kinds of commerce in a way that is fair with respect to the imposition of State and local taxes? Some say let's treat it in this way: Have the Federal Government set itself up as the referee and create moratoriums and prohibitions and all kinds of mandates with respect to the State and local governments. I don't happen to favor that. I don't think that is the right approach.

Others say let us find a way to be helpful to the State and local governments to do what is necessary to even this out so we don't have discriminatory taxes imposed on one kind of seller versus another kind of seller. That is what I think is addressed by the Senator from Arkansas.

I do want to mention with respect to the larger bill that is before the Senate, this is very important. If this is done in a way that is inappropriate, in a way that we really don't understand, in a way that changes words sufficient so that we have a blizzard of litigation in all the State courts all across the country or in a way that creates safe harbors for certain kinds of people doing certain kinds of business or punitive tax treatment because competitors

are not faced with the same consequences, then we will have done a disservice.

The moratorium that is described in the legislation is a moratorium that I think is appropriate. It says let's take a time out for a few years. We will take a time out and we will evaluate where we are. We will grandfather the States that have certain kinds of taxes, but we won't impose different taxes until we understand what we are doing here. I agree with that.

The New York Times in their editorial this morning says the Senate, which debates this bill today, should resist extending the moratorium to 5 years. I agree with that, as well. We will have Members come to the floor and say, "Gee, the moratorium is a great idea. Let's slap a moratorium on the States."

I support a thoughtful, sensible moratorium to give time regarding what is happening here, but a 5-year moratorium is far too long. Those who propose that with an amendment—I am sure they will; I am told they will—I hope we can defeat a 5-year moratorium. That is wholly inappropriate.

Those are the comments I want to make in support of the effort made by the Senator from Arkansas. He does the Senate, in my judgment, a real service. As he leaves the Senate, I will miss him walking up and down the aisle telling us about his home State, but I will miss him most importantly for the causes he fights for and the aggressive, energetic manner that he fights for these important things. Sometimes he wins, sometimes he loses, but the prospect of winning and losing doesn't affect the kind of things he knows in his heart are right. He is as aggressive as anybody in this Senate in fighting for the things he finds important.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida.

Mr. GRAHAM. Mr. President, I urge my colleagues to vote favorably on the amendment offered by the Senator from Arkansas. It meets some basic tests. It meets the test of essential fairness.

We have today in this country a situation in which if Main Street were divided north and south, all of the stores along the northern part of Main Street are meeting their obligations to collect the appropriate State and local tax which is levied by their locally elected officials within that State and which are used to support State and local government. But the stores along the south side of Main Street are treated differently because the south side of Main Street is in another State, in another jurisdiction. Therefore, the sales that are made on the south side of Main Street are not subject to the requirement of collection by the seller as are the stores on the north side of Main Street.

Therefore, if you go into a clothing store on the north side of Main Street and buy a suit, shirt, dress or shoes, you will pay and the store will collect and remit to the State those taxes which have been levied. But if you are on the south side of Main Street and you are communicating by telephone or through the post office, that seller does not have that obligation to collect the tax.

This is fundamentally unfair. It is not only unfair to the retail seller on the north side of the street, it is also unfair in that it deprives the community of the resources which are necessary in order to pay for police, fire, health, and particularly educational services, the most expensive service that most communities provide to their citizens.

In his opening statement, the Senator from Oregon and my colleague and good friend, Senator WYDEN, indicated that the fundamental issue here is to treat commerce in a state of neutrality as it relates to technology. I think that very appropriately states the destination that we all want to get to, that we want to treat commerce with neutrality as it relates to the technology with which the commerce is conducted. Clearly, that is not the state of the law today.

Senator BUMPERS gives us an opportunity to achieve that neutrality by saying that all sellers will be responsible for the collection of State and local sales tax whether they are on the north or south side of Main Street.

In addition to being an issue of fairness, it is an issue of our Nation's future. If there is one thing that unites Americans in 1998, it is a recognition that our future as a nation, our future as a cultural leader, as a security leader, and as an economic leader depends, more than any single thing, on the ability of each individual American to be able to perform at their highest level of potential. And it is to our education system that we look to provide for most Americans that means by which they can achieve their full ability.

We have decided here in the Congress—and it is a position which I generally support also as a member of the Jefferson wing of the Democratic Party—that the best government is that government which is closest to the people who are served. We have, in a number of areas, devolved responsibilities to State and local governments. Those responsibilities also carry with them the obligation of State and local governments to provide the resources to finance those services.

We have also, Mr. President, thus far, refused to provide for additional partnerships where the Federal Government could enter into programs to assist State and local responsibilities. One of the most dramatic of those has been in the area of school construction. I must personally say, having stated my essential Jeffersonian position, that I believe it is appropriate for the Federal Government to assist local school districts and States in seeing that old schools are rehabilitated and new schools are constructed to meet an increase in student population. This is a particular issue in my State of Florida, Mr. President, as we are entering a state of maturity in Florida in which we have many schools that are now 40, 50, 60 years old, or more, and need substantial rehabilitation. We are also a State that, every year, is adding some 50,000 to 60,000 new students to our public schools, therefore requiring new schools to be constructed in order to provide the classrooms and laboratories for those additional students, without resorting to overcrowded classrooms.

I believe that the Federal Government has a role to play in this area, and it will be a role that could be played without undue interference with the responsibilities of State and local officials for the management of public education. I point out, however, that none of those efforts to provide for expanded Federal assistance has been accepted—other than some items through the Tax Code—and there has been a limited benefit to a certain number of school districts. But if we are not going to be providing an aggressive partnership to help States meet what today is over a $200 billion unmet need for school rehabilitation and new school construction, at least we ought to be assisting the States by allowing them to have their own taxes collected by remote sellers.

According to the New York Times editorial, which was previously referenced, the loophole that exists in today's law that holds that remote sellers are not responsible for collecting State and local sales taxes results in a revenue loss of $3.5 billion today. And that number will rise as more commerce is conducted from remote sales. That $3.5 billion, if the States collect it, could finance a significant beginning of States meeting their school construction needs.

So as I believe the first principle of the former profession of the occupant of the Chair is to "do no harm," at least we ought to do no harm to the States by not precluding them from securing the revenue which they would have gotten had those sales been on the north side of Main Street because the decision was made to buy on the south side of Main Street from a remote seller.

So, Mr. President, this is not only an issue of fundamental fairness, it is an issue of States in this era of devolution of responsibility and Federal reticence to provide assistance to States carrying out their most important responsibilities, such as the education of

their children. This will be a step toward our recognizing our responsibilities to our brethren at the State level to be able to fulfill these responsibilities.

Now, Mr. President, as I conclude, I do so with strong support for the amendment of the Senator from Arkansas. Having offered the same amendment in the Finance Committee and having seen it defeated, and knowing this is not the first time that it has been debated on the Senate floor with the result being defeat, I am not optimistic that the Senate today, regrettably, will adopt the amendment of the Senator from Arkansas.

We are going to have another debate on a collateral subject, Mr. President. I alert my colleagues to this. It is the debate on whether the commission, which will be established in Senator WYDEN's bill, should have the opportunity to consider the issue of the responsibility of remote sellers to collect State and local sales tax. At a minimum, if we are not going to adopt Senator BUMPERS' very wise proposal today, we certainly should allow the commission to consider this on another day with even more analysis than we already have, and we will be in a position to do so.

Mr. President, as I conclude, I ask unanimous consent to have printed in the RECORD an editorial from the New York Times of October 2, 1998, entitled "Fair Taxation in Cyberspace."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times Oct. 2, 1998]

FAIR TAXATION IN CYBERSPACE

The rapid growth in sales of goods over the Internet raises hard questions about how states might fairly tax those transactions. The same problem has existed for years in mail-order sales. Consumers are technically liable for sales taxes on all purchases, including out-of-state catalogue purchases, but mail-order companies are required to collect sales taxes only in states where they maintain a physical presence. This loophole costs state and local governments about $3.5 billion a year.

The National Governors' Association and local government groups are rightly worried they will lose billions more a year from Internet sales that would otherwise be taxable in a traditional store. That loss—estimated to reach $10 billion a year in the next decade—will have a disproportionate impact on states that depend heavily on sales taxes, providing a tax break mostly for the affluent who have access to the Internet.

On-line service providers and electronic commerce lobbying groups, of course, want to make cyberspace tax-free, arguing that taxation would choke off Internet growth. Tax policy should not discriminate against electronic sales. But neither should the Internet be protected from taxes that apply in other realms of commerce.

Congress should keep the principle of parity in mind as it works through the proposed Internet Tax Freedom Act. The bill is intended to give state and Federal officials some breathing room to tackle these issues in a coordinated fashion. The House version, approved in June, would establish a three-year moratorium on any new Internet sales taxes and taxes on access to on-line services. It would also create a national advisory commission to examine ways to improve tax collection on all remote sales, including possible changes in Federal law to close the out-of-state-sales loophole.

The Senate, which debates the bill today, should resist extending the moratorium to five years, as some senators want. A long moratorium is unnecessary and would be hard to undo as consumers and businesses become accustomed to a tax-free cyberspace. In the meantime, the dozen states that have enacted Internet access taxes should be allowed to keep those taxes in place. Congress has no good reason to truncate state taxing authority, particularly since Internet commerce is thriving.

Mr. FORD addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. FORD. Mr. President, I yield myself 1 minute from the time remaining of the Senator from Arkansas, Mr. BUMPERS.

Mr. President, we have talked about catalog sales and the loss of funds. Yesterday, on the DOD authorization bill, we usurped States in their ability to tax, and now we are turning that around. Yesterday, we told the States that we are going to usurp a tax if we don't think it is fair locally or statewide. The residents of Tennessee who work in Kentucky at a Federal installation, who have been paying taxes—and the States have worked it out—were excluded yesterday. And then my residents in Kentucky are paying the Tennessee sales tax, and they were not exempt because Tennessee goes on a high sales tax and no income tax. So, yesterday we said to State and local governments that you can't tax.

There are 240 installations around the country. I think you will rue the day that you usurped the Buck Act and you said to the States that we are Big Brother and we will tell you how to tax. Now we have a catalog question before us that says we ought to get the tax. So we have to be very careful what we are doing. Yesterday was a bad day, not necessarily for Kentucky, but for others. Oregon had the same problem with Washington. They passed a law and worked it out and everything is fine. That is what we ought to do between States. This was not a Federal tax.

I yield the floor.

Mr. CHAFEE. Mr. President, like my friend from Arkansas, I am concerned about the effect that mail order sales companies have on local retailers. I have no axe to grind with these businesses, and in fact applaud their ability to provide a very important service to many Americans. The convenience of this type of purchasing is good for the consumer.

What does concern me is the possibility that mail order and other direct sales companies' popularity is on the rise simply because they are not required to collect state sales taxes. I do not know if that is the true reason for their growth, but I would be concerned if they are taking advantage of what may be, in effect, an uneven playing field. Remember, local merchants, who compete with direct sales companies for business, have no opportunity to avoid collecting sales tax on their transactions.

Mr. President, the amendment offered by the Senator from Arkansas raises a very important issue, and I am glad that the Senate has had the opportunity to debate it this morning. But this is a complicated issue, and cannot be fully considered over a few hours of debate on the floor of the Senate.

I have several questions about the proposal offered by the Senator from Arkansas. For example, is it reasonable to set the exemption level at $3 million of annual sales? Is the per state exemption level of $100,000 in annual sales an appropriate level? On whom should this obligation be imposed?

Mr. President, these are just some of the questions that the Advisory Commission should be given the opportunity to explore. It may be that when this issue is fully reviewed, the Congress will decide that the approach proposed by the Senator from Arkansas is the correct one. But I don't think we can make that judgment today, and that is why I am voting to table this amendment.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I yield 5 minutes of Senator SNOWE's time to the Senator from Pennsylvania, Senator SPECTER.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

INTERNATIONAL RELIGIOUS FREEDOM ACT

Mr. SPECTER. I thank my colleague.

Mr. President, I have sought recognition to speak briefly in support of the International Religious Freedom Act, which was introduced today.

Mr. President, this follows some 2 years of effort. This legislation, first introduced by Congressman FRANK WOLF in the House and then introduced by myself in the U.S. Senate, seeks to put the imprimatur of the United States of America squarely in opposition to the religious persecution that is going on around the world. Again, the efforts have continued for 2 years.

Recently, because of certain objections to the tough sanctions imposed in the bill introduced by Congressman WOLF and myself, compromise legislation has been crafted with the leadership of Senator NICKLES, Senator LIEBERMAN, Senator COATS, with my participation, which strikes out at religious persecution around the world. Freedom of religion is a basic American value; perhaps along with freedom

of speech, the basic American value; perhaps even more important than any other value expressed in our Bill of Rights, because freedom of religion is the first item mentioned in the Bill of Rights.

We have seen around the world egregious religious persecution with clerics being mistreated in China; with individuals being sold into slavery in Sudan. My own observations and investigation in Saudi Arabia, illustratively where Christians cannot have a Christmas tree in their window if it can be viewed by the outside; where Jewish men and women in the fighting forces in Tent City—where we have some 5,000 American personnel protecting the Saudis in the midst of a desolate desert—those Jewish military personnel are afraid to wear their dog tags, their identification being just too risky. In the Egyptian press Congressman WOLF and I have been vilified and chastised for our efforts to fight against religious persecution around the world.

You can judge people by their enemies as well as by their friends. It is a tribute of a sort—also a tribute of a source—to be so chastised for speaking out against religious persecution.

The bill, which was introduced today, Senate bill 1868, candidly, does not go as far as this Senator would have liked. My own view is that religious persecution ought to be met by very forceful sanctions. But the message was clear and unequivocal that the President's administration would not sign legislation with tough sanctions.

It is regrettable that the almighty dollar continues to rule American foreign policy, and has limited the strike and has limited the resistance to religious persecution that we have articulated around the world. It would have been better for human rights to have tougher sanctions; it would have been a better statement of American values on human rights and freedom of religion and better to stamp out religious persecution to have been quite a lot tougher.

But the reality is that we are about to the end of the 105th Congress, a week from today. Congressman WOLF and I have pressed this stronger, tougher legislation for a lengthy period of time, and if no action is taken by the end of the congressional session, then I think that is a signal for open season for those who practice religious persecution to keep it up.

What has been crafted here is a compromise. We haven't compromised the principle, but we have adhered to the principle of compromise in crafting the legislation. It takes a very significant first step with the declaration by the U.S. Government that religious persecution is not to be tolerated. We will monitor the results, and, if necessary, we will be back with further legislation. I think this is a significant step forward.

I compliment Congressman WOLF for his diligence over a long period of time. I compliment Senator NICKLES and Senator LIEBERMAN for their craftsmanship of working out this compromise bill, along with our distinguished colleague, Senator COATS, who commented at a press briefing a few moments ago that as a final act on a very, very distinguished career in both the House and the Senate, this bill is something to be recommended.

I urge my colleagues to take a look at the bill, to join as cosponsors, but to certainly pass it before we end the 105th Congress so that it becomes the law of the land and it will strike a real blow for religious freedom around the world.

I thank the Chair, and I yield the floor.

INTERNET TAX FREEDOM ACT

The Senate continued with the consideration of the bill.

Mr. WYDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Thank you, Mr. President.

AMENDMENT NO. 3677

Mr. President, Senator MCCAIN and I have 5 minutes to briefly respond to Senator BUMPERS' proposal. I will use a couple of those minutes of time.

First, let me say that Senator BUMPERS is such an extraordinary person and such a wonderful orator that anyone who comes to the floor to speak after him is sort of in the position of being Tugboat Annie after the *Queen Mary* has sailed off.

I would like to try to briefly respond to Senator BUMPERS' proposal, and to urge my colleagues to strongly oppose it. First, let us be clear about what this legislation says with respect to those mayors and Governors about whom Senator BUMPERS is concerned.

This legislation says that if you are liable for a tax today, you are going to be liable if electronic commerce goes forward. You are going to be liable for a tax on an Internet sale just as if it was a traditional sale taking place today.

What the debate is all about is that some States believe that because they cannot collect on mail order today, they want to go out and collect taxes with respect to the Internet because they see the Internet as the cash cow.

Senator MCCAIN and I and others don't feel that the problem in our country is that mail-order sales aren't taxed enough. We think that what we ought to do as we look to the next century and the new economy—the digital economy—is to make sure that we have technological neutrality. This vote that we will be having in just a few moments on the Bumpers amendment is essentially the first substantive recorded vote that we will have had with respect to the Internet.

I urge my colleagues to oppose this. I will oppose it strongly, because I don't think the problem in our country is that mail-order sales aren't taxed enough. I think what we ought to do is go forward with this legislation as it stands now to ensure technological neutrality. I and others would be happy to work with Senator DORGAN and others to address this mail-order problem. But at the end of the day, let's not make the mistake with the Internet that was made with mail order years ago and create the same kind of fight and brawl.

Mr. President, I yield the floor.

Mr. MCCAIN. Mr. President, I will be very brief.

The proponents of this amendment say it is not a new tax but proper enforcement of an existing sales tax. This is not the case. With a few exceptions, States do not receive sales taxes from out-of-State mail-order businesses, nor can they expect one under current law since this is a tax that has never been collected in the past.

There is only one way to vote in favor of this amendment. Let's be clear. This amendment represents a very large tax increase on the public.

Mr. President, this amendment permits states to require out-of-state mail order businesses to collect their sales taxes on purchases made by their residents. The Senate Finance Committee, while reviewing the Internet Tax Freedom Act, determined by a bipartisan vote of 13–6 that the Internet Tax Freedom Act is not an appropriate vehicle for the Senate to act on this measure. I agree with the Finance Committee's assessment, and I know that were my colleague and chairman of the Finance Committee, Senator ROTH, present, he would object to the consideration of this measure by the Senate without a full review of this issue in committee hearings.

Make no mistake, this is not simply the collection of a standardized interstate sales tax, as troubling as that would be. There exist thousands of taxing jurisdictions at the state, county, and local level in the U.S. Combined with the different nuances of each of these jurisdictions, mail order businesses will face an administrative nightmare fulfilling their obligations under this amendment. In fact, it is the large number and complexity of different tax codes which now require the Senate to consider a moratorium on taxation of electronic commerce. Certainly we cannot now say that mail-order businesses can or should have to attempt to deal with the same difficulties electronic commerce faces when it comes to sales taxes.

Mr. President, in addition to representing an administrative burden to industry, this amendment would also place unacceptable burdens on consumers. Mail-order businesses contribute greatly to the quality of life for

many Americans. The disabled, the elderly and others rely on mail-order businesses for a variety of products. Should out-of-state mail-order firms be required to collect sales taxes, it is entirely possible that consumers will find themselves having to calculate the proper sales tax to be remitted to the mail-order company. Given the complexity of taxes, it is more than likely that no small number of consumers will find the delivery of their purchases delayed due to insufficient sales tax payments. Not only will this amendment decrease mail order business' ability to cater to these Americans, but it will reduce the convenience of the mail order industry which is at the heart of its success.

Proponents of this amendment have cited fairness for small businesses as support for passing this amendment. The underlying philosophy is that small businesses cannot compete with tax-free products offered by out-of-state mail-order businesses. Mr. President, small businesses have more to fear from retailers in their own communities, such as K-Mart, Target, and Wal-Mart, than from mail-order businesses, yet small business continues to thrive. Most Americans are not spending their time shopping around for good deals on sales taxes, but they will go to a store two blocks away as opposed to a store a block away if they can get a better price on a product.

Mr. President, this amendment is not necessary for states to collect sales taxes on out-of-state mail order purchases as some suggest. Many states have adopted use taxes to make up for supposed losses in sales tax revenue on goods purchased out-of-state, which require residents to send in sales taxes on these purchases on their own. Proponents of this amendment say that the public is not aware of these use taxes, and therefore does not pay them. In reality, use taxes have not been effective because many of those states with use taxes are not actively enforcing them. Is this reason enough to place the burden of tax collection for Arkansas on Arizona businesses? Will Arizona businesses be able to take advantage of the sidewalks, roads, or public safety services in Arkansas? If taxing authorities are dissatisfied with their receipts from use taxes, they should work to devise alternative methods for informing the public about their existence.

Mr. President, the Congress has worked hard to balance the federal budget, and we now have a budget surplus. As a result, Congress is working on a tax cut package the American people have every right to expect. This is not the time to consider new taxes on an American public already being nickel and dimed. Proponents of this amendment say it is not a new tax, but merely the proper enforcement of existing sales taxes. This is not the case. With a few exceptions, states do not receive sales taxes from out-of-state mail-order businesses, nor can they expect to under current law. Since this is a tax that has never been collected in the past, there is only one way to view a vote in favor of this amendment. Let us be clear, this amendment represents a huge tax increase on the public.

I urge my colleagues to oppose this new tax.

Mr. President, I ask unanimous consent to have printed in the RECORD a Wall Street Journal article of December 23, 1992.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Dec. 23, 1992]

MAIL-ORDER TAXES, GHOST OF CHRISTMAS FUTURE

(By Arthur P. Hall II)

If many states have their way, consumers could lose lots of shopping flexibility at Christmastime—and all year long. In their increasingly desperate attempts to collect money without upsetting voters, certain states want Congress to help them cash in on their residents' out-of-state mail-order and direct-marketing purchases. But the results would be disastrous—disappointing state treasuries, depriving consumers and ruining many people who depend on mail-order firms for their livelihood.

The entire direct-marketing industry exceeds $200 billion annually, and includes charities and political fund-raising groups. States continue to explore the taxation of consumer services and advertising, but the tax assault is aimed primarily at mail-order catalogs, a strong and growing sector of the U.S. economy.

A study released in October by the Pennsylvania-based WEFA Group (formerly the Wharton economic consulting group) found that the catalog industry, with sales of $48.8 billion, contributed $39.9 billion (0.6%) to 1991's gross domestic product. (According to Virginia Daly of Daly Direct Marketing in Bethesda, Md., mail-order gifts account for 20% of all Christmas shopping.) In 1991, the catalog industry employed more than 250,000 people and generated a total employment of 1.17 million. The WEFA Group projects that these figures will grow substantially between 1991 and 1996, with total employment growing 16.6%.

HOW TO STIFLE GROWTH

But taxes could stifle this growth if states persuade Congress to pass legislation enabling them to make out-of-state firms collect what is called a "use" tax. It is like a sales tax, but it applies to transactions in which a buyer and seller reside in different states. The U.S. Supreme Court, in a 1967 decision, frustrated state tax collectors by ruling that, without congressional approval, they could not require out-of-state firms to collect the use tax when the firm's only presence ("nexus") in a state was the shipment of catalogs by common carrier or U.S. mail. In sum, the court required a physical presence within the taxing state.

Ever since, tax collectors have tried to find a way around the ruling. These efforts increased in intensity about 1986, and included laws passed by 36 states to broaden the nexus interpretation from a physical to an economic presence. The Supreme Court rejected these efforts and upheld the 1967 precedent in its May 1992 decision on *Quill Corp.* v. *North Dakota*. But the court also said that "Congress is now free to decide whether, when, and to what extent the States may burden interstate mail-order concerns with a duty to collect use taxes."

Since 1986, most states—with Bill Clinton's Arkansas being among the first—have enacted use-tax statutes, enforcing them with varying degrees of intensity while awaiting clear direction from Congress. Rep. Jack Brooks (D., Texas) offered such legislation in May 1989. The Brooks bill never passed, but the 1983 political landscape offers promise for revenue-hungry states.

The problem with use taxes is that they are a compliance nightmare for everyone—direct marketers, consumers and states. That's why states want Congress to simplify their task by allowing them to force mail-order firms to collect the taxes. But politicians have a bad habit of ignoring the economic, consumer-choice and administrative costs associated with revenue-raising measures.

According to a 1986 study by Touche Ross, the accounting firm (now Deloitte Torche), forcing mail-order firms to collect state use taxes will raise their operating costs by 10% to 20%. And the costs get more onerous for smaller firms. That's why the Brooks bill exempted firms with annual revenues under $12.5 million. But this threshold still leaves midsize firms ($13 million to $50 million) with huge and potentially crippling costs); it also erects a serious obstacle to growth. Firms surpassing the $12.5 million threshold would have to buy the equipment and hire the staff to comply with 46 different state tax laws, and absorb or pass on the cost of collecting use taxes by mail. These costs would be six times greater than collecting sales taxes at the point of retail sale.

The fact that more than 50% of mail-order customers still pay by check means that catalog sellers would have to include consumers in the use-tax compliance process. Having to dedicate a page or more of a catalog to reciting state tax laws would of course be costly. But the problem doesn't stop there. Picture a dear grandmother who gleefully picks out Christmas sweaters for her grandchildren, scattered across several states, and then has to spend the afternoon calculating her tax bill. Ho-ho-ho.

Consumer choice and jobs, however, would suffer the most from a federal use-tax law. Midsize mail-order firms increasingly give greater choice and flexibility to rural and elderly consumers. And these firms often establish themselves in market niches, offering unique products that most local markets couldn't support.

Moreover, mail-order firms tend to proliferate in rural areas, providing a core economic base. For example, Lands' End employs 3,700 people in Dodgeville, Wis., more than the population of the entire town. L.I. Bean, in Freeport, Maine, employs around 4,000 At both firms, the numbers swell by 25% in the months leading up to Christmas, Orvis Co. (Roanoke, Va.) employs 400, the Collin Street Bakery (Corsicana, Texas) employs 700, and George W. Park Seed Co. (Greenwood, S.C.) employs 600. If federal use-tax legislation passes, says Leonard Park of George W. Park Seed, "our company is going to get creamed, and a lot of traditional American families will suffer."

A PITIFUL SUM

This suffering will occur for the purpose of "enhancing" state revenues—but only by a pittance. (With administrative costs included, some states would even lose money.) Total state revenues for 1991 equaled $661.4

billion and revenue from general sales taxes equaled $103.2 billion. The Advisory Commission on Intergovernmental Relations—a study group that monitors taxation on federal, state and local levels—estimated potential 1991 use-tax revenue at only $2.08 billion. And even this estimate is too generous.

One should more rigorously adjust the potential tax base for lost jobs, lost mail-order sales, use-tax exemptions, firms that already pay sales taxes because of physical presence in a state, lost revenue from firms that service the catalog industry, services, and state administrative costs. When these adjustments are made, one discovers only about $500 million in potential revenue, about 0.5% of general sales tax revenues. Even Scrooge wouldn't try to collect that pitiful sum.

Taxing the thriving mail-order industry is a thoroughly bad idea. Let's hope its time has not come.

Ms. SNOWE. Mr. President, I rise in opposition to the amendment offered by my distinguished colleague from Arkansas, Senator BUMPERS, because I believe it is unnecessary and could prove detrimental to mail order companies.

For these reasons, I urge that my colleagues reject this amendment, just as they rejected it at the start of the 104th Congress by an overwhelming bipartisan vote of 73 to 25.

Mr. President, I do not believe that the bill currently before us—the Internet Tax Freedom Bill—is the appropriate place for the Senate to consider the imposition of new taxes. This amendment contains major compliance and tax issues that should be properly considered and reported from the Finance Committee before being brought to a vote on the floor.

In addition, my strong opposition to this amendment stems from my belief that this measure will be detrimental to the mail-order industry nationally, as well as posing a stark threat to a company whose quality craftsmanship, durable outdoor products, and legendary commitment to excellence has made it the pride of my home state of Maine—L.L. Bean of Freeport.

L.L. Bean was established 86 years ago as a small, Maine-based store catering to the surrounding community and a limited number of mail-order customers. In 1912, who would have guessed that someday L.L. Bean would rise to become one of the premier international manufacturers and marketers of outdoor gear and other goods? But by focusing on unquestioning customer satisfaction and unparalleled quality products, L.L. Bean succeeded in bringing to our state and the local community many jobs and much pride.

In Freeport alone, 4,000 people are employed by L.L. Bean full-time while over 11,000 are employed part-time during the Christmas holidays, making it the third largest employer in the State of Maine. At the same time, L.L. Bean's retail store brings to Freeport and its surrounding communities 4 million customers every year, and attracts an additional 4 million catalog customers annually—a powerful generator of tourism and business for the entire state.

Mr. President, the amendment offered by my colleague, Senator BUMPERS, would threaten the present and future job prospects of Freeport's residents needlessly, as well as any other community that employs individuals in the mail-order industry.

And even as this amendment would prove harmful in Maine and across the nation, the irony is that this amendment is not even necessary to accomplish the goal being sought by my friend from Arkansas.

Specifically, states already have the ability to collect sales taxes, just as Maine has demonstrated, and can easily collect these taxes through the voluntary income tax.

In Maine, taxpayers are given the option on their personal income tax form of either stating the actual amount of sales tax due for out-of-state purchases in a given year, or entering a flat tax amount based on a percentage of the taxpayer's income.

The bottom line is that states have the ability to collect these taxes—they do not need Federal legislation to do so.

Mr. President, the State of Maine has proven that the legislation being proposed by the Senator from Arkansas is not necessary. I urge my colleagues join me in opposing this proposal, just as they opposed it four years ago. Thank you, Mr. President. I yield the floor.

Mr. McCAIN. Mr. President, on January 19, 1995, this amendment was voted down by a vote of 73 to 25. I anticipate the same vote.

Mr. BUMPERS. Will the Senator yield the floor?

Mr. McCAIN. Mr. President, I yield the floor.

Mr. BUMPERS. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Arizona has 1 minute left; 2½ minutes remain for the Senator from Arkansas.

Mr. BUMPERS. Mr. President, I have lost this amendment several times.

As you have heard me say previously, this is the seventh or eighth year that I have offered this proposal. Every year the specious, absolutely false arguments are made that people don't want any more taxes and that this is a new tax. This is nothing more than a continuation of the unfunded mandates bill we passed here in 1995.

All my amendment does is say to the States, as the Supreme Court in 1992 said, if Congress gives the States authority to tax sales by mail-order catalog houses, the States may take the opportunity to make them pay it.

You are talking about the Chamber of Commerce types who go to work at 8 o'clock in Little Rock, AR, in Allentown, PA, and Nashville, TN, and work all day long and collect sales taxes on every dime of every merchant on all the merchandise they sell; and some guy has a big warehouse across the State line and can ship that same merchandise into Tennessee, Arkansas and Pennsylvania without even collecting a sales tax. The Governors and the mayors and the municipalities, the council of shopping centers, the council of State governments, why do you think they are for this? Because we are saying, if you want to. If you don't want to, fine, don't do it. But we are saying you now have the right that the Supreme Court gave you to require these people who fill your landfills with catalogs to make them collect a tax just like Main Street merchants do.

Why do you think they are for it? Because they see their tax base disappearing with Internet sales and mail-order sales.

I ask every Member of this body before you cast your vote, ask yourself this question: What is going to happen to this country when the schools start closing because the tax base is gone? One of the biggest problems mayors have right now is with their police forces, their fire departments. Community schools are strapped. And all we are saying is if you want to collect a sales tax on out-of-State sales, you can. But this bill doesn't mandate it, doesn't require it. It simply gives you the right, and that is the reason all these organizations are for it. That is the reason the New York Times is for it.

I yield the floor.

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

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I ask unanimous consent to speak for 1 minute.

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

Mr. DORGAN. I thank the Chair.

Mr. President, let me just add to the comments of the Senator from Arkansas. This is a toothless argument that doesn't even wear well with age—that this is a new tax. I have heard that for 8 years. There is simply no demonstration of truth to that argument. It is demonstrably untrue. This is not a new tax. The tax already exists on that form of commerce. It is not now being paid. The Senator from Arkansas does not propose to change the fundamental question of whether that transaction is taxed or not taxed.

So when I hear comments from friends of mine saying that this is a new tax, I say they are wrong, dead wrong and the facts demonstrate that. So I hope Senators will support the Senator from Arkansas. I think he has offered a good amendment.

Mr. McCAIN. Mr. President, I move to table the Bumpers amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Missouri, (Mr. BOND) is necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN), the Senator from South Carolina (Mr. Hollings), the Senator from Nebraska (Mr. KERREY), the Senator from Illinois (Ms. MOSELEY-BRAUN), are necessarily absent.

The PRESIDING OFFICER (Mr. GRAMS). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 66, nays 29, as follows:

[Rollcall Vote No. 296 Leg.]

YEAS—66

Abraham	Feinstein	Mack
Allard	Frist	McCain
Ashcroft	Gramm	McConnell
Baucus	Grams	Murkowski
Biden	Grassley	Murray
Boxer	Gregg	Nickles
Brownback	Hagel	Reid
Burns	Hatch	Robb
Campbell	Helms	Roth
Chafee	Hutchinson	Santorum
Coats	Hutchison	Sessions
Collins	Inhofe	Shelby
Coverdell	Jeffords	Smith (NH)
Craig	Kempthorne	Smith (OR)
D'Amato	Kerry	Snowe
Daschle	Kohl	Stevens
DeWine	Kyl	Thomas
Dodd	Lautenberg	Thompson
Domenici	Leahy	Thurmond
Durbin	Lieberman	Torricelli
Faircloth	Lott	Warner
Feingold	Lugar	Wyden

NAYS—29

Akaka	Dorgan	Levin
Bennett	Enzi	Mikulski
Bingaman	Ford	Moynihan
Breaux	Gorton	Reed
Bryan	Graham	Roberts
Bumpers	Harkin	Rockefeller
Byrd	Inouye	Sarbanes
Cleland	Johnson	Specter
Cochran	Kennedy	Wellstone
Conrad	Landrieu	

NOT VOTING—5

Bond	Hollings	Moseley-Braun
Glenn	Kerrey	

The motion to lay on the table the amendment (No. 3677) was agreed to.

CHANGE OF VOTE

Mr. HELMS. Mr. President, on rollcall vote No. 296, I was recorded as having voted "nay." It was my intention to vote "aye." I ask unanimous consent that I be recorded as a "aye." This would not affect the outcome of the vote.

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

(The foregoing tally has been changed to reflect the above order.)

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, thank you very much.

Mr. President, let me take just a few minutes to talk about where we are with respect to the Internet tax bill and also to express my thanks to—who may have left the floor—but to express my thanks to Senator BUMPERS.

Senator BUMPERS could have filibustered this legislation. He could have insisted on his rights as a Senator to speak at length on this past amendment that he feels very strongly about, as do a number of Senators, and I want to thank him for not doing that. He has been exceptionally kind to me. He knows that I feel strongly about this legislation. And he has been very constructive in working with the bipartisan group pursuing the legislation.

Let me also just state, as I did, it is our intent—it is clearly spelled out in the legislation—that if a firm or a home-based business—I have thousands of them in Oregon; I know our colleagues do as well—if they are liable for a tax today, they are going to be liable under this legislation if that sale is conducted on the Internet. It is just that simple.

So what it comes down to, is if you have a question from a mayor or a Governor who asks you about this subject at home—any Senator who is asked about this issue should simply say that this legislation does no harm to the States or to the localities, and it simply treats Internet commerce like any other kind of commerce. That was something that I, as the bill's sponsor, felt very strongly about.

With respect to the legislation, I know other Senators wish to speak as well, and Senator DORGAN wants to address the Internet issue this afternoon as well. I am very hopeful we will be able to resolve the one remaining issue, and that is the question of the commission and what they are going to be looking at.

The Senator from North Dakota, Senator DORGAN, has been very helpful on this matter in an effort to try to get an agreement—Senator GRAHAM has as well. I am very hopeful that we will be able to, now that we have addressed the major amendment, the Bumpers amendment, I hope that we will be able to get an agreement on exactly the duties of the commission and be able to go forward with the managers' amendment.

Senator MCCAIN and myself and others have been anxious to try to address concerns that Senators have had with respect to the length of the moratorium, other issues surrounding the managers' amendment. I think we can do that.

So, again, let me say that I very much appreciate, especially on a Friday with Senators having a busy schedule, the opportunity to discuss this issue. We made considerable progress. I especially thank Senator BUMPERS who could have spoken at length, filibustered this legislation, and he has been especially kind to me. I express my appreciation to him.

I see the Senator from North Dakota who has worked many, many hours in an effort to try to get this issue to the floor, along with me and others, and I express my appreciation to him and say that I especially appreciate his effort to bring the parties together with respect to the commission and the issues that they will be pursuing there in an effort to make sure that as we look to the digital economy in the 21st century that we have a chance to examine those questions.

Does the Senator from North Dakota wish to pursue a question at this time?

Mr. DORGAN. Mr. President, it is my intention—I did not provide an opening statement as we brought the bill to the floor. Senator MCCAIN, who is managing the legislation, and I and Senator WYDEN and Senator BUMPERS and others talked about the schedule. I wanted the vote to be able to occur in a way that would allow Members to cast their vote and catch their airplanes, so I deferred on an opening statement. It is my intention to provide an opening statement to discuss the framework of, I think, some of the amendments that we will be debating as we continue this legislation this afternoon and also perhaps next week.

Let me, if I can, describe the circumstances that brought this legislation to the floor.

Mr. President, we are not under a time limit at this moment, are we?

The PRESIDING OFFICER. Has the Senator from Oregon yielded the floor? He still has control.

Mr. WYDEN. I thought the Senator from North Dakota had a question he wanted to postulate. I do want to address the concern that he has on the Internet tax bill. He has been very fair in working with the sponsors on this matter.

Mr. DORGAN. If I might, I would like to provide my opening statement. If the Senator would yield the floor so I might provide the opening statement on this side. There are a number of things I would like to discuss with the Senator from Oregon, but I think it would be appropriate for me to give the statement that I deferred previously.

Mr. WYDEN. Parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Would that be possible—I would like to accommodate the Senator from North Dakota—if I were to yield the floor at this point, given the fact that he had asked earlier for time to give his opening statement, that he be recognized if I yielded the floor?

The PRESIDING OFFICER. The Senator from North Dakota is the minority manager of this legislation and does have priority.

Mr. WYDEN. Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, as I indicated, along with Senator MCCAIN, when we brought the legislation to the floor today, I was interested in trying to accommodate the schedules that Members had. And the second vote this morning was able to be held at a time that would allow some Members the opportunity to catch airplanes back to their home States. But I did want to discuss the circumstances that allowed us to get this legislation to the floor. And I would like to review with the Senator from Oregon some of the provisions of the bill that are yet to be completed.

First, with respect to this general subject of the Internet, my orientation of this issue is that, like most Americans, I view the Internet as something new and exciting and wonderful in a lot of ways and troublesome in other ways. The technology without question is remarkable and wonderful.

Obviously, there are some things on the Internet these days that are troublesome and that is why we struggle with this question of the Decency Act that we wrote in the Commerce Committee and was struck down by the Supreme Court. I think the Senator from Indiana, Senator COATS, is going to offer an amendment similar to something we have discussed previously with respect to the Internet and decency.

But leaving that aside, the Internet itself and the telecommunications revolution that exists in this country, and the information superhighway that comes from that revolution, is really quite remarkable.

I come from a town of 300 people. I have a very different background than the Senator from Wyoming or the Senator from Arizona for that matter. I come from a town of 300 people. I went to a very small school. Obviously, a school in a town of 300 people is not going to be big under any circumstance. But my high school graduating class was nine students. And we had a library in my high school that was a very small coat closet, and that contained all of our books. And that was it. That is the way life was in my school. Would I trade it for another experience? No. I thought it was a wonderful school, a wonderful hometown, and a wonderful education.

But now when I go back to my hometown it is slightly smaller than it was when I left. Some of those rural communities are shrinking. I go back to that wonderful community and go to the school. The library is not much larger than it was then except—that school is now connected to the information superhighway. Computers in those small schools can now access the information superhighway.

And what does that mean? It means in my hometown of Regent, ND, there is a student today who is able to use a computer and access the Library of Congress. Now, the Library of Congress has the largest repository of human knowledge that exists anywhere on Earth. Of all of the accumulated knowledge in human history—the largest body of that knowledge exists in the Library of Congress. In Regent, ND, that small library is now augmented by the largest library on Earth as a result of the information superhighway and the new revolution in telecommunications.

Is that wonderful? It is more than wonderful. It changes our ability to educate. It changes our ability to do a whole series of things. In fact, as an aside, I read a while ago that the CEO of IBM Corporation gave a speech to shareholders. He said they are on the cusp of discovery in researching storage density sufficient so that he expects we will soon be able to put all of that information from the Library of Congress—14 to 16 million volumes of work, the largest repository of human knowledge on Earth—on a wafer the size of a penny. Think of that, a computer storage wafer the size of a penny encompassing all of the works of the Library of Congress.

What does that mean? It is a wonderful opportunity in our future to use the Internet and to use telecommunications to enhance education and a whole range of things.

I wanted to provide that framework simply to say, especially coming from a very small community in North Dakota, we understand the wonders and the technological marvels that exist in what we are talking about here and how it changes things.

My hometown, 120 miles southwest of Bismarck, ND, 50 miles from Dickinson, and, for those who want to pinpoint it more precisely, 14 miles west of Mott, ND—my hometown is as close to the Hudson River as downtown Manhattan with telecommunications. Just like that, you can transmit data off the Internet. We have erased geography as a disadvantage.

Now, in addition to the advantages of education that I have described with respect to the Internet and the information superhighway, there is another entire area of commerce that also provides significant advantages to people in my hometown and people in every hometown in our country.

When I was a young boy, from my hometown we had to drive nearly 60 miles to go to a hospital. We had to drive 60 miles to a sporting goods store. When I was a young boy, that is what I wanted to do when my parents took me to the big town, Dickinson, ND, 10,000 people. I wanted to go to a sporting goods store. It was a small store with baseball mitts and merchandise. In my hometown, we had none. So I would go there and get lost in the sporting goods store, picking up the new baseball gloves, feeling and nurturing them, and wondering, what if I owned one of them? That was a big deal to me.

It was true with respect to a Dairy Queen—50, 60 miles to a Dairy Queen; 60 miles to a clothing store. That is the way it was.

Now, however, in my hometown you can't order a Dairy Queen over the Internet, but that sporting goods store is brought to my hometown by the Internet. The Internet changes commerce. Now someone in my hometown can dial up on the Internet a sporting goods store, a clothing store. Want to buy some new athletic shoes? That is available. How about a book? Amazon.com—we all know the success story of that company.

My point is, we are seeing dramatic new areas of commerce available to people around the country, and around the world for that matter, which will improve their lives. I agree with that.

We had a disagreement, the Senator from Oregon and I, about the piece of legislation in the Commerce Committee. I felt very strongly that what was proposed was dead wrong and he felt strongly it was right on target. We didn't disagree because we differed about the policy of what the Internet could mean to our country and to our people. I fully understand the full flow of benefits that will come from this. I understand and recognize that. Members know my interest is not in any way, ever, to impede the growth of the Internet or the growth of opportunity that people want to take advantage of on the Internet to market their goods, to build their business, and to do those kinds of things.

At the same time, however, I recognize that while the Internet might bring a sporting goods store to my hometown, it will also bring some merchandise to my hometown that those few merchants in my hometown sell and must now collect a sales tax on when they sell it. I want to make sure, relative to the previous amendment and also some other amendments we will discuss, that what we do with respect to this form of new commerce has some relationship to fairness, fairness tied to selling on Main Street, sales from mail-order catalogs, selling on the Internet. I want to make sure what we are doing here is fair to all areas of commerce.

That is why when Senator WYDEN—who has been a leader on this, no question about that; he was the author in the Senate Commerce Committee of the underlying legislation—brought

this legislation to the committee, I felt very strongly that the way it was constructed was going to cause a lot of problems. I opposed it vigorously, as he well knows.

Since that time when it was passed out of the Commerce Committee, it has changed substantially. We now, I think, agree on one central principle, and that principle embodied in the underlying legislation is that we ought to have a moratorium of sorts so that we don't have State or local governments creating regimes of taxation here that could be punitive or could retard opportunities on the Internet in a punitive or discriminatory way. We agree with that and we have constructed legislation which I think will accomplish that and doesn't disadvantage any State or any local government. If there is a State or local government that has plans today to say let me be punitive in the way I apply a tax or construct a tax dealing with the Internet, I say I am not in your corner. I am not on your side on that. You are wrong; you ought not do that.

I didn't want to snare in the net the kinds of State and local taxes that are applied to virtually all other kinds of commerce and do it in a way that would say to those who are at home on Main Street that you will be at a disadvantage because we have created a special safe harbor or special tax haven for certain kinds of electronic commerce. That has always been my concern.

As long as the Senator from Oregon is here, I will engage him in this conversation. I think we are coming to the same point, Senator MCCAIN, Senator WYDEN, myself, and others, with respect to what we want to accomplish with this legislation. It is a system which, as we see the Internet begin to grow in its infancy—and it still is in its infancy—is nondiscriminating with respect to how taxes are imposed among different forms of commerce.

I yield for a comment from the Senator from Oregon about whether he sees us coming to that same point and whether he shares that goal.

Mr. WYDEN. I thank the Senator from North Dakota for his thoughtful comments, as well. I think there has been a considerable effort in the last few months to address this in a bipartisan way.

I think the Senator from North Dakota is exactly right; what we want is technological neutrality. We don't want the Internet to get a preference. We don't want the Internet to be discriminated against. We want to be able to say, as we look to the brand new economy, the digital economy, that we don't make some of the mistakes that we made as we tried to sort out some of the issues, for example, with respect to mail order. I think the Senator from North Dakota has been very persistent in terms of trying to work with all the parties in making sure that the commission studies these issues fairly. That is certainly what I want.

I was very interested in my friend's comments with respect to his town in North Dakota and how the Internet would allow, for example, somebody to log on in North Dakota and get goods from a sporting goods store far away and have them shipped to a small town in North Dakota. That is clearly one of the benefits. But what we also hope to do with the Internet Tax Freedom Act is make it possible to grow small businesses in North Dakota that will be able to furnish some of those goods and services.

My friend from North Dakota has many small communities in North Dakota, as I do in Oregon. I want to make sure that Burns and Wagontire and other small towns in Oregon can compete. My view is that sensible Internet policies will make those small businesses more competitive than they are today.

The reason that Main Street businesses support the Internet Tax Freedom Act, the bill that is before the Senate today, is that Main Street businesses, those small stores, recognize right now they are having a lot of difficulty competing with the Wal-Mart giants and certainly major corporations that are located overseas.

And once you make geography irrelevant, which the Internet does, once you get a fair tax policy for a home-based business in Oregon or North Dakota, rather than those businesses facing discriminatory taxes, as we have been addressing today, I think we will grow more small businesses in North Dakota and Oregon on Main Street, and that is the hope of the sponsors of this legislation.

So let me yield back to the Senator from North Dakota, as this Senator has to head off for a 7 or 8-hour flight home. I want to again express my thanks to the Senator from North Dakota. He and his staff have spent many, many hours toiling over what is arcane language, at best, with respect to the digital economy and these new issues. I think the Senator from North Dakota is right in saying that this is just the beginning of this whole discussion. We had another initiative yesterday that was very sensible—Senator BRYAN's initiative dealing with on-line privacy as it relates to children. So we are just at the beginning of these issues.

I hope to be sitting next to the Senator from North Dakota on the Communications Subcommittee as we tackle these questions. I think we have made considerable progress. I specifically thank Senator GRAHAM, Senator BUMPERS, as well as the Senator from North Dakota. They have had strong views on this matter, and they know this bill has been important to me. They have all been very gracious in helping to move it along. Also, Senator MCCAIN will be back on the floor in a few moments. We simply could not have been here without the support of Senator MCCAIN and his staff. I am looking forward to seeing this legislation go to the President before we wrap up. I thank the Senator from North Dakota.

Mr. DORGAN. Mr. President, one of the issues that we have not completely resolved is extending the moratorium. We have a moratorium in this legislation that says to the States that if you have not yet adopted or enforced an Internet tax, there is a moratorium; you will not be able to do that during this time out. During that period, a commission will meet and evaluate all of these issues. The Senate finance bill reported out a 2-year moratorium on bit taxes, discriminatory taxes, and on Internet taxes. The House-passed version of this legislation has a 3-year moratorium. My understanding is that there will be an amendment calling for a 5-year moratorium on the bill that is coming to the floor. The version passed out by the Senate Commerce Committee had a 6-year moratorium.

Keynes used to say, "In the long run, we are all dead." I don't know what the long run is, but when you talk about moratoriums here, 6 years is a large expanse of time. It seems to me that it is wholly inappropriate. I would more favor the Senate finance bill, which is a 2-year time out, or moratorium. We will likely have to agree to something more than that, but 5 or 6 years, in my judgment, is not reasonable. I think there is another amendment that was noticed, or at least will be offered, with a 3-year moratorium, which seems to me to be a more reasonable compromise. I ask the Senator from Oregon about that.

Mr. WYDEN. I thank the Senator. He has correctly laid out the various time periods. Let me say again, the Senator from North Dakota knows both the chairman of the Commerce Committee and I are still wanting to work with those who feel that 5 years is too long a period. We are anxious to try to get an agreement and, hopefully, this can all be resolved as part of a managers' amendment.

I think the concern of certainly myself and others is that 2 years is too short because it is going to take some time to work through a subject as complicated as this, and then there is going to need to be a period where the States have the chance to address it. I think we can come up with a period that is acceptable. Of course, the moratorium, such as it is, applies only to Internet access taxes. It does not apply to other spheres of economic activity. And with respect to other spheres of economic activity, again, Internet will be treated just like anything else. If a State and a locality has other means of raising revenue, we want to make it clear that,

with respect to the Internet, the business conducted there will be treated like everything else.

So let me yield back to the Senator from North Dakota at this time, with an assurance that we are going to continue to try to negotiate on this point an acceptable time period for all parties. We have discussed 4 years, and we have discussed a variety of options. We are going to continue to do that. I want it understood that both Senator MCCAIN and I feel that the Senator from North Dakota is trying very hard to be helpful here, and we are going to continue to move forward in working with him to get this resolved.

Mr. DORGAN. Mr. President, I say to the Senator that the way to be most helpful would be to agree with me.

Mr. WYDEN. I will say, having made 30 changes since we left the Commerce Committee, that this Senator, who is a good friend of the Senator from North Dakota, has a very high batting average—since we have been talking about baseball—in terms of agreeing with the Senator from North Dakota. We are going to continue to work with him, as he knows.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. BYRD. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. Senate bill 442, the Internet access bill.

Mr. BYRD. Mr. President, I ask unanimous consent that I may speak out of order.

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

Mr. BYRD. Is there any time limit, Mr. President?

The PRESIDING OFFICER (Mr. THOMAS). Not that I know of.

Mr. BYRD. I thank the Chair.

TAX CUTS

Mr. BYRD. Mr. President, as all Senators are aware, at midnight on Wednesday, September 30, Fiscal Year 1998 expired. And with the expiration of the fiscal year came some most welcome and almost unbelievable news that, for the first time since 1969, the unified Federal budget was in surplus for Fiscal Year 1998. We do not know the exact figures yet. That will not be known until the Treasury Department completes its calculations of actual revenues and expenditures that occurred up through midnight, September 30, but we do know that the latest estimate by the Congressional Budget Office of that unified budget surplus is $63 billion. The President has announced that the official administration projection of the Fiscal Year 1998 unified budget surplus is about $70 billion. This unified budget surplus, whether it be $63 billion, or $70 billion, or some other figure, is a result of a dramatic turnaround from the massive budget deficits that were projected just a few short years ago.

Who should be given the lion's share of the credit for this dramatic turnaround in the country's fiscal fortunes? The President wants to claim a large share of the credit. The Republican-led Congress likes to say that things did not really change until they took over control of the House and Senate, and that they deserve the majority of the credit. Many financial analysts give a substantial amount of the credit to the policies of the Federal Reserve, which have attempted to manage the country's fiscal fortunes through adjustments in interest rates.

Suffice it to say, credit should be given to all of the above. Speaking from first-hand experience, I believe that Congress does deserve substantial credit for the turnaround from the triple-digit-hundred-billion-dollar deficits of the twelve years under Presidents Reagan and Bush. Those triple-digit deficits accumulated to the point where the nation's debt rose from just under $1 trillion on the day that President Reagan took office to more than $4,097,000,000,000 on the day that President Bush left office. In other words, in the entire history of the country, from the day that President George Washington took office to the day that President Reagan took office, the nation's accumulated debt amounted to less than $1 trillion. Twelve years later—the day that President Bush left office, it stood at $4,097,000,000,000.

Throughout the period of the 1980s, Congress attempted to rein in these massive Federal deficits, for example, with the Gramm-Rudman-Hollings sequester mechanism that was part of the 1985 Balanced Budget and Emergency Deficit Control Act. This mechanism, Senators may recall, required an across-the-board sequester of all Federal programs (with few exceptions) sufficient to bring down any deficits that exceeded those provided for in annual budget resolutions. In 1990, it became clear that the sequester that would be necessary to achieve the requirements of Gramm-Rudman-Hollings would have decimated the entire Federal establishment, including a cut in the budget of the Department of Defense ranging between 25 and 35 percent. Rather than allowing those sequesters to proceed, Congress and the Bush Administration had no choice but to convene what turned out to be a very lengthy and difficult budget summit. I participated in that summit, as did a number of my Senate colleagues who are still in the Senate—Senators DOMENICI and GRAMM, for example. After many months, including weekends and around-the-clock sessions at Andrews Air Force Base, that summit resulted in substantial changes in our budget discipline which have played a positive role in helping to rein in Federal deficits since their inception in 1990.

Under those mechanisms, sequesters of not only discretionary funds take place when so-called discretionary caps are exceeded, but also, for the first time, mandatory programs are under a pay-go system as well. Under the Budget Enforcement Act of 1990, any new mandatory spending must be fully offset. That 1990 Act also put in place a process for considering emergency spending, which is allowed to go forward outside the budgetary caps, if such spending is declared an emergency by both Congress and the President.

By and large, that emergency mechanism, I believe, has been beneficial and has been used in accordance with the intentions of the summiteers. That emergency designation is allowed for spending outside the caps for events that are sudden, urgent, unforeseen, and not permanent. Such events include natural disasters, military deployments around the world, and so forth.

The fact that the 1990 Budget Enforcement Act has been successful is not just the opinion of this Senator. It is shared by many, including the Chairman of the Federal Reserve Board, Alan Greenspan, who in recent testimony before the Senate Budget Committee, made the following statement in relation to that legislation, and I quote:

> I think that—frankly, much to my surprise, as I think I have indicated to you over the years, that the budgetary processes, which were put into place by the Congress a number of years ago, have worked far better than I would have ever anticipated them working. And I would be quite chagrined if we abandoned them because when you have a good thing, it seems rather pointless to dismantle it.

I think those words by Mr. Greenspan are right on the mark.

Subsequent to the 1990 changes in the Budget Act and the Gramm-Rudman-Hollings law, I believe that credit should also be given to those who voted for the 1993 budget package which passed each House of Congress by a one-vote margin and without a single vote from the Republican side of either body. That package was anathema to the Republicans. Yet, despite the dire predictions of economic doom which came from the Republican side of the aisle at the time, the economy has performed very, very well ever since the enactment of that legislation. All of those who have been involved in reducing Federal deficits can be justifiably proud of what is now a unified budget surplus for Fiscal Year 1998 in excess of $60 billion.

But, while we are basking in the glow of high praise and compliments all around, we must also take a heavy dose of realism. For reasons that I shall now attempt to explain in some detail, this is not the time to abandon the fiscal discipline we have undertaken for a number of years. I believe very strongly that any budget surpluses in the coming decade should be used for retiring the Federal debt, rather than for massive tax cuts or increases in Federal spending.

Mr. President, on July 15, 1998, the Congressional Budget Office issued its summer baseline projections for Fiscal Years 1998–2008 for the unified Federal budget. Now, let me stop here and explain what the term "unified Federal budget" means. The unified Federal budget includes not only the operating budget of the various departments and agencies throughout the Federal government, but it also includes the Postal Service and—get this—Trust Fund surpluses, the most important one of which is—guess what—the Social Security Trust Fund. By including these Trust Fund surpluses in the unified budget, one ignores the fact that none of the Trust Fund surpluses is available for anything other than the purposes for which the Trust Funds were established. In other words, it is to a large extent misleading and certainly amounts to budgetary wizardry to count these Trust Fund surpluses when one says that there is an overall unified Federal budget surplus. Nevertheless, for the moment, let us talk about what has happened to the projections of our Congressional Budget Office experts as far as they relate to the unified Federal budget between the period March 15, 1998, and July 15, 1998.

The unified budget surplus projections for the 11-year period 1998–2008 provided to Congress in March of this year by the Congressional Budget Office totaled $679 billion.

Let me say that again.

The unified budget surplus projections for the 11-year period 1998–2008 provided to Congress in March of this year by the Congressional Budget Office totaled $679 billion.

By July 15, 1998, just 4 months after its March 1998 projections, the Congressional Budget Office sent to Congress its summer report, which I have. In that report, CBO projects that unified budget surpluses for the period 1998–2008 will total more than $1.6 trillion. That is a change of some $932 billion in surplus projections for the next 11 years. So over a period of just 120 days, from March 15, 1998, to July 15, 1998, the Congressional Budget Office changed its projections of unified budget surpluses for the next 11 years from $679 billion to $1.611 trillion.

What caused the Congressional Budget Office, our premier independent budgetary experts, to make such a massive change in budget surplus projections in such a short time? The best that we have been able to determine is that the largest the contributor to the upward revision of future surpluses resulted in a change in CBO's treatment of revenues. Previously, CBO had argued that there had been a surge of unexpected revenues in the recent past, but that such surge was temporary. Now they argue that there are good reasons to think that this unexpected surge in revenues will continue indefinitely. This results in an ad hoc addition of approximately $50 billion each year of the latest 11-year budget forecast.

Does this mean, Mr. President, that the Congressional Budget Office is inept and that perhaps the Congress should seek the services of another budget prognosticator? Certainly not. Rather, my purpose in highlighting this significant change in estimates is to support my belief that, in all decisions affecting revenue and spending for future years, we must tread carefully on the planks of budgetary estimation. Like an old man crossing a footbridge strung over a chasm, only a small misstep can mean the difference between a successful crossing and spectacular failure.

CBO would be the first to tell you that they have consistently missed budgetary forecasts, as has the Office of Management and Budget. That is to be expected. No human being can ever predict accurately what revenues will come into the Treasury in a given year, or what expenditures will go out of the Treasury, or what the unemployment rate will be, or what the inflation rate will be, or whether there will be a recession, or the duration and virility of recessions. In short, Mr. President, there is no reason to believe that the CBO's current forecast of the budgetary picture over the upcoming 10 years will be any more accurate than have been its previous forecasts. Also, very importantly, Senators should remember that budgetary estimates can rapidly change and they can change for the worst, just as they have turned for the better in recent years. We saw this firsthand during the early 1990s when we suffered a severe and lengthy recession; there is no reason to think that it cannot happen again. There is no reason to think that it will not happen again. Consider the remarks of the Chairman of the Federal Reserve Board of Governors, again, Mr. Alan Greenspan, at a recent hearing by the Senate Budget Committee. This is what he said:

> According to CBO's figures, a recession comparable to the 1991 downturn would eliminate the unified surplus and create a budget deficit of more than $50 billion within 2 years. Over the next 10 years, more than half of the $1.5 trillion in projected unified surpluses would be eliminated.

That was Mr. Greenspan talking.

With this in mind, we should never underestimate just how unpredictable and capricious budget projections can be.

In virtually every CBO report, cautionary statements are made, such as the following, which is included in the CBO's most recent budget update:

> . . . there is a risk that future events will cause a significant divergence from the path laid out in the new forecast. The economy could be more adversely affected by the Asian crisis than CBO assumes; the tightness of the labor market could cause a significant jump in the rate of inflation; or the stock market could drop precipitously.

We have seen that happen all too many times of late.

> Conversely, the Asian crisis could have little additional effect on the United States; productivity growth might remain higher than CBO anticipates, which would permit a continuation of rapid noninflationary growth and stronger profits; or labor force participation rates might again increase rapidly, easing pressures on the labor market for a few years. Such alternative outcomes could have a substantial effect on the budget, increasing or decreasing its bottom line by $100 billion or more in a single year.

That is the end of the quotation.

To this point, Mr. President, I have concentrated my remarks on the "unified Federal budget", which, as I stated earlier, combines not only the operating budget of all Federal departments and agencies, but also the Postal Service and Trust Fund surpluses. In so doing, the unified Federal budget hides from view the question of whether, in its operations, the Federal budget is in deficit or is in surplus.

Let us now look at a couple of other Federal budget calculations that are available to us through the Congressional Budget Office. What, for example, are CBO's baseline projections for the next 5 years for on-budget deficits or surpluses? On-budget calculations, it should be noted, exclude Social Security surpluses and the Postal Service, which, I might add, are supposed to be treated as off-budget by law. CBO's on-budget calculations project that we will suffer deficits for Fiscal Years 1999, 2000, 2001, and 2003. In other words, if one leaves Social Security surpluses and the Postal Service out of the budget calculations, there is no surplus at all until the year 2002, at which time CBO says there will be a $1 billion on-budget surplus.

Let me read that again. CBO's on-budget calculations project that we will suffer deficits for Fiscal Years 1999, 2000, 2001, and 2003. In other words, if one leaves Social Security surpluses—we are talking about Social Security surpluses. We are talking about something that interests a lot of people, something that involves millions of people in this country, something that is of concern to the great mass of people out there, old and young, women, men, children—if one leaves Social Security surpluses and the Postal Service out of the budget calculations, there is no surplus at all until

the year 2002, at which time CBO says there will be a $1 billion on-budget surplus. Deficits for the other fiscal years total $138 billion. Therefore, over the coming 5 budget years, CBO projects that, if we exclude Social Security surpluses and the Postal Service—if we exclude them—we will suffer deficits in 4 of those years totaling $138 billion and a surplus of only $1 billion in one year—2002—making a net on-budget deficit over the next 5 years of $137 billion.

Hence, it becomes obvious that for the next 5 years, there is no Federal budget surplus at all if one excludes Social Security and the Postal Service from the calculation. In fact, there is a net deficit of over $130 billion.

Now, let us take a look at CBO's calculations of what is called, in budgetary terminology, the "Federal Funds Budget." This budget, by definition, excludes not only Social Security and the Postal Service but all Trust Funds. In other words, the Federal funds budget excludes Social Security, the Postal Service, the Highway Trust Funds, the Airport and Airway Trust Funds, the Medicare Trust Funds, the Civil Service and Military Retirement Trust Funds, the Unemployment Trust Funds, and many, many more. CBO's projections are that we will have Federal funds deficits for 9 of the next 10 years. For that period, Fiscal Years 1999–2008, Federal funds deficits are projected to total $592.2 billion. Over that period, only the year 2008 is projected to show a small surplus.

What this means is that when all obligations of the Federal Government are taken into account, including the IOUs to all Federal Trust Funds, we will not have any surplus until the year 2008—even if these new, rosy CBO forecasts come true, and even if Congress restrains itself from spending any of those projected surpluses or cutting taxes.

Now, let us shift our attention to a discussion of the National Debt. Federal Debt is divided into two categories—namely, Debt Held by the Public and Debt Held by Government Trust Funds. Under present policies, CBO's latest projections show that Debt Held by the Public will decrease from $3.7 trillion in 1998 to $2.3 trillion in 2008.

This is so because Debt Held by the Public does not include any of the debt owed by the Treasury to Federal Trust Funds. Therefore, if CBO's $1.6 trillion in projected unified budget surpluses come to pass, those surpluses will go toward reducing Debt Held by the Public. However, Debt Held in Government Trust Funds will rise, according to CBO, from $1.8 trillion in 1998 to $3.9 trillion in 2008. In other words, the surpluses in the Government Trust Funds that I have previously named will continue to grow and add to the debt owed by the U.S. Treasury to those Trust Funds. When one combines both types of Federal debt, namely, Debt Held by the Public and Debt Held in Government Trust Funds, one arrives at what is known as Gross Federal Debt. This, to me, represents the truest picture of the debts being incurred by the Federal Government that will eventually have to be paid. CBO projects that Gross Federal Debt will rise from $5.475 trillion in 1998 to $6.222 trillion in the year 2008. In other words, even if all of the projected surpluses of CBO come true over the next 11 years, and even if all of the $1.6 trillion in projected budget surpluses come true, we will still face a massive mountain of Gross Federal Debt which will have grown from $5.5 trillion to $6.2 trillion over this same period.

Mr. President, I have attempted in these remarks to paint a realistic picture of the condition of the Federal budget, including a true picture of whether we are incurring deficits or surpluses and whether we are increasing or decreasing overall Federal debt in the coming 10 years. It should be perfectly clear to any rational person that there is no real surplus and that, even if CBO's latest 10-year forecast proves to be accurate and if Congress restrains itself from cutting taxes—there is a great hue and cry, a great push for cutting taxes—even if Congress restrains itself from cutting taxes or increasing spending, Gross Federal Debt will continue to rise by some $700 billion, even under CBO's rosy scenarios. Furthermore, this could all change massively, as I have pointed out, with one recession like the one suffered by the Nation in the early 1990s.

It is against this backdrop that the House recently passed what they call the "Taxpayer Relief Act of 1998." According to the Joint Committee on Taxation, this House-passed tax cut would reduce Federal revenues by $80 billion over the next 5 years and by $176 billion over the next 10 years. Keep in mind that tax cuts, once enacted, are permanent and the loss in revenues to the U.S. Treasury continue not just for 5, 10, or 15 years, but forever, unless they are repealed.

So, if the Congress lost its collective mind, and if the President joined Congress in losing our collective mind and signed such a reduction in revenues, those permanent tax cuts would come to pass regardless of whether CBO's latest projections of unified budget surpluses come true or not. Furthermore, we should keep in mind that over the next 5 years, there is no budget surplus at all—none—if one excludes the Social Security Trust Fund surpluses from the calculations. In effect then, the House-passed tax bill uses Social Security to pay for its $80 billion, 5-year cost to the Treasury.

We should also keep in mind that the Gross Federal Debt is going to continue to rise even without any tax cut. It follows that such a tax cut would increase the Federal debt by $80 billion over the next 5 years; by $176 billion over the next 10 years; and by ever-increasing amounts each year thereafter.

It should be noted, Mr. President, that the House-passed tax cut bill is in direct violation of the 1990 Budget Enforcement Act. That Act, as I stated earlier in my remarks, requires that any increase in mandatory spending or any tax cuts must be fully offset under what is called the "Pay-As-You-Go" rules. Those rules, which have been wisely extended through the year 2006 by the Budget Enforcement Act of 1997, allow for a point of order against any such un-offset tax cut. This means that the House-passed tax bill when, and if it comes before the Senate, will be subject to a 60-vote point of order.

I hope that Senators will come to their senses on both sides of the aisle and do what they know is right for the American people and vote against any tax bill that reduces Federal revenues, keeping in mind that even if all of the projected surpluses of CBO come true over the next 11 years, and even if all of those surpluses are applied to the Federal debt, we will still have massive Gross Federal Debt, which will grow from $5.5 trillion to $6.2 trillion over this same period. To fritter away billions of dollars at this time on massive tax cuts would be the height of irresponsibility and would signal to all the world that we cannot be relied upon to rid this great Nation of not only its deficits, but also its gigantic national debt as well. And that should be our solemn goal. It is ironic that after struggling mightily to overcome the 12 years of recordbreaking, triple-digit-billion-dollar Federal budget deficits under Reagan and Bush, the Republicans are now calling for cutting Federal revenues by huge amounts based on what could turn out to be flimsy projections by the Congressional Budget Office, which, even if they come true, will have done little more than put a small dent—just a small dent—in overall Federal debt.

Mr. President, you do not need any poll to do the right thing here. I say to Senators, this is a no brainer.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. COATS). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

INTERNET TAX FREEDOM ACT

The Senate continued with consideration of the bill.

AMENDMENTS NOS. 3678 AND 3679, EN BLOC

Mr. MCCAIN. Mr. President, I send two amendments en bloc to the desk on behalf of Senator BRYAN and Senator ABRAHAM and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Arizona [Mr. MCCAIN] proposes amendments numbered 3678 and 3679, en bloc.

The amendments (Nos. 3678 and 3679), en bloc, are as follows:

AMENDMENT NO. 3678

At the end of the bill add the following new title:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Government Paperwork Elimination Act."

SEC. 2. DIRECTION AND OVERSIGHT OF INFORMATION TECHNOLOGY.

Section 3504(a)(1)(B)(vi) of title 44, United States Code, is amended to read as follows:

"(vi) the acquisition and use of information technology, including the use of alternative information technologies (such as the use of electronic submission, maintenance, or disclosure of information) to substitute for paper, and the use and acceptance of electronic signatures.".

SEC. 3. PROCEDURES.

(a) Within 18 months after enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104-106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use.

(1) The procedures shall be compatible with standards and technology for electronic signatures as may be generally used in commerce and industry and by State governments, based upon consultation with appropriate private sector and State government standard setting bodies.

(2) Such procedures shall not inappropriately favor one industry or technology.

(3) An electronic signature shall be as reliable as is appropriate for the purpose, and efforts shall be made to keep the information submitted intact.

(4) Successful submission of an electronic form shall be electronically acknowledged.

(5) In accordance with all other sections of the Act, to the extent feasible and appropriate, and described in a written finding, an agency, when it expects to receive electronically 50,000 or more submittals of a particular form, shall take all steps necessary to ensure that multiple formats of electronic signatures are made available for submitting such forms.

SEC. 4. AUTHORITY AND FUNCTIONS OF THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104-106), and the provisions of this Act, the Director of the Office of Management and Budget shall ensure that, within five years of the date of enactment of this Act, executive agencies provide for the optional use of electronic maintenance, submission, or disclosure of information where practicable, as an alternative information technology to substitute for paper, and the use and acceptance of electronic signatures where practicable.

SEC. 5. ELECTRONIC STORAGE OF FORMS.

Within 18 months of enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104-106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use to permit employer electronic storage and filing of forms containing information pertaining to employees.

SEC. 6. STUDY.

In order to fulfill the responsibility to administer the functions assigned under chapter 34 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104-106), and the provisions of this Act, the Director of the Office of Management and Budget, shall conduct an ongoing study of paperwork reduction and electronic commerce, the impact on individual privacy, and the security and authenticity of transactions due to the use of electronic signatures pursuant to this Act, and shall report the findings to Congress.

SEC. 7. ENFORCEABILITY AND LEGAL EFFECT OF ELECTRONIC RECORDS.

Electronic records submitted or maintained in accordance with agency procedures and guidelines established pursuant to this title, or electronic signatures or other forms of electronic authentication used in accordance with such procedures and guidelines, shall not be denied legal effect, validity or enforceability because they are in electronic form.

SEC. 8. DISCLOSURE OF INFORMATION.

Except as provided by law, information collected in the provision of electronic signature services for communications with an agency, as provided by this Act, shall only be used or disclosed by persons who obtain, collect, or maintain such information as a business or government practice, for the purpose of facilitating such communications, or with the prior affirmative consent of the person about whom the information pertains.

SEC. 9. APPLICATION WITH OTHER LAWS.

Nothing in this title shall apply to the Department of the Treasury or the Internal Revenue Service, to the extent that—

(1) it involves the administration of the internal revenue laws; and

(2) it conflicts with any provision of the Internal Revenue Service Restructuring and Reform Act of 1998 or the Internal Revenue Code of 1986.

SEC. 10. DEFINITIONS.

For purposes of this Act:

(1) EXECUTIVE AGENCY.—The term "executive agency" has the meaning given that term in section 105 of title 5, United States Code.

(2) ELECTRONIC SIGNATURE.—The term "electronic signature" means a method of signing an electronic message that—

(A) identifies and authenticates a particular person as the source of such electronic message; and

(B) indicates such person's approval of the information contained in such electronic message.

(e) FORM, QUESTIONNAIRE, OR SURVEY.—The term "form", "questionnaire", and "survey" include documents produced by an agency to facilitate interaction between an agency and non-government persons.

AMENDMENT NO. 3679

(Purpose: To add the provisions of S. 2326, as ordered reported by the Committee on Commerce, Science, and Transportation and as further modified, as a separate title to the bill)

(The text of amendment No. 3679 is printed in today's RECORD under "Amendments Submitted.")

Mr. MCCAIN. Mr. President, these two amendments are not relevant, but they are acceptable to both sides.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments (Nos. 3678 and 3679) were agreed to.

Mr. MCCAIN. I move to reconsider the vote, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 3678

Mr. ABRAHAM. Mr. President, I want to take a moment to discuss language that has been added to this legislation, the "Government Paperwork Elimination Act." In May, I introduced S. 2107 to enhance electronic commerce and promote the reliability and integrity of commercial transactions through the establishment of authentication standards for electronic communications. S. 2107 was reported by the Committee on Commerce, Science, and Transportation last month.

After the bill was reported, it was discovered that the bill was erroneously referred to the Commerce Committee and should have been referred to the Committee on Governmental Affairs. S. 2107 deals with Federal government information issues and, according to the parliamentarian, falls directly within the jurisdiction of Governmental Affairs. I understand a similar bill had been approved by Governmental Affairs last Congress.

Obviously, this was discovered late in the session. Nevertheless, Senator THOMPSON, the chairman of the Governmental Affairs Committee, worked with me to develop language which combines language from the bill reported by his Committee last Congress and S. 2107. I want to thank my colleague from Tennessee for his help and insight. He spent a great deal of time assisting me with this legislation and, in my opinion, his language makes many improvements to the original bill.

Mr. THOMPSON. Mr. President, I thank my colleague from Michigan for his hard work on and dedication to information technology issues. The Committee on Governmental Affairs which I chair has had a long and involved history with this issue.

This language which we are discussing today seeks to take advantage of the advances in modern technology to lessen the paperwork burdens on those who deal with the Federal government. This is accomplished by requiring the Office of Management and

Budget, through its existing responsibilities under the "Paperwork Reduction Act" and the "Clinger-Cohen Act," to develop policies to promote the use of alternative information technologies, including the use of electronic maintenance, submission, or disclosure of information to substitute for paper, and the use and acceptance of electronic signatures.

The Federal government is lagging behind the rest of the nation in using new technologies. Individuals who deal with the Federal government should be able to reduce the cumulative burden of meeting the Federal government's information demands through the use of information technology. This language hopefully will provide the motivation that the Federal government needs to make this possible for our nation's citizens.

I thank Senator ABRAHAM for offering us the opportunity to work with him on this important issue.

MORNING BUSINESS

Mr. MCCAIN. Mr. President, I ask unanimous consent that there now be a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

Mr. MCCAIN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. KENNEDY. Mr. President, as I understand, we are in morning business for up to 10 minutes. I ask unanimous consent to be able to proceed for 15 minutes.

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

PATIENTS' BILL OF RIGHTS

Mr. KENNEDY. Mr. President, we are reaching the final days of this Congress, and the leadership is deciding about which measures the Senate is going to consider during these final few days.

As I mentioned previously, we have identified a number of different pieces of legislation that I don't believe, and I don't think the American people believe rise up in importance as to protecting the families of this country with the kinds of protections that we would have with our Patients' Bill of Rights. But, we have been unable to have this legislation up before the Senate, to have it debated and discussed, and to have a resolution by this body in a timely way.

As I have mentioned on other occasions, it is Friday afternoon at 2 o'clock and most Americans are still working. The Senate should be, on an issue of this importance, still here and debating these issues and resolving these matters in ways which I think, with a full debate and an open discussion, resolve these matters in favor of the families, in favor of the patients, in favor of this country.

It is a very basic and fundamental issue—whether we are going to have the medical professionals—the doctors and nurses—make the ultimate judgment in terms of health care, or whether those decisions are going to be made by the HMOs, the insurance companies, and their accountants.

For all Americans who are participating in these HMOs, they have paid the premiums and they expect their medical treatment will be decided by medical professionals, and not accountants in the insurance industry.

I doubt very much whether these HMOs—when they are out recruiting new members to join and pay their premiums from their hard-earned money which they work for every single day—are saying, "Well, we want you to know that the people who are going to be making decisions about your health care are going to be the accountants, and not the doctors we are referencing in our pamphlets."

Mr. President, this morning in the Wall Street Journal on the front page there was a rather ominous report. This is from this morning, Friday, October 2nd, on the front page of the Wall Street Journal: "Politicians seek to profit from the debate over health-care policies."

This is the debate—the one issue—that is before the U.S. Senate, the Patients' Bill of Rights. There are other health care issues. But this is the health care issue that commands the wide-range support of over 180 different organizations reflecting all of the various medical professionals—all the nurses, all the cancer patient organizations, all of the children's organizations, all of the disability organizations, and all of the women organizations. They have all virtually embraced and endorsed this health care debate that we have been trying to have. The debate has been rather one-sided since we have not been able to have engagement from the other side on this issue.

We have the Wall Street Journal saying the following. This is an exact quote:

> The GOP's congressional campaign committee invites a "select group" of health-care-industry leaders to a meeting Tuesday on the issue. The ticket price: $25,000 each."
>
> $25,000 each.
>
> The meeting "will last one hour" only, says an invitation signed by Illinois Representative HASTERT and California Representative THOMAS. That would exceed $400 a minute per person for the fundraiser.

These are the two leading Republican House Members that have been opposed to the Patients' Bill of Rights. Evidently, Mr. President, we have been unable to get this measure before the Senate of the United States—we find that because of the fact that the legislation has been shelved, pigeonholed, the result is that our Republican friends are having a "select group" of health care industry leaders who will pay $25,000 to go to a meeting.

Mr. President, let us look at the most recent report of last month, a new study by Common Cause, which I saw this morning. I asked my staff to get the most recent study by Common Cause about contributions to the Republican National Committee by this industry. They reported that the industry which gave the most soft money to the Republicans of any group was the insurance industry.

It is very interesting that here we have the industry paying $25,000 each for each of their personnel to go to a fundraiser with people who have been effectively there to sidetrack this legislation. Then, when we look back, we find out the insurance industry has opened up its coffers to the party that is keeping us from debating this and resolving this in the U.S. Senate.

That is what is happening. The American people do not understand that. If they don't understand very much, they understand this: That Common Cause reported that in the first 6 months of this year they gave $5.5 million. This is where they have contributed.

I daresay we will find out as we move on through, month by month, and then at the end of the year the reports will come in after the election about what they have done in terms of the various candidates.

This is what we are faced with on the one hand. This is what we are faced with: Big money and powerful special interests denying the opportunity for the interests of these various organizations and the people they represent—not just Members of the U.S. Senate who favor this position but those who are really the constituencies of these organizations. We are talking about the Children's Legal Defense Fund that has represented the interests of the children. We are talking about the range of different groups that have been representing the disabled. We are talking about the medical societies representing the doctors and nurses societies—denying those particular interests the opportunity for debate on this legislation.

Mr. President, earlier today we heard some very moving testimony. It has been typical of the testimony that we have been hearing over the period of recent weeks and months.

This is by Mr. A.G. Newmyer of The Epilepsy Foundation.

I will include the statements in their entirety. Mr. President, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY A.G. NEWMYER III, THE EPILEPSY FOUNDATION, OCTOBER 2, 1998

Good morning. My name is Newmyer and I'm here on behalf of the 2.5 million Americans who have seizure disorders, and their families. Some of these folks are well known to you—former Congressman Tony Coelho, Representative Neil Abercrombie, Congressman Hoyer's late wife. Others are total strangers—like me. And a couple hundred people on the Hill either have epilepsy or someone in their family does, but you don't know about it because stigma and fear keep these folks in the closet.

The Epilepsy Foundation urges passage of strong patients' rights legislation. Today's health insurance system is a mean-spirited, predatory mess. But it's far worse for people with special medical needs.

Those of you who cover this debate may recall that Tracy Buccholz from MN was the first public witness before the President's commission on health care. Tracy has epilepsy and led a rather normal life until her health plan started playing games with her life. She explained to the commission, when she came to Washington to testify, that she had been waiting eight months for permission to see her neurologist, despite the literature and promises of her plan.

I'd like to make three brief points this morning:

First, the member satisfaction statistics are pure nonsense. If I asked each of you how you like your life insurance, you'd think I was nuts. You'd tell me that you think it's fine—you never had to use it. The same thing's true for the 80 percent of Americans who have no significant medical need in any one year. I urge the press to focus on satisfaction among plan participants who have faced a serious medical need.

Second, to those members who say they don't want to interfere in the insurance market, let's be serious. The user isn't the customer. Most patients get insurance at work and have very little choice. When the person making the purchase decision isn't the user of the service, it's not a market. It's an anomaly. And it needs to be fixed. Now.

Finally, I know of no other segment of our society where some people elect to engage in predatory behavior knowing that the victims can't go to court. No patients want more lawsuits. Patients want health plans to stop horsing around. Patients want to fix a system where some people prosper by denying care. The key is ERISA reform, which is why it's being fought so hard by for-profit managed care plans.

I leave you with this thought. Steve Wiggins, CEO of Oxford, made $29 million before he was fired. Last year, with his company ½ way down the toilet, he left with $9 million in severance. The CEO of Aetna-United took home $17,693,000 during the past three years.

Do you really think those plans can't afford for people with seizures to have easy access to decent care?

DON'T LET THE CLOCK RUN OUT ON PATIENT PROTECTIONS

(Statement By Debra L. Ness, Executive Vice President National Partnership for Women & Families)

Good morning. My name is Debra Ness, and I am executive vice president of the National Partnership for Women & Families. I'm here today on behalf of the leadership organizations working for passage of the Patients' Bill of Rights Act, S. 1890. More than 180 groups—representing patients, doctors, nurses, other health care professionals, women, children, people with disabilities, small businesses and people of faith—support this Patients' Bill of Rights, and I am here to say to Congress: don't let the clock run out on patient protections! Americans deserve better from their elected officials!

Today, we are sending a letter to Senate Majority Leader Trent Lott, demanding that the Senate fulfill its responsibility to represent the people's interest. We need a full and fair debate on the Patients' Bill of Rights Act before the end of this session. Every day Congress delays, patients suffer:

Imagine your father being sick, and watching helplessly as his insurance company overrules his doctor about what treatment is best for him.

And yet . . . Congress delays.

Imagine your wife being told she can't participate in a clinical trial that might be the only opportunity to save her life.

And yet . . . Congress delays.

Imagine your child becoming permanently disabled because your insurance company wouldn't let you go to the nearest emergency room.

And yet . . . Congress delays.

Imagine the chronic disease you have managed for years suddenly going awry because your cost-conscious health plan refused to let you continue using the medication that helped stabilize your condition.

And yet . . . Congress delays.

We've talked with women around the country who told us with great passion how they believe the health care industry has abandoned patients for profits. Single women, mothers, grandmothers; corporate executives and Medicaid recipients; Democrats and Republicans, African-Americans, whites, Asians, Hispanics. The consistency of their concerns was extraordinary. And it is clear that women do not trust the industry to fix itself. They desperately want health plans to provide quality care, and they are convinced that government must play a role in setting quality standards.

And yet . . . Congress delays.

Just one bill responds to these legitimate and deep-felt concerns, and that is S. 1890, the Patients' Bill of Rights Act. It is the only bill that gives patients real protections, not phony substitutes. Unfortunately, the House has already passed a sham proposal that would actually reverse what little progress has been made so far. But the Senate has an opportunity—and an obligation to Americans—to enact meaningful patient protections by passing S. 1890, the Patients' Bill of Rights Act.

The Senate has three choices:

(1) It can do nothing and ignore the will of the people;

(2) It can deliver a bill that pretends to solve managed care's problems; or

(3) It can deliver the real Patients' Bill of Rights.

There is only one right choice, and there's absolutely no excuse for the U.S. Senate to get it wrong.

Mr. KENNEDY. Let me highlight what we heard this morning.

Good morning. My name is Newmyer and I'm here on behalf of the 2.5 million Americans who have seizure disorders, and their families. Some of these folks are well known to you—former Congressman Tony Coelho, Representative Neil Abercrombie, Congressman Hoyer's late wife. Others are total strangers—like me. And a couple hundred people on the Hill either have epilepsy or someone in their family does, but you don't know about it because stigma and fear keep these folks in the closet.

The Epilepsy Foundation urges passage of strong patients' rights legislation. Today's health insurance system is a mean-spirited, predatory mess. But it's far worse for people with special medical needs.

Those of you who cover this debate may recall that Tracy Buccholz from MN was the first public witness before the President's commission on health care. Tracy has epilepsy and led a rather normal life until her health plan started playing games with her life. She explained to the commission, when she came to Washington to testify, that she had been waiting eight months for permission to see her neurologist, because the literature and promises of her plan.

I'd like to make three brief points this morning.

First, the member satisfaction statistics are pure nonsense. If I asked each of you how you like your life insurance, you'd think I was nuts. You'd tell me that you think it's fine—you never had to use it. The same thing's true for the 80% of Americans who have no significant medical need in any one year. I urge the press to focus on satisfaction among plan participants who have faced a serious medical need.

That is important, Mr. President.

Second, to those members who say they don't want to interfere in the insurance market, let's be serious. The user isn't the customer. Most patients get insurance at work and have very little choice. When the person making the purchase decision isn't the user of the service, it's not a market. It's an anomaly. And it needs to be fixed. Now.

That is a very important point, Mr. President.

Finally, I know of no other segment of our society where some people elect to engage in predatory behavior knowing that the victims can't go to court. No patients want more lawsuits. Patients want health plans to stop horsing around. Patients want to fix a system where some people prosper by denying care. The key is ERISA reform, which is why it's being fought so hard by for-profit managed care plans.

Do you really think these plans can't afford for people with seizures to have easy access to decent care?

That is very moving, Mr. President, and clearly all of the organizations want us to debate and resolve these issues, because every single day they know that the lives of their members, like other Americans' lives, are being threatened by the abuses in the HMO system.

Finally, Mr. President, there is Debra Ness, executive vice president of the National Partnership for Women & Families.

We need a full and fair debate on the Patients' Bill of Rights Act before the end of this session. Every day Congress delays, patients suffer:

Imagine your father being sick, and watching helplessly as his insurance company overrules his doctor about what treatment is best for him.

And yet . . . Congress delays.

Imagine your wife being told she can't participate in a clinical trial that might be the only opportunity to save her life.

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Imagine your child becoming permanently disabled because your insurance company wouldn't let you go to the nearest emergency room.

And yet . . . Congress delays.

Imagine the chronic disease you have managed for years suddenly going awry because your cost-conscious health plan refused to let you continue using the medication that helped stabilize your condition. [This happens, Mr. President. This happens.]

And yet . . . Congress delays.

We've talked with women around the country who told us with great passion how they believe the health care industry has abandoned patients for profits. They desperately want health plans to provide quality care, and they are convinced that government must play a role in setting quality standards.

And yet . . . Congress delays.

Just one bill responds to these legitimate and deep-felt concerns, and that is S. 1890, the Patients' Bill of Rights Act. It is the only bill that gives patients real protections, not phony substitutes. The Senate has an opportunity—and an obligation to Americans—to enact meaningful patient protections by passing S. 1890, the Patients' Bill of Rights Act.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter signed by a number of organizations saying:

We, the leadership organizations working for passage of the Patients' Bill of Rights. . .ask [the majority leader] to schedule a full and fair debate before the close of the 105th Congressional session.

Mr. President, I ask the letter be printed in its entirety.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SUPPORT THE PATIENTS' BILL OF RIGHTS,
October 2, 1998.

Hon. TRENT LOTT,
U.S. Senate, Washington, DC

DEAR SENATOR LOTT: As you know, there are only a few weeks left to pass meaningful patient protection legislation. We, the leadership organizations working for passage of the Patients' Bill of Rights (S. 1890) ask that you schedule a full and fair debate before the close of the 105th Congressional session. There are now more than 180 organizations supporting S. 1890.

Support for patient protection legislation has grown in the last year. In fact, after being presented with arguments pro and con, 65 percent of Americans believe the government needs to pass legislation to protect them from managed care industry abuses, according to a recent survey conducted by Harvard and the Kaiser Family Foundation. People across the country are calling for debate and passage of real patient protections.

We urge that the Senate fulfill its responsibility to represent the people's interests. While Congress delays, people are being denied access to the specialists they need, denied coverage for clinical trials that may save their lives, and harmed by bureaucrats making medical decisions based on cost concerns rather than patient care needs.

There is an urgent need for this legislation, and because of this urgency we request a meeting with you so that we can personally convey the critical importance of this issue to the people across America that we represent.

Thank you for your time and consideration of this matter. We look forward to hearing from you soon. Please contact Judith L. Lichtman, President, National Partnership for Women & Families, with your reply.

Sincerely,

Sandy Bernard, President, American Association of University Women; Peggy Taylor, Director, Department of Legislation, American Federation of Labor-Congress of Industrial Organizations; Charles M. Loveless, Director of Legislation, American Federation of State, County and Municipal Employees; Nancy W. Dickey, MD, President, American Medical Association; Dale Eazell, PhD, Chair, Board of Directors, American Medical Rehabilitation Providers Association; Beverly L. Malone, PhD, RN, FAAN, President, American Nurses Association; Ron Pollack, Executive Director, Families USA Foundation; A. Cornelius Baker, Executive Director, National Association of People with AID; Judith L. Lichtman, President, National Partnership for Women & Family.

Mr. KENNEDY. There are now more than 180 organizations that are supporting it. The time is running short, but, as we have seen in the paper, there is a great deal of work yet to be done. We have not lost faith that still, somehow, the central concerns of families across this country can be listened to and responded to with a positive answer that, still, we might be able to, even in these last days of this session, have action to protect our families in this country.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. WARNER. Mr. President, I ask CDR Richard Voter be granted floor privileges for the purpose of my delivery to the Senate, which will be perhaps 10 to 12 minutes.

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

The Senator is notified that we are in morning business with a 10-minute limitation. Does he wish to ask for more?

Mr. WARNER. Mr. President, I ask for up to 15 minutes.

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

KOSOVO

Mr. WARNER. Mr. President, there is increasing concern within the United States, and quite properly, for the fate of the people of Kosovo. I wish to address my concerns, in what I deliver to the Senate this afternoon, in what are entirely my remarks. I take full responsibility for the views and opinions that I express. I have, however, availed myself of every opportunity to learn firsthand about the critical nature of this problem, including a visit several weeks ago to this region which included a trip to Bosnia, thence to Belgrade, thence to Macedonia, and then into Kosovo. I commend the Ambassadors from the United States to Macedonia and—he has the rank of DCM—to Serbia for their very diligent and hard work in representing the interests of our Government and, indeed, those of our principal allies. That is Ambassador Hill and Ambassador Miles. I spent a considerable time with both.

Likewise, I was given the opportunity in Kosovo to visit with a group known as KDOM, which is an unusual group constituted following negotiations between our Ambassadors and, as I understand, their counterparts in Belgrade whereby this group of U.S. military and diplomatic, Russian military and diplomatic, Canadian military and diplomatic and, indeed, some of the EU nations, are given the opportunity to travel without weapons into certain regions of Kosovo for the purpose of observing—and I repeat—observing the tragic unfolding of atrocities throughout that country. I joined them in their armored cars for the purpose of this visit and then had the opportunity to be debriefed extensively by these individuals.

They are doing a remarkable job taking personal risks and providing the free world with an inside examination of this serious and critical problem. I wish to pay them tribute. I also was able, when I returned, to visit with the NATO commander, General Clark, to get them some additional equipment to carry out their missions.

I have also, like most Senators, availed myself, since 1992, of the opportunities to visit in Bosnia and to study the complex issues that brought about that tragic period of hostilities, which hostilities now have been brought to some measure of conclusion, largely because of the allied forces that are in there providing the security so that the Dayton accords can be implemented.

In this entire region, referred to as the Balkans, you cannot touch one spot without affecting, in my judgment, the others.

Now NATO, the United Nations, the United States—all of us—are faced with the following situation: Repeatedly in Kosovo atrocities are taking place against innocent human beings, largely innocent. We have no way of judging their culpability in the separatist movement initiated sometime ago by the forces known as the KLA, but while I was there, I saw the houses being burned, I saw armed people, I saw the hopeless refugees numbering in the hundreds of thousands who had been

driven into the hills and wanted to do the right thing, to alleviate the human suffering. That is the main threshold.

Also, our Nation and our allies have put a very considerable investment, first, of the risks taken by our military and diplomatic people and the NGOs—those of nongovernmental organizations who have brought relief to this region—we have put an enormous investment of time and effort to bring about a cessation of those hostilities. In my judgment, unless this situation in Kosovo is likewise secured, it could undermine such advances, although modest, in my judgment, that we have made collectively as nations in this region. First is humanitarian concern for the people; second is to prevent instability as a consequence of this conflict, erasing some of the gains that we have had there.

Lastly, our Nation is proud of the fact that we are the leader, in my judgment, in NATO. Only NATO is the only military force that can and, indeed, should be employed if it is necessary to bring about the cessation of hostilities in Kosovo.

The administration has made efforts, I think many bona fide efforts, through the diplomatic chain—speaking directly with Milosevic in Belgrade. We have been joined by other nations, referred to as the "contact group." I think every effort has been made diplomatically in the past that could have been made, and now that effort is strengthened by a degree day by day of the assertion by the United Nations with regard to their growing concern about the humanitarian problems taking place in Kosovo.

But in no way should the military option, which has to back up diplomacy—diplomacy can be no more effective than the credibility of the willingness of certain nations to back up that diplomatic effort—in no way should the United Nations, in my judgment, have any veto over the decision of the collection of nations—the United States being one, Great Britain, France, Germany and others—to take such action as they deem necessary to bring about a cessation of the tragic situation in Kosovo.

I want to repeat that. Never should the United Nations be put in the position, nor NATO allow itself to be put in a position, where the United Nations has a veto power over the decision-making of NATO. But I think the annunciations by the Security Council recently give adequate cover for those nations who wish to collectively act, if necessary, to back up their diplomacy with military action.

That military action, in my judgment, has very severe consequences. I want to make it clear, speaking for myself, that I support the use of force if diplomacy fails, and that is a tough position to take, because I have had grave reservations through these many years about our continued participation and expenditure and deployment of troops in Bosnia, but in the final resolution of the Dayton accords, I felt that I would lend my support, and did, for the putting in of the SFOR and IFOR forces. They have, as I say, to some modest degree, achieved the milestones set out in the Dayton accords. But, in my judgment, of course, we took a step backward, regrettably, as a consequence of the recent elections. Nevertheless, always focus on the considerable investment we have put in that region and how that investment can be jeopardized unless the Kosovo situation is stopped in terms of the atrocities.

How do we do it? My concern is the discussion in the open thus far—and I have availed myself of classified sources and I will only address the open discussion—is that the use of air power will bring about a situation whereby Milosevic in Belgrade will cease the directions and cease sending the Serb Army and the police associated with the Serb Army to stop perpetrating these atrocities. I think if that air power were absolutely and unequivocally of a magnitude that could get that attention, then it would work. But, in my judgment, air alone will not satisfy the situation.

There is a very interesting fact of Kosovo that is well known: that the Kosovar Albanians number about 90 percent of the population, and 10 percent are of Serb ethnicity. Yet, for the past several years, ever since Milosevic I think wrongfully stripped Kosovo province of a certain degree of its autonomy years ago, the Serbians have pretty well controlled that region. And they have used repressive forces against the Kosovars for years.

This insurrection did not happen overnight. It has been coming on for many years. I visited Kosovo in 1991 with Senator Dole, with Senator NICKLES, and others. We went into that region. And we saw with our own eyes the tension that was developing. But the point I wish to make, the air operation, I am confident, could be of such a magnitude as to seal off and stop the flow of supplies, the professional Army and, indeed, I think many of the supplemental police forces that have come down from Serbia to perpetrate these atrocities. That can be done.

But then we leave a region which is affiliated largely 90 percent with the Kosovar Albanians pitted against the 10 percent remnants of the Serbian force. And it is my judgment that that situation would quickly destabilize and you would experience atrocities of a greater magnitude than are taking place in the recent weeks and, indeed, for many, many months in that region.

I want to point out these atrocities, the greater proportion of the atrocities, I think, are directly linked to Milosevic and the Serbian interests. But there have been instances where the Kosovar Albanians have perpetrated atrocities of a comparable magnitude in viciousness, but of course not in a magnitude of totality of loss of life in that region. So both sides come to this problem not with clean hands at all, in my judgment.

The Kosovar Albanians have as one of their objectives a greater Albania. You have virtual anarchy now in Albania. You have large populations of the refugees that have left Albania in Montenegro. That is destabilized. You have some in Macedonia. Indeed, these refugees are throughout this region. And in the event that force has to be used as a consequence of the failure of diplomatic efforts, my concern is that the KLA will view that as the allies, the nations of NATO, coming to their aid and supporting their long-term goal of a greater Albania. That is very troublesome, Mr. President, very troublesome.

That is why I believe—and, again, it is my judgment—that any military action to bring about a cessation of the current level of atrocities in Kosovo has to be associated with what I call a ground element or a stabilizing force that would prevent a greater level of insurrection amongst the populations of predominantly 90 percent Kosovar Albanians and 10 percent Serbs.

The PRESIDING OFFICER. The Senator from Virginia has only a few seconds left of his 15 minutes.

Mr. WARNER. Fine. I ask unanimous consent for additional time.

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

Mr. WARNER. I see that my distinguished colleague from Oklahoma is here. I could finish in 6 or 7 minutes.

Mr. NICKLES. No. Go ahead and finish.

Mr. WARNER. Fine. I will resume my remarks.

The PRESIDING OFFICER. How much more time does the Senator seek?

Mr. WARNER. Mr. President, I ask unanimous consent for 10 minutes.

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

Mr. WARNER. Mr. President, I go back to the situation and recap quickly. As I look at what is in the open, as I say, reported in the New York Times, the Washington Post—and recently we have had some excellent reporting about the military options being examined by NATO—they either intentionally or otherwise leave out any reference to a stabilizing force and the need for that force in Kosovo. And that is the basic reason why I take the floor of the Senate today, to express my own professional judgment that any air operation to alleviate the suffering here has to have, very speedily, a follow-up ground presence in Kosovo to prevent what I predict would be an increased clash among these peoples with the absence of a stabilizing force.

I think it is very important that the President, if he is contemplating the use of force, together with the heads of state of other nations, come to the Congress, come to the American people and point out—if I am wrong, point it out. But I have consulted a great many people about this situation. As I say, I saw it myself weeks ago. The hatred between the Kosovar Albanians and the remnants of the Serbs that are still there is incredible. It is beyond the ability of anybody really to explain it. They will fall upon themselves as they come down out of these hills.

There are maybe as much as a quarter of a million people—refugees—in these hills. When they return to their villages and homes, which I saw, which are burned and destroyed, and see the looting and the destruction, both of human beings and property, they will be incensed, and I think they will turn to fighting themselves. And that is a situation we cannot allow to happen as a consequence of an air operation there and in other areas of that region.

It would bring about greater instability, in my judgment, in Bosnia, that sort of insurrection. It could bring it about in Macedonia. It could feed into the instability here. Montenegro is an integral part of Serbia. There is a good deal of competition between the head of state and government in Montenegro and Milosevic in Serbia. And that situation would be exacerbated.

You must always remember, if airstrikes go against the Serbs, Greece historically has had long relationships with Serbia, as has Russia. Russia now has a very important part of the military that is stationed in Bosnia. What are the consequences that will flow with those two nations if we strike against Serbia?

So I basically conclude my remarks by saying that I think that any operation will have to explain why it is the judgment of those preparing this operation that the ground element is not necessary before this Senator is going to sign off and lend his support.

In my judgment, it is an essential part of any operation to prevent what I predict would be a greater increase of tragedies there. Nevertheless, with the absence of the Serbian Army and the police, other fighting would quickly fall behind.

Furthermore, if you are to help these quarter of a million refugees, you have to bring in food, medicine, supplies and shelter. How could these be brought in if there is a virtual civil war going on? Therefore, without a stabilizing force, you are not going to be able to get the NGO support and such other support that is essential to be brought to bear in that region in the coming weeks, as weather closes in on these hopeless, hapless people who are now confined in the hills.

Furthermore, if you start bombing in this region, that will create another group of refugees who will begin to flee from the sites that either have been bombed or sites that are likely to be bombed if the first raid or the second raid doesn't succeed. So the quarter million down here will grow in number by many more refugees in this situation. Then they will start, in my judgment, flowing across the borders.

I do not believe to the extent this plan has been discussed in the open—largely by the press—that this is a workable operation. At this time I could not lend my support, although I support a plan that would bring about the cessation of this tragic killing that is going on in Kosovo. The likely and precipitous undermining of what progress we have made in Bosnia and the fact that NATO would be viewed as not fulfilling its mission under the leadership of the United States are the reasons compelling us to look at this operation.

If we are going to do it, let's make certain we do it properly to achieve the goals of humanitarian relief and the lessening of the killings.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, first I wish to congratulate and compliment my colleague from Virginia for a very thoughtful speech, and also for his homework in this area, and the fact that he spent some time traveling to this troubled region of the world.

I had the pleasure of traveling with Senator WARNER and Senator Dole, I believe in 1991. We met with Mr. Milosevic and we traveled into Kosovo. I became convinced that Mr. Milosevic was a tyrant. I still believe he is. He needs to be stopped. We need to have affirmative action to stop him. We have had strong words from this administration. We have had very little action. I am not convinced they have a plan that will fully complement their desires, so I am concerned about that.

But I am also working with other colleagues in this body to try to see that the United States and NATO stand up to Milosevic and try to develop a plan that is workable. I appreciate the fact that my colleague from Virginia is willing to speak out and lend his experience and education in this area. Maybe together we can come up with something that will work and stop the atrocities, but also avoid some of the pitfalls that could easily have happened in Bosnia, where some of us were concerned about the cost and the expense.

Some of us felt misled by this administration when they said we would only be in Bosnia for a short period of time. We stated that wasn't the case. We knew that wasn't the case. We knew we wouldn't be limited to 1 year. Frankly, they misled Congress and they misled the American people as far as the commitment in Bosnia. I want to avoid that repetition of that as it pertains to Kosovo.

I appreciate my colleagues' comments.

Mr. WARNER. Mr. President, I thank my distinguished colleague and friend. I wish to commend the leadership of Senator LOTT and yourself, Senator HELMS, Senator THURMOND, Senator DOMENICI, Senator MCCAIN, and many of us who have quietly begun to try to look at this situation, to give constructive advice to Senator LOTT and yourself. I think that, hopefully, that message will get to the administration.

At the moment, I am expressing my own view. I am not satisfied with what I have seen in the open about this plan. I think it has to incorporate pieces which will bring about a stabilization of the potential conflict that could take place in the aftermath of an airstrike.

The Senator rightly points out we had the Joint Chiefs before the Armed Services Committee the other day seeking additional funds for critical needs in our forces, and we have now expended by our Nation up to $9 billion in Bosnia—much of that coming out of the military budget. It is unprogrammed, unbudgeted. We are taking funds out of R&D, operation and maintenance accounts. That has a direct adverse effect on the readiness and the lifestyle of our men and women in the Armed Forces.

We will take steps to correct that, but I think the Senator is absolutely right. I thank the Senator and the distinguished majority leader for the work they have done.

Mr. NICKLES. Mr. President, to conclude the dialog on Kosovo, the administration gave most Members of the Senate a briefing yesterday, but they have a lot of work to do. They have a lot of work to do if they are going to convince the Congress, if they are going to convince the American people. They have a lot of leveling with the American people as far as the expense, as far as the obligation, as far as what the next step is after the first phase. They haven't answered those questions.

That is not exactly what I call "consulting with Congress." Maybe we had a little dialog with the administration, but we have a lot of work to do yet.

Mr. WARNER. I thank my colleague for bringing that up. I participated, of course, in those briefings.

I am not here to advocate the U.S. ground forces in Kosovo. It seems to me if there is an air operation that the United States—because of its particular type of aircraft and munitions—would have to take a lead in that and then the role of the stabilization force should fall to other allies, in my judgment. I think you can't have one without the other.

I thank my colleague.

Mr. NICKLES. Mr. President, I ask unanimous consent to speak for an additional 10 minutes.

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

INTERNATIONAL RELIGIOUS FREEDOM ACT

Mr. NICKLES. Mr. President, earlier today, I, Senator LIEBERMAN, Senator SPECTER, Senator COATS, Senator AKAKA, as well as Congressman WOLF, and other leaders of various religious organizations, had a press conference discussing the International Religious Freedom Act. We came out and spoke in favor of Congress passing the International Religious Freedom Act this year.

I tell my colleagues, I very much hope and expect we will do that. I think it is one of the highest priorities we have left before we adjourn this session.

The issue of religious persecution and freedom is an issue that I have been working on, as many others have, for a long time. I very much value the opportunity and the right and the privilege that I have as an American citizen to worship as I please, where I please, how I please. In fact, I believe it is one of the most precious rights that any of us have as a citizen of this country.

Unfortunately, too many people in too many countries do not have that right. It is unfortunate that in many places all around the world, religious persecution is a common practice. It happens in more countries than we can imagine. There are far too many state laws and policies that restrict religious freedom.

For many years, I have worked with my colleagues, Senator HELMS, Senator LUGAR and Senator Nunn, to help win freedom for those around the world who suffer because of religious beliefs. While we have been successful on many occasions, sadly, in some cases, we haven't been. Most of this work has been done, I might mention, quietly and behind the scenes.

In 1996, I was honored to sponsor a Senate resolution on religious persecution, which passed by unanimous consent. In that resolution, the Senate made a strong recommendation "that the President expand and invigorate the United States' international advocacy on behalf of persecuted Christians, and initiate a thorough examination of all the United States' policies that affect persecuted Christians."

Unlike the resolution that we helped get through the Senate 2 years ago, the legislation we are talking about today makes no distinction as to the faith of those who are being persecuted. This bill, I believe, will benefit all persons of all faiths who are persecuted for practicing their religion.

Congressman FRANK WOLF and Senator ARLEN SPECTER have done a great job during the past year and a half in bringing this issue to the attention of the American public. I want to thank my friend, Congressman WOLF, for his leadership in the House, and of course all those persons in the House who passed a similar bill with a record vote, 375–41. Now, we in the Senate have a historic opportunity to finish the job that was started by the House, by passing the International Religious Freedom Act.

I also want to thank my colleague, Senator SPECTER, for his leadership as original sponsor of the resolution. His work on our legislation, I think, has added considerably to the effectiveness of the bill.

I also want to thank Senators GRAMS and HAGEL who worked with us to modify the bill to ensure that what we are doing is responsible and it is done in a careful way. I think with their efforts we have crafted a bill that can be supported by all Senators, as evidenced by the fact that a broad spectrum of grassroots organizations have endorsed this bill.

We have 29 Senate cosponsors, and I expect we will have more shortly. We have 21 groups that are supporting our bill who are advocating religious freedom. Those organizations include: the Religious Liberty Commission of the Southern Baptist Convention, the National Association of Evangelicals, the International Fellowship of Jews and Christians, the Christian Coalition, the Episcopal Church, the Anti-Defamation League, Advocates International, the National Jewish Coalition, Traditional Values Coalition, American Jewish Committee, Justice Fellowship, the Catholic Conference, B'Nai B'rith International, the Evangelical Lutheran Church of America, Catholic Conference of Major Superiors of Men's Institutes, Jewish Council for Public Affairs, Union of American Hebrew Congregations, Union of Orthodox Jewish Congregations of America, National Conference of Soviet Jewry, the United Methodist Church-Women's Division, and the American Coptic Association.

The Episcopal Church stated the following about the International Religious Freedom Act in a letter to each office on Capitol Hill:

> The Nickles-Lieberman bill is a moderate, flexible response to human rights abuses that strikes the right balance between imposing inflexible sanctions in overlooking serious human rights abuses.

The Catholic conference stated the following in a letter to my office:

> The bill is a reasonable and thoughtful effort to ensure that religious liberty has its rightful place in U.S. policy while preserving the authority of the Executive to pursue legitimate foreign policy goals. It deserves broad, bipartisan support and should be considered before Congress adjourns.

B'nai B'rith International, The Union of American Hebrew Congregations, and The Union of Orthodox Jewish Congregations of America signed a letter to me stating:

> Passage of this bill would underscore our nation's commitment to human rights worldwide and lend hope to millions of religious believers who suffer because of their faith. Failure to act now on this legislation would send a dangerous signal to persecutors that they can act with impunity.

Unfortunately, it is a tragic reality that literally millions of religious believers around the world live with the terrifying prospect of persecution—of being tortured, arrested, imprisoned, or even killed simply for their faith. Millions more around the world are denied, by government policy, the ability to practice their religion.

I believe that this bill can be an effective tool in helping to resolve the problem of religious persecution throughout the world.

The International Religious Freedom Act will establish a process to ensure that on an ongoing basis, the United States closely monitors religious persecution worldwide.

International Religious Freedom Act uses a broad definition of religious persecution. This definition ranges in scope from the most egregious form of religious persecution—imprisonment, torture or death—to the most common—the inability of one to speak freely about one's religion, or to change religion. That's right. There are prohibitions in certain countries on changing your religion, on talking about your religion, or practicing your religion.

This is an important aspect of the bill. If the definition of religious persecution were limited to only torture, imprisonment or death, the International Religious Freedom Act would only cover about a few countries, and would not include about 80 to 85 percent of the religious persecution that takes place in the world—the ability to practice one's religion. We adopted this standard to ensure that we address the problem before it escalates to torture and murder.

Under the provisions of the International Religious Freedom Act, the President is required to take action against those countries that engage in religious persecution. However, the President is given a menu of options, fifteen items, from which he can choose the most appropriate response. In addition, the President is given the discretion to calibrate that action in response to each country's particular situation.

In essence, this allows the President to weigh a variety of factors such as strategic importance, the historical relationship between the United States and that country and the severity of the religious persecution in that country when determining an action.

I believe this flexibility also makes the International Religious Freedom Act more effective. We provide the President with a menu of options that makes it make likely that he will take action.

We need to keep our eye on the goal. The goal of our bill is not to punish

countries, but to change behavior, and if it is more likely that the President will take an action, then it is more likely that behavior will change. And that, Mr. President, in my opinion should be the goal of any legislation dealing with religious persecution—changing behavior in other countries that persecute people because of their faith.

The International Religious Freedom Act, also seeks to promote religious freedom. The bill insists that U.S. foreign assistance should place a priority on developing legal protections and respect for religious freedom, by promoting exchanges and visits of religious leaders in the U.S. and abroad, and by making one of the priorities of our international broadcast programs the promotion of and respect for religious freedom.

This bill is not a classic case of Uncle Sam imposing his views on the world. Although the right to religious freedom undergirds the very existence and origin of this country, the bill only asks other countries to live up to the commitments they have made in international documents and agreements.

For example, article 1, paragraph 3 of the Charter of the United Nations states one of the purposes of the United Nations is to:

> Achieve international cooperation in . . . promoting and encouraging respect for human rights and for fundamental freedoms for all without distinctions as to race, sex, language or religion.

There are 185 members of the United Nations. Some of the members of the United Nations are the biggest violators of the right to religious freedom.

Article 18 of the Universal Declaration of Human Rights states:

> Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief and freedom either alone or in community with others and in public or private to manifest his religion or belief in teaching, practice, worship and observance.

According to a CRS memo, The Universal Declaration of Human Rights was originally adopted in 1948 at the UN by 48 of the countries that belonged to the UN at that time (eight countries abstained). The Universal Declaration of Human Rights is considered as a part of the United Nations and any country who has joined since 1948 subscribes to its principles. No ratification is required.

Some have suggested that it is inappropriate to elevate religion to a "higher" or "privileged" status in U.S. policy on human rights. But the reality is the opposite. We are trying to correct the neglect that has too long existed, where religious persecution has been given a lower priority than persecution based on political opinion, labor activities, sexual orientation, what have you. This bill is remedial for years of neglect. Religion must no longer be an afterthought of American human rights policy.

As the Catholic Conference stated in its letter to me:

> The bill is a reasonable and thoughtful effort to ensure that religious liberty has its rightful place in U.S. policy while preserving the authority of the Executive to pursue legitimate foreign policy goals. It deserves broad, bipartisan support and should be considered before Congress adjourns.

In June of this year, an Episcopalian Bishop from Pakistan, the Right Reverend Munawar Rumlash, or Bishop Manno as he is called in the United States, gave gripping testimony before the Senate Foreign Relations Committee about the plight of Christians in Pakistan.

Bishop Manno cited the following examples of religious persecution in Pakistan before the Senate Foreign Relations Committee that have occurred this year alone.

In January, Protestant Pastor Noor Alam was stabbed to death in front of his family. Two months before his death, Pastor Alam's church was demolished by a Muslim mob. When he was stabbed to death he was in the process of rebuilding his church for which he had received several death threats.

On April 27, 1998, Ayub Masih was condemned to death on charges he blasphemed the prophet Mohammed by favorably mentioning Salman Rushdie, the author of "Satanic Verses." According to Freedom House, Mr. Rushdie's book has not been translated into the local Urdu language and is unavailable in Pakistan. It is improbable that Ayub Masih ever saw or read the book.

The blasphemy laws in Pakistan do not just impact Christians. According to the latest State Department Human Rights Report, the Ahmadis, a minority sect of Islam that does not accept Mohammed as the last prophet of Islam, also suffer from the religious policies in Pakistan.

Another country in the Middle East imprisoned some 30 Christians for distributing religious material just three months ago. There were credible reports that these people were beaten while in jail.

In Nepal, Hinduism is the state religion and it is illegal to convert. Several years ago a gentleman from Oklahoma was arrested for distributing religious material. I worked with our government to get him released from prison.

Just recently The American Coptic Association placed an ad in the Washington Times highlighting the trials that they are going through. I think there are something like 12 million Coptics in Egypt today.

Last summer our Government prepared a report on countries that engage in violations of religious freedom. Some 77 countries were listed in that report. I will include that report at the conclusion of my statement.

This is a problem, and we in the Senate have the power to try to do something to make improvements. That is what this bill is for. I believe the International Religious Freedom Act has the potential to significantly improve religious freedom throughout the world.

Mr. President, what was a mere resolution in 1996, I hope will become a reality in 1998. While in 1996 we acted with words, I hope we can act now with deeds by passing the International Religious Freedom Act.

I thank my colleague, Senator LIEBERMAN, for his leadership, and Senator COATS, who has worked on this very, very hard, and the 29 cosponsors that we have on this bill. I urge my colleagues to look at this bill, and to work with us to see if we can't pass this bill and make a very positive statement as the United States being a real leader to promote religious freedom throughout the world. I thank my colleagues for their patience.

I ask unanimous consent that a list of the countries that were included in the report on human rights and persecution listed in 1997 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COUNTRIES LISTED IN 1997 REPORT ON CHRISTIAN PERSECUTION

1. Afghanistan: Islam is the state religion. No Proselytizing allowed by non-Muslims.
2. Algeria: Islam is the state religion. Islamic extremists killed several Catholics in 1996.
3. Armenia: Laws forbid proselytizing except by the Apostolic Church. All churches must register with the government. Funding restrictions tightened so foreign-based churches may not be supported by funds outside Armenia.
4. Austria: Registration requirements for recognition. Recognition by the government means tax privileges. The Jehovah's Witness have not been recognized by the government.
5. Azerbaijan: No proselytizing by foreigners in Azerbaijan. Non-Orthodox Christian religions have credibly complained of official harassment.
6. Bahrain: Islam is the state religion. Proselytizing by non-Muslims is discouraged. Anti-Islamic writings are illegal. Both the Sunni and the Shi'a Muslim are subject to government control and monitoring.
7. Bangladesh: Islam is state religion. Foreign missionaries may proselytize, but their right to do so is not protected by the constitution. Many foreign missionaries have problems getting visas.
8. Belarus: Government directive issued in 1995 limits religious activity of foreign religious workers. The Orthodox Church is granted tax and financial advantages not given to other churches.
9. Belgium: The government provides subsidies to Catholics, Protestants, Judaism, Islam, Anglicanism, and the Greek and Russian Orthodox Church. Baptists and other evangelical churches were denied recognition.
10. Bhutan: Buddhism is the state religion. Conversion is illegal. Foreign missionaries are not allowed to proselytize, but they can operate educational and humanitarian efforts.

11. Bosnia: The government has ignored Catholic church burnings.

12. Brunei: Despite constitutional provisions providing for the full and unconstrained exercise of religious freedom the government routinely restricts non-Muslim religions by banning the importing of religious material and prohibiting proselytizing.

13. Bulgaria: Although the constitution calls for freedom of religion the government restricts this right for some non-Orthodox Christian groups. Mormons and the Jehovah's Witness have reported acts of official harassment.

14. Burma: The government has imposed restrictions on certain religious minorities. Christian bibles translated into local languages cannot be imported, and it is difficult to get permission to build churches and mosques.

15. Burundi: There is no restriction on religion. However, religious leaders of the Hutu tribe have been arrested for aiding Hutus rebels. Another religious leader was arrested and has not been charged.

16. Cameroon: The government has registration requirements and has verbally attacked the Catholic Church for being supportive of the political opposition.

17. Central African Republic: Has a provisions of law prohibiting religious fundamentalism which is understood to be aimed at Muslims.

18. China: The government seeks to restrict religious practice to government controlled and sanctioned religious organizations. Leaders of house churches have been jailed and beaten.

19. Colombia: Jehovah's Witness and members of the Mennonite Church have complained that they are not allowed an alternative to military service even though Colombia's constitution calls for this.

20. Comoros: A government established council ensures that its laws abide with the law of Islam. Non-Muslims are allowed to practice their faith, but not proselytize.

21. Congo: Religious leaders have been jailed for criticizing the government.

22. Croatia: The government discriminates against Muslims in issuing documents.

23. Cuba: Although restrictions on religion have eased—especially because of the Pope's visit—the government still maintains a restriction on selling business machines to Churches. Pentecostal Churches have been closed in the last year.

24. Djibouti: Islam is the state Religion. Proselytizing while not illegal is discouraged.

25. Egypt: Religious practices that conflict with Islamic law are prohibited. Christians complain that their lives and property are not adequately protected by the police. Converts to Christ have been beaten and jailed.

26. Equatorial Guinea: Catholic clergy beaten & jailed for political sermons.

27. Eritrea: General religious freedom, except the Jehovah's Witness are denied government housing and passports.

28. Estonia: Some disputes have arisen over its registration requirements, but this has not hampered freedom of religion.

29. Ethiopia: Skirmishes between religions have resulted in claims by the Protestants that they are not being adequately protected by the police.

30. France: Certain churches get government subsidies. Some 172 religions have been labeled as a criminal sect.

31. Germany: Certain churches get government subsidies.

32. Greece: Muslims complain the government is thwarting their efforts to build a mosque in Athens. Mormons, Jehovah's Witness and Scientologists have been arrested by the police for proselytizing.

33. India: The government has refused to allow foreign missionaries into the country for long stays since the 1960s. Missionaries can stay for short periods of time on a tourist visa only.

34. Indonesia: The government only recognizes five religions (Islam, Catholics, Protestant, Buddhism and Hinduism). Marriages performed outside of these religions have difficulty being recognized. The Jehovah's Witness have been banned.

35. Iran: There are religious restrictions on non Shiites. Christians are arrested. Two Bahai men were killed under circumstances that has led many to believe they were killed for their beliefs.

36. Iraq: Restrictions on religion exist. There is a ban on Muslims call to prayer in certain cities and bans on books and funeral processions. Security forces are reported to have killed between 40 and 500 religious pilgrims.

37. Israel: Jehovah's Witness have reported buildings being looted, and complain that the police have not adequately investigated these attacks.

38. Jordan: Non-Muslims can't proselytize to Muslims. Some religions not recognized by the government.

39. Kazakstan: Foreign missionaries have complained of harassment by low-level government officials.

40. Kenya: Government has interfered with religious educations which it claims supported the opposition.

41. North Korea: Although the constitution calls for freedom of religion the government discourages all religious activity.

42. Kuwait: Islam is the state religion. The government prohibits proselytizing among Muslims.

43. Kyrgyz Republic: The government does not always ensure religious freedom. A Baptist congregation has been denied the ability to register with the government.

44. Laos: The government restricts religious freedom. There are reports of Christians being harassed. There are also restrictions on the imports of foreign religious publications.

45. Latvia: Religions are required to register. Jehovah's Witness are denied registration. This makes it very difficult for them as they are perceived as an illegal group.

46. Lebanon: Religious denomination determines who can hold the highest positions in government.

47. Lithuania: While the government generally allows freedom of religion, certain religions are having trouble getting registered.

48. Malaysia: Islam is the state religion. There are some restrictions on other religions.

49. Maldives: Severe restrictions on religion. Citizens are required to be Muslim. Conversions may result in a loss of citizenship. The practice of any other religion besides Islam is prohibited.

50. Mauritania: Proselytizing by non-Muslims prohibited. Conversion from Islam to another religion is prohibited.

51. Mexico: Local official do not always allow religious freedom.

52. Moldova: A 1992 law contains restrictions on proselytizing. Several Protestant religions are concerned that this could inhibit their activities.

53. Morocco: Islam is the official religion. Attempts to convert a Muslim are illegal and several Christian missionaries have been expelled from Morocco for proselytizing.

54. Nepal: Conversion and proselytizing are prohibited.

55. Nicaragua: Catholic Church bombings in 1996 blamed on extremists..

56. Nigeria: Open-air religious services are banned. Soldiers beat participants in an Easter-day parade.

57. Pakistan: Religious intolerance prevails. Blasphemy laws make it difficult for other religions besides Islam to grow. Proselytizing among Muslims is illegal.

58. Peru: Mormons harassed in Peru in 1996, problem declining.

59. Romania: Problems with low-level government harassment of several Protestant denominations.

60. Russia: Passed law that prohibits religious freedom in 1997. While this law is complex and contradictory, several denominations have been punished by local authorities for practicing their faith.

61. Saudi Arabia: No freedom of religion exists. The government does not permit non-Muslim religious activities. Police have been known to beat and jail those who do.

62. Serbia: Although there generally is freedom of religion, the government gives preferential treatment to the Orthodox Church.

63. Singapore: Jehovah's Witness are banned. Arrests have been made of them.

64. Slovakia: Subsidies provided to registered churches.

65. Somalia: Proselytizing prohibited except for Muslims.

66. Sri Lanka: Buddhism is the official national religion. Discrimination from the Buddhist clergy is often targeted at Christian groups who have proselytized.

67. Sudan: Islam is the de facto state religion. There are reports of forced conversion of Christians to Islam, Christians are victims of slave raids and Christian children being sent to reeducation camps. Muslims may proselytize, but non-Muslims cannot.

68. Syria: The President of Syria must be Muslim. The government discourages proselytizing. Jews are generally barred from holding government positions. Reports indicate that the government closely monitors worship services.

69. Tunisia: The government views proselytizing as an act against public order. Foreigners suspected of proselytizing are deported. The government controls mosques and pays the salaries of the prayer leader.

70. Turkey: there is compulsory religious education for Muslims. proselytizing is not illegal, but foreign missionaries are sometimes arrested for disturbing the peace.

71. Turkmenistan: Churches are required to be registered by the government. Requirements that the church have at least 500 adherents have hampered the efforts of some religions from setting up legal religious organizations. Missionaries arriving at the airport with religious material have had that material confiscated.

72. Ukraine: An amendment to a 1991 law restricts the activities of non-native churches. Local government officials have impeded the efforts of foreign missionaries.

73. United Arab Emirates: Islam is the official religion. Non-Muslims are free to worship, but may not proselytize, or distribute religious material.

74. United Kingdom: Has a state religion. Blasphemy is illegal although the law is not enforced. There is freedom of religion.

75. Uzbekistan: Although the distribution of religious material is legal, proselytizing is not. The government does not register Christian groups of which they do not approve, and has sought to control the Islamic hierarchy.

76. Vietnam: Only two Christian religions are approved by the government—The Catholics and the Christian Missionary Alliance. Police have raided house churches and harassed ethnic Hmong Protestant for proselytizing.

77. Yemen: Islam is the state religion. There are restrictions on the followers of other religions—They are not allowed to proselytize. Security officials have been known to censor the mail of Christian clergy who minister to the foreign population.

Mr. NICKLES. Mr. President, I yield the floor.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Delaware.

Mr. BIDEN. Mr. President, I ask unanimous consent to proceed for up to 30 minutes as if in morning business.

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

THE IMPEACHMENT PROCESS

Mr. BIDEN. Mr. President, during the past 26 years as a U.S. Senator, I, like all who sit here, have been confronted with some of the most significant issues that have faced our Nation in the last quarter century—issues ranging from who sits on the highest court of the land, the Supreme Court, to whether or not we should go to war. These and others are, obviously, weighty issues. But none of the decisions has been more awesome, or more daunting, or more compelling than the issue of whether to impeach a sitting President of the United States of America, a responsibility that no Senator will take lightly.

As imposing as this undertaking is, I am sad to say that I have had to contemplate this issue twice during my service as a U.S. Senator—once during the term of President Richard Milhous Nixon, and now.

While the circumstances surrounding these two events are starkly different, the consequences are starkly the same. The gravity of removing a sitting President from office is the same today as it was 26 years ago. And 26 years ago as a much younger U.S. Senator, I took to the floor on April 10, 1974, and said the following:

> In the case of an impeachment trial, the emotions of the American people would be strummed, as a guitar, with every newscast and each edition of the daily paper in communities throughout the country. The incessant demand for news or rumors of news—whatever its basis of legitimacy—would be overwhelming. The consequential impact on the Federal institutions of government would be intense—and not necessarily beneficial. This is why my plea today [that was 1974] is for restraint on the part of all parties involved in the affair.

It is somewhat presumptuous for any Senator to quote himself. But I cite it to point out that my views then with a Republican President are the same as my views today with the Democratic U.S. President. It is time for all parties involved in this affair to show restraint.

I rise today because I believe that we are not exercising the restraint as we should. Those words that I said 24 years ago have an uncanny ring to them. Furthermore, in 1974, I urged my colleagues in the U.S. Senate during the Watergate period to learn from the story of Alice in Wonderland. I cautioned then that they remember Alice's plight when the Queen declared, "Sentence first and verdict afterwards." But the need for restraint then is even greater now than it was in 1974.

The impeachment question then was not as politically charged as it is today. In 1974, we were willing to hear all the evidence before we made any decision. We had men like Howard Baker and Sam Ervin. We had men like Chairman Peter Rodino. We had Democrats and Republicans. I remember a brilliant young Senator from Maine, who was then a Congressman named William Cohen, a Republican, and now our Secretary of Defense. He was a Congressman from Maine. I remember how serious they took the process, how much restraint they showed, and how bipartisan their actions were.

Today, I hope for our Nation's sake—not the President's, but for our Nation's sake—that we don't follow the Queen's directive in Alice in Wonderland to "sentence first and verdict afterwards," and that we will make a wise judgment about the fate of the President after deliberate consideration.

My legal training combined with more than a quarter of century of experience in the U.S. Senate, a significant part of that as chairman of the Judiciary Committee, has taught me several important lessons. Two of these are lessons that I believe are appropriate now. First is that an orderly society must first care about justice; and, second, all that is constitutionally permissible may not be just or wise.

Let me repeat the latter. All that is constitutionally permissible to do may be not wise to do, or may not be just in the doing.

It is with these two very important lessons guiding me that I embark upon a very important decision involving our country, our Constitution and our President. The power to overturn and undo a popular election by the people for the first time in our Nation's history must be exercised with great care and with sober deliberation.

We should not forget that 47.4 million Americans voted for our President in 1996, and 8.2 million voted for the President's opponent. We should also not forget, as I tell my students in the constitutional law class I teach on separation of powers, that the entire essence of our constitutional system is built upon the notion of the consent of the governed, and when we deign to overturn a decision of the governed, we are on very thin ice.

I believe Members of Congress should begin their deliberation with a thorough understanding of the impeachment process. They should understand what the framers of the Constitution intended the standard of impeachment to be. I have heard no discussion of that issue thus far. And, further, how the framers of the Constitution intended the process to work; again, I have heard no discussion of that thus far.

Let me say at the outset that what President Clinton did and acknowledged to have done is reprehensible. It was, at a minimum, a horrible lapse in judgment, and it has brought shame upon him personally. It has brought shame upon the Office of the Presidency, and his actions have hurt his family, his friends, his supporters, the causes for which he fights, and the country as a whole. I am confident that he fully understands the gravity of what he has done now.

Let me also say that I have made no judgment. I have not made any decision on what I think should happen. I have not come to any conclusion as to consequences the President should face for his shameful behavior, because I believe the oath of office that I have taken on five solemn occasions—four which were right here in the well, and one which was in a hospital in Wilmington, DE—on those five occasions, the oath that I took I believe precludes me, and I will respectfully suggest any other Senator, from prejudging, as I and all other Senators may be required to serve as the Constitution dictates, as judge and juror in what may become the trial of this century. I can only make—and I would respectfully suggest all of us can only make—an assessment after hearing all the evidence, evidence against the President and evidence in support of the President. No one knows, to the best of my knowledge, but the Lord Almighty, how all this will turn out. However, because this is the second time in my career I have had to face this awesome responsibility, I have given this topic a great deal of thought and consideration and would like to explore, with the indulgence of the Presiding Officer, some of the issues that I believe will surely confront responsible Members of Congress and all Americans as we enter this difficult period in our history.

Mr. President, the framers of the Constitution who met in Philadelphia in the summer of 1787 considered—and this is a fact little known, at least little spoken to—offering this country a Constitution that did not include the power to impeach the President. Let me reemphasize that. The founders considered not including in our Constitution the power to remove the President from office. After all, they reasoned, any wrongs against the public would be dealt with by turning the President out in the next election. To overturn an election, which I will speak to in a moment, would lend itself to political chicanery.

One delegate to the Constitutional Convention, Charles Pinckney of South Carolina, worried that the threat of impeachment would place the President under the thumb of a hostile Congress, thereby weakening the independence of the office and threatening the doctrine upon which our Constitution was built—the separation of powers. According to James Madison's notes, Pinckney called impeachment a "rod" that Congress would hold over the President.

In being reluctant to include any impeachment power, the framers were not trying to create an imperial Presidency. In fact, what they were worried about was protecting all American citizens against the tyranny of a select group. In their view, the separation of powers constituted one of the most powerful means for protecting individual liberty, because it prevented Government power from being concentrated in any single branch of Government. To make the separation of powers work properly, they reasoned, each branch must be sufficiently strong and independent from the other so that the power of one branch could not be encroached upon by the other.

The framers were concerned that any process whereby the legislative branch, the branch they deemed "the most dangerous," could sit in judgment of a President who would be vulnerable to the abuse of partisan faction which, as my friend and Presiding Officer and gifted lawyer knows, was one of the overwhelming, recurring concerns of the founders—partisan politics. They feared that this most dangerous branch could sit in judgment of a President who would be vulnerable to abuse by partisan factions.

Federalist No. 65 begins its defense of the impeachment process which ultimately was included by warning of the dangers of the abuse—of the abuse—of the power. It argues, Federalist 65, that is, that impeachment:

> . . . will seldom fail to agitate the passions of the whole community, and to divide them into parties, more or less friendly or inimical, to the accused. In many cases, it will connect itself with the preexisting factions, and will enlist all their animosities, particularities, influence and interest on one side, or on the other; and in such cases there will always be the greatest danger that the decision will be regulated more by the comparative strength of the parties than by the real demonstration of guilt or innocence.

Don't you find it kind of fascinating that the Federalist Papers, which were the 1787–1788–1789 version of advertising to sell the Constitution, don't you think it fascinating, instead of them writing about, warning about the abuse of power by the President requiring impeachment, they wrote about and were concerned about and more debate was conducted about the abuse of power by political factions in the legislative branch to overturn the will of the American people?

So the framers were fully aware that the impeachment process could become partisan attacks on the President—charged with animosities generated by all manner of trials, prior struggles and disagreements over executive branch decisions, over policy disputes, over resentment at losing the prior election, and God only knows what else.

Federalist No. 65 expresses the view that the use of impeachment to vindicate any of these animosities would actually be an abuse of power. So the power that they were at least equally in part worried about being abused was the partisan power of a legislative body to overturn a decision of the American people—giving too much power to the legislative branch at the expense of the executive branch, thereby diluting the separation of powers doctrine, concentrating it too much in one place and thereby jeopardizing the liberty and freedom of individual Americans.

This sentiment that I referred to about the abuse of power by this body and the House is as true today as it was when the Constitution was being written. It was also true when Richard Nixon faced impeachment in 1974. In fact, it would have been wrong for Richard Nixon to have been removed from office based upon a purely partisan vote. No President should be removed from office merely because one party enjoys a commanding lead in either House of Congress. And I would remind my colleagues that when I arrived here in 1973, and when the Nixon hearings were going on in 1974, the Democratic Party—and he was obviously a Republican—enjoyed an overwhelming, commanding plurality of votes. My recollection is there were roughly 64 Democratic Members of the Senate at the time, and a prohibitively large plurality of Democrats in the House of Representatives. In fact, it would have been wrong then, as it would be wrong now, to have removed him based upon the power that was in the hands of one party. No President should be removed merely because one party enjoys a commanding lead in either House of Congress.

Yet, while the framers knew that the impeachment process could become partisan, they needed to deal with the strong anti-Federalist factions that jeopardized the possibility of the Constitution being ratified by the requisite number of States. The anti-Federalists strenuously argued that the Federal Government would quickly get out of step with the sentiments of the people and become vulnerable to corruption and intrigue, arrogance and tyranny. These charges proved close to fatal as the ratifying conventions in the States took up the proposed Constitution.

It was with this looming danger in mind, of losing the ratification fight, that the Federalists decided to include the impeachment provision in the Constitution. The framers of the Constitution knew that the Constitution would have been even more vulnerable to charges of establishing a government remote from the people if the President were not subject to removal except at the next election.

James Madison's notes, again, of the Philadelphia Constitutional Convention, record his observations of the debate, where he said he:

> . . . thought it indispensable that some provision should be made for defending the community against the incapacity, negligence or perfidy of the chief magistrate, [that is, the President]. The limitation of the period of his service was not a sufficient security. He might lose his capacity after his appointment. He might pervert his administration into a scheme of speculation or oppression. He might betray his trust to foreign powers.

So, those concerns, those concerns expressed by Madison about whether or not the President might lose his ability to lead, might "pervert his administration to a scheme of speculation or oppression, might betray his trust to a foreign power"—they were thought to be sufficient reason to include the power of impeachment in the Constitution. So, in the end, the framers of the Constitution risked the abuse of power by the Congress to gain the advantages of impeachment.

Once the decision to include the power of impeachment had been made, the remainder of the debate on the impeachment clause focused on two issues. The first debate, which we do not even talk about, was whether or not to give the power to the Congress to impeach, and weighed the advantages and disadvantages. The disadvantage was, it would lead to partisan bickering and abuse of power by the Congress. But that was outweighed, ultimately, in their minds, by the process that a President could and might subvert the interests of this country to a foreign power or subvert the office to oppress the people or to take advantage of the office in a way that was inappropriate in the minds of the American people.

Once that decision was made, though, they then focused on, OK, we are going to include it, but—but—what was supposed to constitute an impeachable offense? Put another way, what was the standard going to be that they expected the Congress to use? And then they said: After we decide that, we have to decide how is impeachment to work? How is the process to be undertaken? And what were the procedures that should be set down as to how to approach such an awesome undertaking?

As we shall see, the framers proved unable to separate these two issues entirely. Understanding how they are entwined, however—that is, the question of what constitutes an impeachable offense and how is the mechanism to work—understanding how these two

issues are intertwined, I believe, will help us to understand the full implications of the power that the Constitution gives those of us who serve in the Congress. The Constitution provides that the House of Representatives shall have the power to impeach—article I, section 2, clause 5.

The framers' decision that the House of Representatives would initiate the charges of impeachment follows the pattern of the English Parliament, where the House of Lords initiates charges of impeachment. Beyond this, the choice—the choice of the House being given this power—must have seemed fairly compelled by two related considerations.

The first, already mentioned, was the need to provide the people as a whole with assurances that the Government they were being asked to create would be responsive to the interests and concerns of the people themselves. So what better place to go than the people's house, the House of Representatives?

The second reason for the House being given this power to initiate was the framers' substantive understanding of the impeachment power. It was a power to hold accountable Government officers who had, in Hamilton's terms, committed "an abuse or violation of some public trust," thereby committing an injury "done immediately to the society itself."

Keep in mind what they are talking about here—at least what Hamilton was talking about—as to what constituted the kind of offense that was contemplated to be impeachable: Something that was an abuse or violation of the public trust and done immediately to the society itself.

If the gravamen of an impeachment is the breach of public trust, no branch of the Federal Government could have seemed more appropriate to initiate such a proceeding than the House of Representatives, which was conceived and defended as the Chamber most in tune with the people's sympathies and hence most appropriate to reflect the people's views as to whether the society itself was done immediate harm.

The Constitution further provides that the President shall be "removed from Office on Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors." Article 2, section 4 of the U.S. Constitution.

The Constitution provides that "the House of Representatives shall . . . have the . . . Power of Impeachment." Article I, section 2, clause 5. And the Senate shall remove from office on "Impeachment for, and Conviction of, Treason, Bribery, or other high Crimes and Misdemeanors."

This language, the language about what he should be removed for, went through several changes during the summer of 1787. In the initial drafts, the grounds for impeachment—once the debate was over as to whether or not to include impeachment as a power—the initial drafts, the grounds for impeachment, were restricted to treason and bribery alone, period; nothing else—not another single thing.

I remind my friends who call themselves strict constructionists—I have run into them over my 26-year career and, as chairman of the Judiciary Committee, have had numerous debates with now Supreme Court Justices, and some who are not Supreme Court Justices, on what is the proper methodology for interpreting the Constitution. Those who view themselves as strict constructionists say the words, if their plain meaning is clear, control.

Initially this debate, once impeachment was decided upon as a power that would be granted to the Congress, included impeachable offenses for only two purposes: Treason or bribery.

When the matter was brought up on September 8, 1787, George Mason, of Virginia, inquired as to why the grounds should be restricted only to those two provisions. He reasoned that there are other ways the public trust in government can be abused, so why only these two? He argued:

> Attempts to subvert the Constitution may not be treason as above defined.

So, accordingly, he moved to add the word "maladministration" as a third ground for impeachment.

James Madison objected to Mason's motion, contending that to add "so vague a term"—the term being maladministration—to add "so vague a term will be equivalent to a tenure during the pleasure of the Senate."

Or put another way, if you said "maladministration," the majority party in the House and the Senate could at any time overturn an election by alleging maladministration. So Madison came along and said, "I understand what you are trying to do, old George, to Mason"—my words, not theirs—"I understand what you are trying to do here; we acknowledge that you can violate the public trust and abuse the office to do injury to the American people other than by treason and bribery." But if you read Madison's notes, if you read the debate, as I have, I challenge you to find an interpretation other than essentially what I am giving you here, which is this: "But, George, if you put maladministration on, it will be subject to too much—too much—abuse. And, George, I acknowledge that something beyond treason and bribery can do harm. But, George, let's be careful what we add."

They debated it. James Madison objected to the motion, as I said, because it was vague and here, again, we see the worry that impeachment would be misused by the Congress to reduce the independence of the President, allowing partisan factions to interfere at the expense of the larger public good and overturning the election or the consent of the governed being attacked because separation of powers had been reduced.

The objection on the part of Madison proved effective, because Mason subsequently withdrew the motion and came up with another phrase, and you know what the phrase was. It said: ". . .or other high crimes and misdemeanors."

Obviously, the context in which "high crimes and misdemeanors" was entered was to be something a heck of a lot more than maladministration and less than treason or bribery, or at least equal to.

What does this phrase mean? It is clear the framers thought it to be limited in scope, but beyond this, constitutional scholars of whom I have inquired and read have been debating the meaning of this phrase from the very early days of the Republic, and there is not a clear consensus. Despite this ongoing dialog and disagreement, though, I believe there are two important points of agreement in the minds of almost all constitutional scholars as to the original understanding of the phrase.

The PRESIDING OFFICER. The Chair informs the Senator that his 30 minutes have expired.

Mr. BIDEN. I ask unanimous consent to proceed for another 15 minutes.

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

Mr. BIDEN. Mr. President, despite this dialog, as I indicated, scholars agree on two important points and a third issue where the weight of history suggests subtle practice. Let me speak to that.

As we already have seen, the framers did not intend that the President could be impeached for maladministration alone. Second, a great deal of evidence from outside the convention shows that both the framers and the ratifiers saw "high crimes and misdemeanors" as pointing to offenses that are serious, not petty, offenses that are public or political, not private or personal.

In 1829, William Rawle authored one of the early commentaries on the Constitution of the United States. In it, Rawle states that "the legitimate causes of impeachment . . . can only have reference to public character and official duty.

He went on to say:

> In general, those offences which may be committed equally by a private person as a public officer are not—

Emphasis, not—

> the subjects of impeachment.

In addition, more than 150 years ago, Joseph Story, as my learned colleague who is presiding knows was a lawyer, Joseph Story and his influential commentaries on the Constitution stated that impeachment is "ordinarily" a remedy for offenses "of a political character," "growing out of personal misconduct, or gross neglect, or usurpation, or habitual disregard of the

public interests, in the discharge of the duties of political office."

The public character of the impeachment offense is further reinforced by the limited nature of the remedy for the offense. In the English tradition, which we rejected, impeachments were punishable by fines, imprisonment or even death.

In contrast, the American Constitution completely separates the issue of criminal sanctions from the issue of removal from office.

Our Constitution states that, "Judgment in Cases of Impeachment shall not extend further than to removal from Office, and disqualification to hold and enjoy any Office of honor, Trust, or Profit under the United States. * * * " Article I, section 3, clause 7.

The remedy for violations of the public's trust in the performance of one's official duties, in other words, is limited to removal from that office and disqualification from holding further office; remedies that, I might add, correspond nicely to the public nature of the offenses in the first instance.

Additional support comes from another commentator, James Wilson, a delegate to the Convention from Pennsylvania. In his lectures on the Constitution, Wilson wrote:

> In the United States and Pennsylvania, impeachments are confined to political characters, to political crimes and misdemeanors, and to political punishments.

All in all, the evidence is quite strong that impeachment was understood as a remedy for abuse of official power, breaches of public trust, or other derelictions of the duties of office.

The third point to make about the scope of the impeachment power is this: To be impeachable, an offense does not have to be a breach of the criminal law.

The renowned constitutional scholar and personal friend and adviser, the late Phillip Kurland, the leading constitutional scholar of this century, I argue, wrote that:

> At both the convention that framed the Constitution and at the conventions that ratified it, the essence of an impeachable offense was thought to be breach of trust and not violation of criminal law. And this was in keeping with the primary function of impeachment, removal from office.

If you put the notion that an impeachable offense must be a serious breach of an official trust or duty, together with the point that it does not have to be a criminal violation, you reach the conclusion that not all crimes are impeachable, and not every impeachable offense need be a crime.

These points provide important anchors for any impeachment inquiry, but they do not resolve all the questions of scope that may arise. Much remains to be worked out, and only to be worked out, in the context of particular circumstances and allegations. As Hamilton explained in Federalist 65 impeachment "can never be tied down by * * * strict rules, either in the delineation of the offense by the prosecutors or in the construction of it by the judges. * * *"

After all the legal research, we are still left with the realization that the power to convict for impeachment constitutes an "awful discretion."

This brings us directly to the Senate's role. To state it bluntly, I believe the role of the U.S. Senate is to resolve all the remaining questions. Let me elaborate.

The Senate's role as final interpreter of impeachments was recognized from the beginning of the Republic. For example, to refer again to Joseph Story, after he devoted almost 50 sections of his commentaries to various disputed questions about the impeachment power, he concluded that the final decision on the unresolved issues relating to impeachment "may be reasonably left to the high tribunal, constituting the court of impeachment."

I.e., the U.S. Senate, the floor upon which I stand.

The court of impeachment, the Senate, similarly was viewed in the Federalist Papers and referred to Senators as the judges of impeachment. Speaking of the Senate as the jury in impeachment trials is perhaps a more common analogy these days as you turn on your television and hear many of us speak. But the judge analogy is a more accurate analogy than the juror analogy.

In impeachment trials, the Senate certainly does sit as a finder of fact, as a jury does. But it also sits as a definer of the acceptable standards upon which the President is being judged, as a judge would do. The Senate, in other words, determines not only whether the accused has performed the acts that form the basis for the House of Representatives' articles of impeachment but also whether those actions justify removal from office.

So let's lay to rest this idea that if the President—any President—is impeached by the House of Representatives, and specific articles are alleged of violations, and we find the President violated the very charge that the House has made—that does not mean we must vote for impeachment, for we can reject the grounds upon which the House impeached in the first instance as being not sufficiently sound to meet "high crimes and misdemeanors." There is no question about that, and yet it seems to be a question in the minds of the press. There is no question about that.

Once again, we find support for this view from our country's history. In two of the first three impeachments brought forward from the House to the U.S. Senate, the Senate acquitted the accused. In each of the two acquittals, however, the Senate did not disagree with the House on the facts.

One case involved a Senator, William Blount, the other an Associate Justice of the Supreme Court, Samuel Chase. In neither one was there any question that the individual had done the deeds that formed the basis of the House's articles of impeachment. Yet in each case the Senate concluded that the deeds were not sufficient to constitute valid grounds for impeachment, and so they acquitted.

Eventually then, if the current impeachment proceeds, it will fall to the Senate to decide not only the facts but the law and to evaluate whether or not the specific actions of the President are sufficiently serious to warrant being thrown out of office—being convicted.

The framers intended that the Senate have as its objective doing what was best for the country, taking context and circumstances fully into account.

I should try to be as clear as I can about this point because the media discussions have come close to missing it. It seems to be widely assumed that if the President committed perjury, for example, then he must be impeached, and he must be convicted if the Senate concludes he perjured himself. Conversely, you may think that unless it can be proven that the President committed perjury, or violated some other criminal statute, that impeachment cannot occur. Both sentiments and statements are wrong.

Recall what I said earlier: Not all crimes are impeachable offenses and not every impeachable offense need be a crime to throw a President out of office.

The Senate, for example, could decline to convict, even if the President had committed perjury, if it concluded that under the circumstances this perjury did not constitute a sufficiently serious breach of duty toward removal of the President. There is no question about that either.

On the other hand, the Senate could convict a President of an impeachable offense even if it were not a violation of the criminal law. For instance, if the Senate concluded that the President had committed abuses of power sufficiently grave, it need not find any action to amount to a violation of some criminal statute.

Let me give you an example. If there was overwhelming proof that every day the President came to his office, the Oval Office, drunk, that is not a crime, but it is impeachable—it is impeachable—committing no crime, but is impeachable. Conversely, if the Senate can conclude that the President lied about whether or not he had an affair, they could conclude that did not constitute an impeachable offense warranting expulsion. Now, again I am not prejudging what we should decide, but

I think it is very important we understand what latitude and obligations we have.

Let me now stand back from the issue of substance and procedure and look at the impeachment mechanism as it has actually functioned in our country's history. The proof of the framers' design, after all, will be in how the mechanism has worked in practice.

I am almost finished, Mr. President.

As we have seen, the framers worried that impeaching a sitting President would most likely be highly charged with partisan politics and preexisting factions, enlisting, as they said, all of the "animosities, partialities, and influence and interest" that inevitably swirl around a sitting President. History shows, Mr. President, they had it right from the get-go. They had it right. And they were right to worry about it.

Prior to the case of President Nixon, Presidential impeachment had only been used for partisan purposes. History tells us that John Tyler was an enormously unpopular President, facing a hostile Congress dominated by his arch political enemy, Henry Clay—one of the several people younger than me when he got here. He was an amazing guy. Here he was, a leader in the House of Representatives before he was 25, and he became a U.S. Senator before he was 30.

During the impeachment effort of John Tyler, what he was facing, Tyler, was a hostile Congress dominated by the young Henry Clay. After several years of continual clashes, numerous Presidential vetoes, and divisive conflicts with the Senate over appointments, a select committee of the House issued a report recommending a formal impeachment inquiry.

President Tyler, not being as dumb as everyone thought, reached out to his political enemies. How did he do that? He signed an important bill raising tariffs, which had been one of the reasons that there was such animosity between him and Henry Clay and his friends. He raised tariffs which he had formerly opposed. And he found other means of cooperation with Congress.

In the end, even Henry Clay, speaking from the floor of the U.S. Senate, urged the slowdown on the impeachment proceedings that he had moved to initiate, suggesting instead a lesser action of a "want of confidence." "Want of confidence"—does it sound familiar? Does it sound at all like the idea of having the President sanctioned in some way other than impeachment? Does it sound like censuring the President? "Want of confidence."

So Clay suggested that a "want of confidence" vote, rather than a formal impeachment proceeding, might be better. So in early 1843, the resolution to proceed with an impeachment—whether to proceed with the impeachment inquiry, was defeated on the House floor, 127–83. They had already begun the process of inquiry, and along came Tyler, and he said, "I'll make peace with you."

In 1868, Andrew Johnson came much closer to conviction on charges of serious misconduct. No southerner will be unaware of—I ask unanimous consent that I be able to proceed for another 10 minutes.

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

Mr. BIDEN. As every southern Senator knows, Andrew Johnson came much closer to conviction on the charges of serious misconduct. Although Johnson's impeachment proceedings ostensibly focused on his disregarding the Tenure in Office Act, historians—and not a single southerner does not understand—but historians uniformly agree that the true sources of opposition to President Johnson were policy disagreements and personal animosity.

The conflict this time was between Johnson's moderate post-Civil War policies toward the Southern States and the overwhelming Republican majorities in both Chambers. The Republicans feared dilution of their voting strength if the southerners were seated.

Johnson's defenders in the Senate were eventually able to hold on to barely enough votes to prevent his conviction. In Professor Raoul Berger's view, "Johnson's trial serves as a frightening reminder that in the hands of a passion-driven Congress, the process may bring down the very pillars of our constitutional system."

Yet, if the cases of Tyler and Johnson substantiate the framers' fears, the Nixon situation vindicates the utility of the impeachment procedures. Notice how different the Nixon proceedings were from Tyler's and Johnson's. As the Nixon impeachment process unfolded, there was broad bipartisan consensus each step of the way. I was there at the time.

While it would have been foolish to believe that Members of Congress did not worry about the partisan political repercussions of their actions, such factional considerations did not dominate decision making.

Political friends and foes of the President agreed that the charges against the President were serious, that they warranted further inquiry and, once there was definitive evidence of serious complicity and wrongdoing, a consensus emerged that impeachment should be invoked. The President resigned after the House Judiciary Committee voted out articles of impeachment by a 28–10 vote.

For me, several lessons stand out from our constitutional understanding of the impeachment process and our historical experience with it. Furthermore, I believe that a consensus has developed on several important points.

While the founders included impeachment powers in the Constitution, they were concerned by the potential partisan abuse. We should be no less aware of the dangers of partisanship. As we have seen, the process functions best when there is a broad bipartisan consensus behind moving ahead. The country is never well served when either policy disagreements or personal animosities drive the process.

Many scholars who have studied the Constitution have concluded that it should be reserved for offenses that are abuses of the public trust or abuses that relate to the public nature of the President's duties. Remember, what is impeachable is not necessarily criminal and what is criminal is not necessarily impeachable.

The Senate in particular has wide latitude in determining the outcome of this constitutional process. Just because the House may initiate an impeachment process does not mean that the Senate will conclude that the process with a vote on articles of impeachment was a correct process. It is well within our constitutional responsibilities to consider alternatives to impeachment if we find that circumstances warrant these alternatives.

I don't know that they will and I don't know that we will get there, but again, the debate is being waged as to whether or not it is in our constitutional power to consider alternatives. Remember Senator Henry Clay's "want of confidence."

There is no one-size-fits-all definition of impeachable offenses, divorced from such practical considerations. The Senate in particular, has an obligation to consider the full range of consequences of removing the President from Office.

In recent days, some have suggested that because the Starr Report provides a prima facie case and prima facie evidence of what are arguably impeachable offenses, the House and the Senate have a constitutional responsibility to see the impeachment process through to its conclusion.

In my view, the constitutional history that I have sketched here and more shows this position is entirely mistaken. Indeed, if anything, history shows a thoroughly understandable reluctance to have the procedure invoked in the first place.

Stopping short of impeachment would not be reaching a solution "outside the Constitution." It would be entirely compatible and consistent with what the Founders contemplated, if that is what we decide. Again, I am not prejudging what we should decide.

The 28th Congress hardly violated its constitutional duty when the House decided that, all things considered, terminating impeachment proceedings after cooperation between the Congress and the President improved was a better course of action than proceeding with impeachment based on his past

actions, even though it apparently did so for reasons no more laudable than those that initiated the process in the first place.

Impeachment was and remains an inherently political process, with all the pitfalls and promises that are thus put into play by politics. Nothing in the document precludes the Congress from seeking means to resolve this or any other putative breach of duty short of removing him from office. In fact, the risky and potentially divisive nature of the impeachment process may counsel in favor of utilizing it only as an absolute last resort where there is no shadow of a doubt that it meets, the criteria of treason, bribery, or other high crimes and misdeameanors.

Of course, impeachment ought to be used if the breach of duty is serious enough—what the Congress was prepared to do in the case of Richard Nixon was the correct course of action. However, nothing in the constitution precludes the Congress from resolving this conflict in a manner short of impeachment.

The critical question—the question with which the country is currently struggling—is whether the President's breaches of conduct and shameful activity, which are now well known and which have been universally condemned, warrant the ultimate political sanction. Are they serious enough to warrant removal from office?

In answering that, we need to ask ourselves, What is in the best interests of the United States of America? That is something that the founders contemplated us asking ourselves if and when faced with this question.

While I have not decided ultimately what should happen, I do want to suggest that it certainly is constitutionally permissible to consider a middle ground as a resolution of this matter. Such an approach might bring together those of the President's detractors who believe there is a need for some sanction, but are willing to stop short of impeachment, as well as those of the President's supporters who reject impeachment, but are willing to consider that some sanction ought to be implemented.

As a country, Mr. President, we have not often faced decisions as stark and potentially momentous as the impeachment of a President of the United States. On the other hand, we would be wise not to overstate such claims. Surely we have faced some moments as stark and serious as this one. We have survived those moments and we will survive this one no matter how we handle it. As my dad always says, and he is going on 85 years of age, I remember over the last 26 years going home and saying, "Dad, this is a catastrophe," and he would look at me and say, "JOE, this country is so good, it is so strong, it is so solid, that it can stand 4 or 8 years of anybody or anything." And he is right. He is right. So I don't want to exaggerate this.

Whatever the outcome of the present situation, I'm confident that our form of government and the strength of our country present us not with a constitutional crisis but rather with a constitutional framework and flexibility to deal responsibly with the decisions we face in the coming months. My purpose in rising today is to remind all of us of what that constitutional framework and flexibility mean, what they are.

In my closing plea I begin where I started, as a young Senator in April of 1974. This is a time for us to be cautious. This is a time for Members of this body to hold our fire. This is the time to be prepared to exercise our responsibility to be judge and jury after, and only after, all of the facts are presented to us. This is not a constitutional crisis but it is a serious, serious business.

I yield the floor.

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

At 11:27 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, without amendment:

S. 2392. An act to encourage the disclosure and exchange of information about computer processing problems, solutions, test practices and test results, and related matters in connection with the transition to the year 2000.

The message also announced that the House insists upon its amendments to the bill (S. 2073) to authorize appropriations for the National Center for Missing and Exploited Children and asks a conference with the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. GOODLING, Mr. CASTLE, Mr. SOUDER, Mr. HYDE, Mr. MCCOLLUM, Mr. HUTCHINSON, Mr. MARTINEZ, Mr. SCOTT, Mr. CONYERS, and Ms. JACKSON-LEE of Texas as the managers of the conference on the part of the Houses.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 3874) to amend the National School Lunch Act to and the Child Nutrition Act of 1996 to provide children with increased access to food and nutrition assistance, to simplify program operations and improve program management, to extend certain authorities contained in those Acts through fiscal year 2003, and other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints the following Members as the managers of the conference on the part of the House:

From the Committee on Education and the Workforce, for consideration of the House bill, and the Senate amendment, and modifications committed to conference: Mr. GOODLING, Mr. RIGGS, Mr. CASTLE, Mr. CLAY, and Mr. MARTINEZ;

From the Committee on Agriculture, for consideration of section 2, 101, 104(b), 106, 202(c), and 202(o) of the House bill, and sections 101, 111, 114, 203(c), 203(r), and titles III and IV of the Senate amendment, and modifications committed to conference: Mr. SMITH of Oregon, Mr. GOODLATTE, and Mr. STENHOLM.

ENROLLED BILL SIGNED

At 3:03 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the Speaker has signed the following enrolled bill:

H.R. 6 An act to extend the authorization of programs under the Higher Education Act of 1965, and for other purposes.

The enrolled bill was signed subsequently by the President pro tempore (Mr. THURMOND).

At 4:23 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

MEASURES REFERRED

The following bill, previously received from the House of Representatives for the concurrence of the Senate, was read the first and second times by unanimous consent and referred as indicated:

H.R. 4595. An act to redesignate the Federal building located at 201 Fourteenth Street Southwest in the District of Columbia as the "Sidney Yates Federal Building"; to the Committee on Environment and Public Works.

MEASURES PLACED ON THE CALENDAR

The following bill and joint resolution were read the second time and placed on the calendar:

S. 2529. A bill entitled the "Patients' Bill of Rights Act of 1998."

S.J. Res. 59. Joint resolution to provide for a Balanced Budget Constitutional Amendment that prohibits the use of Social Security surpluses to achieve compliance.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1419. A bill to deem the activities of the Miccosukee Tribe on the Tamiani Indian Reserve to be consistent with the purposes of the Everglades National Park, and for other purposes (Rept. No. 105-361).

By Mr. SPECTER, from the Committee on Veterans' Affairs, with amendments and an amendment to the title:

S. 2358. A bill to provide for the establishment of a service-connection for illnesses associated with service in the Persian Gulf War, to extend and enhance certain health care authorities relating to such service, and for other purposes (Rept. No. 105-362).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1905. A bill to provide for equitable compensation for the Cheyenne River Sioux Tribe, and for other purposes (Rept. No. 105-363).

By Mr. McCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2217. A bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes (Rept. No. 105-364).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 81. A bill to designate the United States courthouse located at 401 South Michigan Street in South Bend, Indiana, as the "Robert K. Rodibaugh United States Bankruptcy Courthouse."

H.R. 2225. A bill to designate the Federal building and United States courthouse to be constructed on Las Vegas Boulevard between Bridger Avenue and Clark Avenue in Las Vegas, Nevada, as the "Lloyd D. George Federal Building and United States Courthouse."

H.R. 2379. A bill to designate the Federal building and United States courthouse located at 251 North Main Street in Winston-Salem, North Carolina, as the "Hiram H. Ward Federal Building and United States Courthouse."

H.R. 3223. A bill to designate the Federal building located at 300 East 8th Street in Austin, Texas, as the "J.J. 'Jake' Pickle Federal Building."

H.R. 3696. A bill to designate the Federal Courthouse located at 316 North 26th Street in Billings, Montana, as the "James F. Battin Federal Courthouse."

H.R. 3982. A bill to designate the Federal building located at 310 New Bern Avenue in Raleigh, North Carolina, as the "Terry Sanford Federal Building."

H.R. 4595. A bill to redesignate a Federal building located in Washington, D.C., as the "Sidney R. Yates Federal Building."

S. 2523. A bill to designate the Federal building located at 300 East 8th Street in Austin, Texas, as the "J.J. 'Jake' Pickle Federal Building."

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works:

Greta Joy Dicus, of Arkansas, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2003. (Reappointment)

Jeffrey S. Merrifield, of New Hampshire, to be a Member of the Nuclear Regulatory Commission for the term expiring June 30, 2002.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. DEWINE (for himself and Mr. GLENN):

S. 2541. A bill to name the Department of Veterans Affairs outpatient clinic located at 543 Taylor Avenue, Columbus, Ohio, as the "Chalmers P. Wylie Veterans Outpatient Clinic"; to the Committee on Veterans Affairs.

By Mr. CHAFEE:

S. 2542. A bill to amend the Internal Revenue Code of 1986 to modify the tax on commercial aviation to and from airports located on sparsely populated islands; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. GRASSLEY, Ms. MOSELEY-BRAUN, Mr. KERREY, and Mr. ROCKEFELLER):

S. 2543. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on persons who acquire structured settlement payments in factoring transactions, and for other purposes; to the Committee on Finance.

By Mr. FAIRCLOTH:

S. 2544. A bill to enhance homeownership through community development financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DODD:

S. 2545. A bill to amend title XVIII of the Social Security Act to prevent sudden disruption of medicare beneficiary enrollment in Medicare+Choice plans; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. DODD, Mr. ASHCROFT, Mr. LIEBERMAN, Mr. SESSIONS, and Mr. TORRICELLI):

S. 2546. A bill to establish legal standards and procedures for the fair, prompt, inexpensive, and efficient resolution of personal injury claims arising out of asbestos exposure, and for other purposes; to the Committee on the Judiciary.

By Mr. ROBB:

S. 2547. A bill to amend title 38, United States Code, to authorize the memorialization at the columbarium at Arlington National Cemetery of veterans who have donated their remains to science, and for other purposes; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. TORRICELLI:

S. Res. 284. A resolution expressing the sense of the Senate that the President should renegotiate the Extradition Treaty between the United States of America and the United Mexican States; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE:

S. 2542. A bill to amend the Internal Revenue Code of 1986 to modify the tax on commercial aviation to and from airports located on sparsely populated islands, to the Committee on Finance.

LEGISLATION PROVIDING RELIEF FOR CERTAIN ISLAND AIRPORTS

• Mr. CHAFEE. Mr. President, today, I am introducing legislation to provide relief to communities for whom air transportation is vital to their survival.

Last year, Congress altered the structure of the aviation excise tax which funds the Airport and Airway Trust Fund. As part of the Taxpayer Relief Act of 1997, the 10% ad valorem ticket tax was replaced with a combination ad valorem/flight segment charge. When fully phased in, the tax will consist of an ad valorem tax of 7.5% of the price of a ticket and a $3.00 charge per flight segment.

This change has dramatically increased the tax imposed on low-fare flights. A typical flight to or from the Block Island community located in my state costs $28. Prior to last year, the tax on this flight would be 10% or $2.80. When fully implemented, however, the new structure will increase the tax on the same ticket by 82%, to $5.10.

This new structure was intended to provide a user-based approach to paying for the use of FAA services and facilities. However, short distance flights between islands and a mainland make little demand on Air Traffic Control services as these flight segments do not use ATC centers, rarely use departure or arrive control, often operate under visual flight rules and usually are transferred from the departure control tower to the destination control tower.

Congress recognized that this new tax structure would adversely affect rural communities. Consequently, flights to or from rural airports are taxed at a rate of 7.5% of the ticket price, with no per passenger segment charge. For purposes of this exemption, a rural airport is one that is located at least 75 miles away from an airport with more than 100,000 passengers. Unfortunately, this restrictive definition fails to recognize the unique nature of island communities.

Island communities face transportation problems similar to those encountered by passengers from rural

areas. Air and ferry transportation provide islands with a vital link to the mainland for shopping, employment, health care, and other needs. Most commercial passenger enplanements at island airports are for short-distance flights simply to get off the island. For those communities, air and ferry service maintain a delicate balance, and both are needed to meet the communities' needs for mainland access.

The current excise tax structure provides a disincentive to providing service to remote island communities. This result is contrary to Congress' intent to increase air service to these remote communities.

My legislation reinstates the prior tax structure for flights to or from an island community. Thus, a passenger flying to or from such a community would pay a tax equal to 10% of the price of a ticket. It is important to note that this is less favorable than the exemption currently provided to passengers to and from rural airports.

I encourage my colleagues to join me as cosponsors of this important health initiative.

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. 2542

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

SECTION 1. MODIFICATION OF TAX ON AIR TRANSPORTATION TO AND FROM SPARSELY POPULATED ISLANDS.

(a) IN GENERAL.—Subsection (e) of section 4261 of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and by inserting after paragraph (3) the following new paragraph:

"(4) SEGMENTS TO AND FROM CERTAIN ISLAND AIRPORTS.—

"(A) EXCEPTION FROM SEGMENT TAX.—The tax imposed by subsection (b)(1) shall not apply to any domestic segment beginning or ending at an airport which is a qualified island airport for the calendar year in which such segment begins or ends (as the case may be).

"(B) QUALIFIED ISLAND AIRPORT.—For purposes of this paragraph, the term 'qualified island airport' means, with respect to any calendar year, any airport if—

"(i) such airport is located on an island having a population of 20,000 or less (determined under the 1990 decennial census), and

"(ii) during the second preceding calendar year—

"(I) there were 400,000 or fewer commercial passengers departing by air from such airport, and

"(II) 50 percent or more of the initial flight segments of such commercial passengers are 100 miles or less.

"(C) TICKET TAX.—In the case of any domestic segment beginning or ending at an airport which is a qualified island airport for the calendar year in which such segment begins or ends (as the case may be), subsection (a) shall be applied by substituting '10 percent' for '7.5 percent' and paragraph (6) shall not apply. A rule similar to the rule of paragraph (1)(C)(ii) shall apply for purposes of this subparagraph."

(b) CONFORMING AMENDMENT.—Clause (i) of section 4261(e)(1)(C) of such Code is amended by striking "Paragraph (5)" and inserting "Paragraph (6)".

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to transportation beginning 7 days after the date of enactment of this Act.

(2) TREATMENT OF AMOUNTS PAID.—The amendments made by this section shall not apply to amounts paid before 7 days after the date of enactment of this Act.•

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. GRASSLEY, Ms. MOSELEY-BRAUN, Mr. KERREY, and Mr. ROCKEFELLER):

S. 2543. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on persons who acquire structured settlement payments in factoring transactions, and for other purposes; to the Committee on Finance.

STRUCTURED SETTLEMENT PROTECTION ACT

• Mr. CHAFEE. Mr. President, today I am introducing legislation, together with Senators BAUCUS, GRASSLEY, MOSELEY-BRAUN, ROCKEFELLER, and KERREY of Nebraska, the Structured Settlement Protection Act. Companion legislation has been introduced in the House as H.R. 4314, cosponsored by Representative CLAY SHAW and PETE STARK and a broad bipartisan group of members of the House Ways and Means Committee.

The Act protects structured settlements and the injured victims who are the recipients of the structured settlement payments from the problems caused by a growing practice known as structured settlement factoring.

Structured settlements were developed because of the pitfalls associated with the traditional lump sum form of recovery in serious personal injury cases, where all too often a lump sum meant to last for decades or even a lifetime swiftly eroded away. Structured settlements have proven to be a very valuable tool. They provide long-term financial security in the form of an assured stream of payments to persons suffering serious, often profoundly disabling, physical injuries. These payments enable the recipients to meet ongoing medical and basic living expenses without having to resort to the social safety net.

Congress has adopted special tax rules to encourage and govern the use of structured settlements in physical injury cases. By encouraging the use of structured settlements Congress sought to shield victims and their families from pressures to prematurely dissipate their recoveries. Structured settlement payments are nonassignable. This is consistent with worker's compensation payments and various types of Federal disability payments which are also non-assignable under applicable law. In each case, this is done to preserve the injured person's long-term financial security.

I am very concerned that in recent months there has been sharp growth in so-called structured settlement factoring transactions. In these transactions, companies induce injured victims to sell off future structured settlement payments for a steeply-discounted lump sum, thereby unraveling the structured settlement and the crucial long-term financial security that it provides to the injured victim. These factoring company purchases directly contravene the intent and policy of Congress in enacting the special structured settlement tax rules. The Treasury Department shares these concerns as is evidenced with a similar proposal included in the Administration's FY 1999 budget.

Court records from across the country are shedding light on factoring company purchases of structured settlement payments from gravely-injured victims. Recent cases involve a quadriplegic in Oklahoma, a paraplegic in Texas, a person in Connecticut with traumatic brain injuries dating from childhood, and an injured worker receiving workers' compensation in Mississippi. Realizing the long-term risk being inflicted on these seriously-injured individuals, this legislation has the active support of the National Spinal Cord Injury Association, as well as the American Association of Persons With Disabilities (AAPD).

The National Spinal Cord Injury Association recently wrote to the Chairman of the Finance Committee strongly supporting the legislation. They state: "[o]ver the past 16 years, structured settlements have proven to be an ideal method for ensuring that persons with disabilities, particularly minors, are not tempted to squander resources designed to last years or even a lifetime. That is why the National Spinal Cord Injury Association is so deeply concerned about the emergence of companies that purchase payments intended for disabled persons at drastic discount. This strikes at the heart of the security Congress intended when it created structured settlements."

It is appropriate to address this problem through the federal tax system because these purchases directly contravene the Congressional policy reflected in the structured settlement tax rules and jeopardize the long-term financial security that Congress intended to provide for the injured victim. This problem is nationwide, and it is growing rapidly.

Accordingly, the legislation we are introducing would impose substantial penalty tax on a factoring company that purchases the structured settlement payments from the injured victim. This is a penalty, not a tax increase. Similar penalties are imposed in a variety of other contexts in the Internal Revenue Code to discourage transactions that undermine Code provisions, such as private foundation prohibited transactions and greenmail.

The factoring company would pay the penalty only if it engages in the transaction that Congress has sought to discourage. An exception is provided for genuine court-approved hardship cases to protect the limited instances where a true hardship warrants the sale of a structured settlement.

This bipartisan legislation, which is supported by the Treasury Department, should be enacted as soon as possible to stem this growing nationwide problem.

Mr. President, I ask unanimous consent that the text of the bill and a summary be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. 2543

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Structured Settlement Protection Act".

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. IMPOSITION OF EXCISE TAX ON PERSONS WHO ACQUIRE STRUCTURED SETTLEMENT PAYMENTS IN FACTORING TRANSACTIONS.

Subtitle E is amended by adding at the end thereof the following new chapter:

"CHAPTER 55—STRUCTURED SETTLEMENT FACTORING TRANSACTIONS

"Sec. 5891. Structured settlement factoring transactions.

"SEC. 5891. STRUCTURED SETTLEMENT FACTORING TRANSACTIONS.

"(a) IMPOSITION OF TAX.—There is hereby imposed on any person who acquires directly or indirectly structured settlement payment rights in a structured settlement factoring transaction a tax equal to 50 percent of the factoring discount as determined under subsection (c)(4) with respect to such factoring transaction.

"(b) EXCEPTION FOR COURT-APPROVED HARDSHIP.—The tax under subsection (a) shall not apply in the case of a structured settlement factoring transaction in which the transfer of structured settlement payment rights is—

"(1) otherwise permissible under applicable law, and

"(2) undertaken pursuant to the order of the relevant court or administrative authority finding that the extraordinary, unanticipated, and imminent needs of the structured settlement recipient or the recipient's spouse or dependents render such a transfer appropriate.

"(c) DEFINITIONS.—For purposes of this section—

"(1) STRUCTURED SETTLEMENT.—The term 'structured settlement' means an arrangement—

"(A) established by—

"(i) suit or agreement for the periodic payment of damages excludable from the gross income of the recipient under section 104(a)(2), or

"(ii) agreement for the periodic payment of compensation under any workers' compensation act that is excludable from the gross income of the recipient under section 104(a)(1), and

"(B) where the periodic payments are—

"(i) of the character described in subparagraphs (A) and (B) of section 130(c)(2), and

"(ii) payable by a person who is a party to the suit or agreement or to the workers' compensation claim or by a person who has assumed the liability for such periodic payments under a qualified assignment in accordance with section 130.

"(2) STRUCTURED SETTLEMENT PAYMENT RIGHTS.—The term 'structured settlement payment rights' means rights to receive payments under a structured settlement.

"(3) STRUCTURED SETTLEMENT FACTORING TRANSACTION.—The term 'structured settlement factoring transaction' means a transfer of structured settlement payment rights (including portions of structured settlement payments) made for consideration by means of sale, assignment, pledge, or other form of encumbrance or alienation for consideration.

"(4) FACTORING DISCOUNT.—The term 'factoring discount' means an amount equal to the excess of—

"(A) the aggregate undiscounted amount of structured settlement payments being acquired in the structured settlement factoring transaction, over

"(B) the total amount actually paid by the acquirer to the person from whom such structured settlement payments are acquired.

"(5) RELEVANT COURT OR ADMINISTRATIVE AUTHORITY.—The term 'relevant court or administrative authority' means—

"(A) the court (or where applicable, the administrative authority) which had jurisdiction over the underlying action or proceeding that was resolved by means of the structured settlement, or

"(B) in the event that no action or proceeding was brought, a court (or where applicable, the administrative authority) which—

"(i) would have had jurisdiction over the claim that is the subject of the structured settlement, or

"(ii) has jurisdiction by reason of the residence of the structured settlement recipient.

"(d) COORDINATION WITH OTHER PROVISIONS.—

"(1) IN GENERAL.—In any case where the applicable requirements of sections 72, 130, and 461(h) were satisfied at the time the structured settlement was entered into, the subsequent occurrence of a structured settlement factoring transaction shall not affect the application of the provisions of such sections to the parties to the structured settlement (including an assignee under a qualified assignment under section 130) in any taxable year.

"(2) REGULATIONS.—The Secretary is authorized to prescribe such regulations as may be necessary to clarify the treatment in the event of a structured settlement factoring transaction of amounts received by the structured settlement recipient."

SEC. 3. TAX INFORMATION REPORTING OBLIGATIONS.

Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new section:

"SEC. 6050T. REPORTING REQUIREMENTS REGARDING STRUCTURED SETTLEMENT FACTORING TRANSACTIONS.

"(a) IN GENERAL.—In the case of a transfer of structured settlement payment rights in a structured settlement factoring transaction—

"(1) described in section 5891(b) and of which the person making the structured settlement payments has actual notice and knowledge, such person shall make such return and furnish such written statement to the acquirer of the structured settlement payment rights as would be applicable under the provisions of section 6041 (except as provided in subsection (c) of this section), or

"(2) subject to tax under section 5891(a) and of which the person making the structured settlement payments has actual notice and knowledge, such person shall make such return and furnish such written statement to the acquirer of the structured settlement payment rights at such time, and in such manner and form, as the Secretary shall by regulations prescribe.

"(b) COORDINATION WITH OTHER PROVISIONS.—The provisions of this section shall apply in lieu of any other provisions of this part to establish the reporting obligations of the person making the structured settlement payments in the event of a structured settlement factoring transaction. The provisions of section 3405 regarding withholding shall not apply to the person making the structured settlement payments in the event of a structured settlement factoring transaction.

"(c) DEFINITION.—For purposes of this section, the term 'acquirer of the structured settlement payment rights' shall include any person described in section 7701(a)(1)."

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall be effective with respect to structured settlement factoring transactions (as defined in section 5891(c)(3) of the Internal Revenue Code of 1986, as added by this Act) occurring after the date of enactment of this Act.

SUMMARY OF THE STRUCTURED SETTLEMENT PROTECTION ACT

1. Stringent excise tax on persons who acquire structured settlement payments in factoring transactions

In its analysis of the Administration's proposal, the Joint Tax Committee notes the potential concern that in some cases the imposition of a 20-percent excise tax may result in the factoring company passing the tax along by reducing even further the already-heavily discounted lump sum paid to the injured victim for his or her structured settlement payments. The Joint Committee notes that "[o]ne possible response to the concern relating to excessively discounted payments might be to raise the excise tax to a level that is certain to stop the transfers (perhaps 100 percent). . ." (Joint Committee on Taxation, Description of Revenue Provisions Contained in the President's Fiscal Year 1999 Budget Proposal (JCS-4-98) (February 4, 1998), p. 223).

Factoring company purchases of structured settlement payments so directly subvert the Congressional policy underlying structured settlements and raise such serious concerns for structured settlements and the injured victims that it is appropriate to impose a more stringent excise tax against the amount of the discount reflected in the factoring transaction (subject to a limited exception described below for genuine court-approved hardships). Accordingly, the Act would impose on the factoring company that acquires structured settlement payments directly or indirectly from the injured victim an excise tax equal to 50 percent of the difference between (i) the total amount of the structured settlement payments purchased by the factoring company, and (ii) the heavily-discounted lump sum paid by the factoring company to the injured victim.

Similar to the stuff excise taxes imposed on prohibited transactions in the private foundation and pension contexts—which can range as high as 100 to 200 percent—this stringent excise tax is necessary to address the very serious public policy concerns raised by structured settlement factoring transactions.

Unlike the Administration's proposal, the excise tax imposed on the factoring company under this legislation would use a more stringent tax rate of 50 percent and would apply it to the excess of the total amount of the structured settlement payments purchased by the factoring company over the heavily-discounted lump sum paid to the injured victim.

The excise tax under the Act would apply to the factoring or structured settlements in tort cases and in workers' compensation. A structured settlement factoring transaction subject to the excise tax is broadly defined under the Act as a transfer of structured settlement payment rights (including portions of payments) made for consideration by means of sale, assignment, pledge, or other form of alienation or encumbrance for consideration.

2. Exception from excise tax for genuine, court-approved hardship

The stringent excise tax would be coupled with a limited exception for genuine, court-approved financial hardship situations. Drawing upon the hardship standard enunciated in the Treasury proposal, the excise tax would apply to factoring companies in all structured settlement factoring transactions except those in which the transfer of structured settlement payment rights (1) is otherwise permissible under applicable Federal and State law and (2) is undertaken pursuant to the order of a court (or where applicable, an administrative authority) finding that the extraordinary, unanticipated, and imminent needs of the structured settlement recipient or his or her spouse or dependents render such a transfer appropriate.

This exception is intended to apply to the limited number of cases in which a genuinely extraordinary, unanticipated, and imminent hardship has actually arisen and been demonstrated to the satisfaction of a court (e.g., serious medical emergency for a family member). In addition, as a threshold matter, the transfer of structured settlement payment rights must be permissible under applicable law, including State law. The hardship exception under this legislation is not intended to override any Federal or State law prohibition of restriction on the transfer of the payment rights or to authorize factoring of payment rights that are not transferable under Federal or State law. For example, the States in general prohibit the factoring of workers' compensation benefits. In addition, State laws often prohibit or directly restrict transfers of recoveries in various types of personal injury cases, such as wrongful death and medical malpractice.

The relevant court for purposes of the hardship exception would be the original court which had jurisdiction over the underlying action or proceeding that was resolved by means of the structured settlement. In the event that no action had been brought prior to the settlement, the relevant court would be that which would have had jurisdiction over the claim that is the subject of the structured settlement or which would have jurisdiction by reason of the residence of the structured settlement recipient. In those limited instances in which an administrative authority adjudicates, resolves, or otherwise has primary jurisdiction over the claim (e.g., the Vaccine Injury Compensation Trust Fund), the hardship matter would be the province of that applicable administrative authority.

3. Need to protect tax treatment of original structured settlement

In the limited instances of extraordinary and unanticipated hardship determined by court order to warrant relief under the hardship exception, adverse tax consequences should not be visited upon the other parties to the original structured settlement. In addition, despite the anti-assignment provisions included in the structured settlement agreements and the applicability of a stringent excise tax on the factoring company, there may be a limited number of non-hardship factoring transactions that still go forward. If the structured settlement tax rules under I.R.C. Sections 72, 130 and 461(h) had been satisfied at the time of the structured settlement, the original tax treatment of the other parties to the settlement—i.e., the settling defendant (and its liability insurer) and the Code section 130 assignee—should not be jeopardized by a third party transaction that occurs years later and likely unbeknownst to these other parties to the original settlement.

Accordingly, the Act would clarify that if the structured settlement tax rules under I.R.C. Sections 72, 130, and 461(h) had been satisfied at the time of the structured settlement, the section 130 exclusion of the assignee, the section 461(h) deduction of the settling defendant, and the Code section 72 status of the annuity being used to fund the periodic payments would remain undisturbed. That is, the assignee's exclusion of income under Code section 130 arising from satisfaction of all of the section 130 qualified assignment rules at the time the structured settlement was entered into years earlier would not be challenged. Similarly, the settling defendant's deduction under Code section 461(h) of the amount paid to the assignee to assume the liability would not be challenged. Finally, the status under Code section 72 of the annuity being used to fund the periodic payments would remain undisturbed.

The Act provides the Secretary of the Treasury with regulatory authority to clarify the treatment of a structured settlement recipient who engages in a factoring transaction. This regulatory authority is provided to enable Treasury to address issues raised regarding the treatment of future periodic payments received by the structured settlement recipient where only a portion of the payments has been factored away, the treatment of the lump sum received in a factoring transaction qualifying for the hardship exception, and the treatment of the lump sum received in the non-hardship situation. It is intended that where the requirements of section 130 are satisfied at the time the structured settlement is entered into, the existence of the hardship exception to the excise tax under the Act shall not be construed as giving rise to any concern over constructive receipt of income by the injured victim at the time of the structured settlement.

4. Tax information reporting obligations with respect to a structured settlement factoring transaction

The Act would clarify the tax reporting obligations of the person making the structured settlement payments in the event that a structured settlement factoring transaction occurs. The Act adopts a new section of the Code that is intended to govern the payor's tax reporting obligations in the event of a factoring transaction.

In the case of a court-approved transfer of structured settlement payments of which the person making the payments has actual notice and knowledge, the fact of the transfer and the identity of the acquirer clearly will be known. Accordingly, it is appropriate for the person making the structured settlement payments to make such return and to furnish such tax information statement to the new recipient of the payments as would be applicable under the annuity information reporting procedures of Code section 6041 (e.g., form 1099–R), because the payor will have the information necessary to make such return and to furnish such statement.

Despite the anti-assignment restrictions applicable to structured settlements and the applicability of a stringent excise tax, there may be a limited number of non-hardship factoring transactions that still go forward. In these instances, if the person making the structured settlement payments has actual notice and knowledge that a structured settlement factoring transaction has taken place, the payor would be obligated to make such return and to furnish such written statement to the payment recipient at such time, and in such manner and form, as the Secretary of the Treasury shall by regulations provide. In these instances, the payor may have incomplete information regarding the factoring transaction, and hence a tailored reporting procedure under Treasury regulations is necessary.

The person making the structured settlement payments would not be subject to any tax reporting obligation if that person lacked such actual notice and knowledge of the factoring transaction. Under the Act, for purposes of the reporting obligations, the term "acquirer of the structured settlement payment rights" would be broadly defined to include an individual, trust, estate, partnership, company, or corporation.

The provisions of section 3405 regarding withholding would not apply to the person making the structured settlement payments in the event that a structured settlement factoring transaction occurs.

5. Effective date

The provisions of the Act would be effective with respect to structured settlement factoring transactions occurring after the date of enactment of the Act.

By Mr. FAIRCLOTH:

S. 2544. A bill to enhance homeownership through community development financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

THE COMMUNITY DEVELOPMENT AND HOMEOWNERSHIP ACT OF 1998

Mr. FAIRCLOTH. Mr. President, today I introduce legislation that will allow Community Development Financial Institutions (CDFIs) and their affiliates to borrow from the Home Loan Bank System.

Since the 1930's the Home Loan Bank System has provided the nation's savings institutions with advances that can be used to make home mortgages. In 1989, the System was opened up to banks and credit unions. The Home Loan Bank System is critical for homeownership in the U.S. The Bank System has nearly 7,000 members and has outstanding nearly $181 billion in housing advances.

The membership of the system is reserved for insured institutions. My legislation, however, would permit Community Development Financial Institutions to have "non-member" borrowing status. This would allow approximately 200 CDFIs to borrow from the System, with the approval of their regional Home Loan Bank and on the same terms as all other members.

Mr. President, this is a small, but important step toward creating more homeownership opportunities, particularly for low income individuals. CDFIs were created for the purpose of reaching out to provide housing and economic opportunity in distressed areas. My home state of North Carolina is home to more CDFIs than any other state in the United States, except for California, New York and Illinois. North Carolina has been a leader in finding new and different ways to foster economic growth and home ownership.

Very simply, this legislation will allow CDFIs to have a source of credit to make home loans. These loans will have to meet the normal collateral requirements of any other institution that belongs to the Home Loan Bank System. Because CDFIs are chartered to target distressed communities, however, this could be an important source of credit for homeownership that might not otherwise exist. We know from experience that once an individual has a home—he or she has a stake in the community. This can help turn distressed communities into thriving communities. We have made great progress in the last few years. Welfare rolls are at their lowest point since 1969. Homeownership is at its highest level ever. We are no longer running our federal budgets in the red. Now we can begin to take new and creative steps to continue promoting economic growth and opportunity.

I would urge my colleagues to cosponsor and support this legislation.

By Mr. HATCH (for himself, Mr. DODD, Mr. ASHCROFT, Mr. LIEBERMAN, Mr. SESSIONS, and Mr. TORRICELLI):

S. 2546. A bill to establish legal standards and procedures for the fair, prompt, inexpensive, and efficient resolution of personal injury claims arising out of asbestos exposure, and for other purposes; to the Committee on the Judiciary.

THE FAIRNESS IN ASBESTOS COMPENSATION ACT OF 1998

Mr. HATCH. Mr. President, I am pleased to introduce today the "Fairness in Asbestos Compensation Act of 1998". With me, sponsoring this important legislation are: Senator DODD, Senator ASCROFT, Senator LIEBERMAN, Senator SESSIONS and Senator TORRICELLI.

Asbestos litigation is a national crisis. Today, state and federal courts are overwhelmed by up to 150,000 asbestos lawsuits. Over 30,000 new suits are added to the dockets annually. Unfortunately, those that are truly sick with asbestosis and various asbestos-related cancers and illnesses spend years in court before receiving any compensation, and then lose 60% of that compensation to attorneys' fees and other costs. The best available data show that on average asbestos suits take 31 months to reach resolution, compared to 18 months for other product liability suits. One cause of this extraordinary delay in compensation is the large number of lawsuits filed by those who, without any symptoms or signs of asbestos-related illness, bring suits for future medical monitoring and fear of cancer.

In a lottery-like system, juries award enormous compensation and outrageous punitive damages to non-impaired plaintiffs, while others in identical cases or with actual illness receive little or no compensation. Excessive Damage awards, along with the transaction costs associated with the lawsuits, deplete the financial resources of defendant companies and lead them to file for bankruptcy. As legal and financial resources are tied up and exhausted, it is increasingly unclear whether those who are truly inflicted with asbestos-caused diseases will be able to recover anything at all in the years ahead.

Courts have tried unsuccessfully to cope with and alleviate the problems associated with the more than half a million asbestos cases. The major parties involved attempted to compromise on a fair and equitable solution that included prompt compensation. The Third Circuit Court of Appeals overturned one such compromise, known as the Amchem or Georgine agreement, on civil procedural rule grounds but found the settlement to be "arguably a brilliant partial solution." Justice Ruth Bader Ginsburg, writing for the Supreme Court, upheld the Appellate decision and stated, "[t]he argument is sensibly made that a nationwide administrative claims processing regime would provide the most secure, fair and efficient means of compensating victims of asbestos exposure. Congress, however, has not adopted such a solution." The Court accurately recognized that Congress is the most appropriate body to resolve the asbestos crisis. That is what we intend to do by introducing this important legislation.

Mr. President, by virtue of the hundreds of thousands of cases that already have been litigated in the court system, the legal and scientific issues relating to asbestos litigation have been thoroughly explored and punishments have been exacted on defendant companies. Recognizing the potential dangers of asbestos exposure, we have seen asbestos consumption in the United States drop to historic lows since peak consumption in the early 1970's. These factors along with the recent court decisions demonstrate that the asbestos litigation issue is now ripe for a legislative solution.

The bill that I introduce today will correct the asbestos litigation crisis problems. It is crafted to reflect as closely as possible the original settlement agreed to by the involved parties in the Amchem settlement. This bill will eliminate the asbestos litigation burden in the courts, get fair compensation for those who currently are sick, and enable the businesses to manage their liabilities in order to ensure that compensation will be available for future claimants. It is important to note that no tax-payer money will fund this bill. It will be entirely funded by asbestos defendants.

Specifically, the bill reforms asbestos litigation in the judicial system by establishing a national claims facility to provide fair and prompt compensation for persons suffering from asbestos-associated illnesses. Eligibility for compensation will be determined by objective predetermined criteria. The legislation provides for alternative dispute resolution and allows plaintiffs who go through the system without resolving their claims through the claims facility to use the tort system. Again no taxpayer dollars will fund this facility or any part of this program.

I have carefully crafted this legislation so that it is at least as favorable—and, in many cases, more favorable—to claimants as the original Amchem settlement. As this bill makes its way through the legislative process, I look forward to working with my colleagues to further refine the language in order to achieve the maximum public benefit from this legislation.

Mr. DODD: Mr. President, I am pleased to join with my colleague, Senator HATCH, to introduce the "Fairness in Asbestos Compensation Act of 1998." This legislation would expedite the provision of financial compensation to the victims of asbestos exposure by establishing a nationwide administrative system to hear and adjudicate their claims.

Mr. President, millions of American workers have been exposed to asbestos on the job. Tragically, many have contracted asbestos-related illness, which can be devastating and deadly. Others will surely become similarly afflicted. These individuals—who have or will become terribly ill due to no fault to their own—deserve swift and fair compensation to help meet the costs of health care, lost income, and other economic and non-economic losses.

Unfortunately, many victims of asbestos exposure are not receiving the efficient and just treatment they deserve from our legal system. Indeed, it can be said that the current asbestos litigation system is in a state of crisis. Today, more than 150,000 lawsuits clog

the state and federal courts. In 1996 alone, more than 36,000 new suits were filed. Those who have been injured by asbestos exposure must often wait years for compensation. And when that compensation finally arrives, it is often eaten up by attorneys' fees and other transaction costs.

In the early 1990's, an effort was made to improve the management of federal asbestos litigation. Cases were consolidated, and a settlement to resolve them administratively was agreed to between defendant companies and plaintiffs' attorneys. This settlement also obtained the backing of the Building and Construction Trades Union of the AFL–CIO. Regrettably, the settlement was overturned by the Third Circuit Court of Appeals in 1996. Though the Court termed the settlement "arguably a brilliant partial solution," it found that the class of people created by the settlement—namely, those exposed to asbestos—was too large and varied to be certified pursuant to Rule 23 of the Federal Rules of Civil Procedure. The Supreme Court affirmed that decision. In its decision, the Court effectively invited the Congress to provide for the existence of such a settlement as a fair and efficient way to resolve asbestos litigation claims.

Hence this bill. In simple terms, it codifies the settlement reached between companies and the representatives of workers who were exposed to asbestos on the job. It would establish a body to review claims by those who believe that they have become ill due to exposure to asbestos. It would provide workers with mediation and binding arbitration to promote the fair and swift settlement of their claims. It would allow plaintiffs to seek additional compensation if their non-malignant disease later developed into cancer. And it would limit attorneys' fees so as to ensure that a claimant receives a just portion of any settlement amount.

All in all, Mr. President, this is a good bill. I commend Senator HATCH for his leadership in crafting it. However, it is not a perfect bill. My office has received comments on the bill from representatives of a number of parties affected by asbestos litigation. I hope and expect that those comments will be given the consideration that they deserve by the Judiciary Committee and the full Senate as this legislation moves forward, as I hope it will early in the 106th Congress.

Mr. ASHCROFT. Mr. President, I rise today as a co-sponsor of the Fairness in Asbestos Compensation Act of 1998 to speak in favor of this important, bipartisan measure. I support this bill for a simple reason—it makes sense. The problems caused by the manufacture and use of asbestos are well-documented. Although some companies initially denied responsibility and fought suits to recover for asbestos-related injuries in court, the injuries associated with asbestos and the fact that manufacturers are liable for those injuries are now well-established.

The courts—both state and federal—have done an admirable job of establishing the facts and legal rules concerning asbestos. That is a job the courts do well. However, now that the basic facts and liability rules have been established, the courts are being asked simply to process claims. That is not a job the courts do particularly well. The rules governing court actions give parties rights to dispute facts that have been conclusively established in other proceedings. All the while the meter is running for the lawyers on both sides. Dollars that could go to compensate deserving victims, instead go to lawyers and court costs.

In the asbestos context, these problems are exacerbated by the finite amount of resources available to compensate victims and the fact that legal rules concerning both punitive damages and what constitutes a sufficient injury to bring suit make for jury awards that do not correspond to the seriousness of the injury. Someone filing suit because of a preliminary manifestation of a minor injury, i.e., pleural thickening, which may never lead to more severe symptoms, may receive more compensation than another person with more serious asbestos-related injuries. None of this is to suggest that it is somehow wrong for plaintiffs with a minor injury to file suit. To the contrary, some state rules concerning when injury occurs obligate plaintiffs to file suit or risk having their suit dismissed as time-barred. What is more, in light of the finite number of remaining solvent asbestos defendants, potential plaintiffs have every incentive to file suit as soon as legally permissible.

The Fairness in Asbestos Compensation Act of 1998 attempts to address these problems by establishing an administrative claims systems that aims to compensate victims of asbestos rationally and efficiently. The Act accomplishes this goal by ensuring that more serious injuries receive greater awards, by securing a compensation fund so that victims whose conditions are not yet manifest can recover in the future, and by eliminating the statute of limitations and injury rules that force plaintiffs into court prematurely. Although I wish I could claim some pride of authorship in these mechanisms, these basic features were all part of a proposed settlement worked out by representatives of both plaintiffs and defendants.

At the end of last term, the Supreme Court rejected the proposed global asbestos settlement in Amchem Products versus Windsor. The District Court had certified a settlement class under Rule 23 that included extensive medical and compensation criteria that both plaintiffs and defendants had accepted. The Supreme Court ruled that this type of global, nationwide settlement of tort claims brought under fifty different state laws could not be sustained under Rule 23. The Court recognized that such a global settlement would conserve judicial resources and likely would promote the public interest. Nonetheless, the Court concluded that Rule 23 was too thin a reed to support this massive settlement, and that if the parties desired a nationwide settlement they needed to direct their attention to the Congress, rather than the Courts.

I believe the Supreme Court was right on both counts—the proposed settlement criteria were in the public interest, but the proposed class simply could not be sustained under Rule 23. The Rules Enabling Act and the inherent limits on the power of federal courts preclude an interpretation of Rule 23 that would result in a federal court overriding or homogenizing varying state laws. However, as the Supreme Court pointed out, Congress has the power to do directly what the courts lack the power to do through a strained interpretation of Rule 23.

This bill takes up the challenge of the Supreme Court and addresses the tragic problem of asbestos. The bill incorporates the medical and compensation criteria agreed to by the parties in the Amchem settlement and employs them as the basis for a legislative settlement. In the simplest terms, the legislation proposes an administrative claims process to compensate individuals injured by asbestos as a substitute for the tort system (although individuals retain an ability to opt-in to the tort system at the back end). The net effect of this legislation should be to funnel a greater percentage of the pool of limited resources to injured plaintiffs, rather than to lawyers for plaintiffs and defendants.

I want to be clear, however, that I am not here to suggest that this is a perfect bill. This bill represents a complex solution to a complex problem. A number of groups will be affected by this legislation, and it may be necessary to make changes to make sure that no one is unfairly disadvantaged by this legislation. But that said, I am confident that we can make any needed changes. We have a bipartisan group of Senators who have agreed to cosponsor this legislation, and the bill represents a sufficient improvement in efficiency over the existing litigation quagmire that there should be ample room to work out any differences.

Finally, let me also note that this bill also plays a minor, but important role in preserving a proper balance in the separation of powers. I have been a strong and consistent critic of judicial activism. Judges who make legal rules out of whole cloth in the absence of constitutional or statutory text damage the standing of the judiciary and

our constitutional structure. On the other hand, when judges issue opinions in which they recognize that the outcome sought by the parties might well be in the public interest, but nonetheless is not supported by the existing law, they reinforce the proper, limited role of the judiciary. Too often, federal judges are tempted to reach the result they favor as a policy matter without regard to the law. When judges succumb to that temptation, they are justly criticized. But when they resist that temptation, their self-restraint should be recognized and applauded. The Court in Amchem rightly recognized a problem that the judiciary acting alone could not solve. By offering a legislative solution to that problem the bill provides the proper incentives for courts to be restrained and reinforces the proper roles of Congress and the judiciary.

In short, this bill provides a proper legislative solution to the asbestos litigation problem. It ensures that in an area in which extensive litigation has already established facts and assigned responsibility, scarce dollars compensate victims, not lawyers. I want to thank Chairman HATCH for his leadership on this issue and to thank my cosponsors for their work on the bill. I look forward to working with them to ensure final passage of this legislation. The courts have completed their proper role in ascertaining facts and liability. It is time for Congress to step in to provide a better mechanism to direct scarce resources to deserving victims.

Mr. LIEBERMAN. Mr. President, I want to thank Senator HATCH for introducing this important legislation, which I am pleased to co-sponsor with him and Senators DODD, ASHCROFT, SESSIONS, and TORRICELLI. As Senator HATCH already has explained, this bill addresses an issue—asbestos litigation—that has clogged the federal and state courts for some time now. Due to the huge number of these cases and the massive verdicts they often yield, it is unclear whether those who have been exposed to asbestos, but have not yet become sick, will be able to gain full compensation for their injuries should they become sick in the future.

To address these concerns, and respond to calls from the courts and others for creating an alternative mechanism for resolving these disputes outside of the court system, a settlement was reached several years ago that, among other things, would have created an alternative claims resolution system for dealing with certain asbestos claims. Unfortunately, despite the desire of representatives of the interested parties—both victims and defendants—to enter into this settlement, and despite the trial court's belief that the settlement was fair, the Supreme Court voided it. The Supreme Court acted, however, not because it believed that the settlement was in any respect unfair, but instead because it concluded that only Congress has the authority to sanction such a settlement.

That is the goal of this bill—for Congress to step up to the plate and authorize a solution to the asbestos litigation problem that will ensure that all those who become sick from asbestos are fairly and efficiently compensated, as contemplated by the parties' earlier settlement. Because I believe this is a problem crying out for Congressional action, and because I believe the settlement reached by the parties was a fair one, I am supporting the bill.

With that said, I understand that representatives of some of those exposed to asbestos who supported the settlement are not currently supporting this proposed legislation. Because I firmly believe that this should go forward as a consensus bill, I remain open to supporting any reasonable changes that would be required to gain the support of all parties with an interest in asbestos litigation. I am hopeful that we can gain their support and move forward with and pass this legislation.

By Mr. ROBB:

S. 2547. A bill to amend title 38, United States Code, to authorize the memorialization at the columbarium at Arlington National Cemetery of veterans who have donated their remains to science, and for other purposes; to the Committee on Veterans' Affairs.

TO MEMORIALIZE VETERANS AT ARLINGTON NATIONAL CEMETERY WHO DONATE THEIR ORGANS

• Mr. ROBB. Mr. President, several months ago, one of my constituents, Ms. Llewellyn Hedgbeth of Arlington, Virginia, contacted my office to request my intervention in a matter which has brought considerable anguish and frustration to her family.

It so happened that Ms. Hedgbeth's father, Mr. Roger A. Hedgbeth, Sr., a decorated veteran of World War II, and a career civil servant, had recently passed away. Before his death, however, he made two simple requests: one, that his body be donated to science, and two, that his ashes be placed at Arlington National Cemetery. His widow, now 71, honored the first of those wishes. But in honoring the one, it seemed that the second was precluded.

The Hedgbeths learned that due to various legal concerns, no ashes of organ donors who donate their bodies to science are returned to the respective families of these donors. This situation presented an insurmountable obstacle for the Hedgbeth family who were informed by a regretful staff at Arlington National Cemetery, that current regulations prohibit memorializing veterans in the Columbarium unless their remains were actually inurned there.

While I can appreciate that limited space at Arlington has necessitated adherence to strict guidelines for burial and memorialization, I cannot see the virtue in denying appropriate recognition for an entitled veteran simply because he has donated his remains to science. In fact, I would like to encourage more veterans to do just that.

All of us recognize the great need for viable remains for both transplantation and for medical study. Mr. Roger Hedgbeth and other veterans who make this courageous commitment should be suitably recognized and their loved ones should know that a grateful nation has made a place for them at one of our country's most sacred memorials.

With that said, I submit this bill which seeks to modify current regulations to allow otherwise qualified veterans, who have donated their remains to science, to be memorialized at the Columbarium in Arlington National Cemetery, not withstanding the absence of their cremated remains.

Mr. President, I salute these veterans and their devoted families, and 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. 2547

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

SECTION 1. MEMORIALIZATION AT COLUMBARIUM AT ARLINGTON NATIONAL CEMETERY OF VETERANS WHO HAVE DONATED THEIR REMAINS TO SCIENCE.

(a) AUTHORITY TO MEMORIALIZE.—(1) Chapter 24 of title 38, United States Code, is amended by adding at the end the following:

"§ 2412. Arlington National Cemetery: memorialization at columbarium of veterans who have donated their remains to science

"The Secretary of the Army may honor, by marker or other appropriate means at the columbarium at Arlington National Cemetery, the memory of any veteran eligible for inurnment in the columbarium whose cremated remains cannot be inurned in the columbarium as a result of the donation of the veteran's organs or remains for medical or scientific purposes.".

(2) The table of sections at the beginning of that chapter is amended by adding at the end the following:

"2412. Arlington National Cemetery: memorialization at columbarium of veterans who have donated their remains to science.".

(b) APPLICABILITY.—Section 2412 of title 38, United States Code, as added by subsection (a), shall apply to veterans who die on or after January 1, 1996.•

ADDITIONAL COSPONSORS

S. 982

At the request of Mr. MCCONNELL, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 982, a bill to provide for the protection of the flag of the United States and free speech, and for other purposes.

S. 1529

At the request of Mr. KENNEDY, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1529, a bill to enhance Federal enforcement of hate crimes, and for other purposes.

S. 1855

At the request of Mr. WYDEN, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 1855, a bill to require the Occupational Safety and Health Administration to recognize that electronic forms of providing MSDSs provide the same level of access to information as paper copies.

S. 1868

At the request of Mr. HAGEL, his name was withdrawn as a cosponsor of S. 1868, a bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes.

S. 2217

At the request of Mr. FRIST, the names of the Senator from Georgia (Mr. COVERDELL) and the Senator from Virginia (Mr. ROBB) were added as cosponsors of S. 2217, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 2230

At the request of Mr. CHAFEE, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2230, a bill to amend the Internal Revenue Code of 1986 to extend the work opportunity tax credit for 3 additional years.

S. 2283

At the request of Mr. DEWINE, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 2283, a bill to support sustainable and broad-based agricultural and rural development in sub-Saharan Africa, and for other purposes.

S. 2296

At the request of Mr. MACK, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 2296, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which may be treated as exempt foreign trade income.

S. 2358

At the request of Mr. ROCKEFELLER, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2358, a bill to provide for the establishment of a service-connection for illnesses associated with service in the Persian Gulf War, to extend and enhance certain health care authorities relating to such service, and for other purposes.

S. 2364

At the request of Mr. CHAFEE, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2364, a bill to reauthorize and make reforms to programs authorized by the Public Works and Economic Development Act of 1965.

S. 2418

At the request of Mr. JEFFORDS, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2418, a bill to establish rural opportunity communities, and for other purposes.

S. 2426

At the request of Mr. COVERDELL, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 2426, a bill to amend the Internal Revenue Code of 1986 to provide a 2-month extension for the due date for filing a tax return for any member of a uniformed service on a tour of duty outside the United States for a period which includes the normal due date for such filing.

S. 2453

At the request of Mr. ROTH, the names of the Senator from Vermont (Mr. LEAHY) and the Senator from Alabama (Mr. SESSIONS) were added as cosponsors of S. 2453, a bill to amend the Internal Revenue Code of 1986 to extend the credit for producing electricity from certain renewable resources.

S. 2473

At the request of Mr. BREAUX, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 2473, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for meal and entertainment expenses of small businesses.

S. 2494

At the request of Mr. MCCAIN, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 2494, a bill to amend the Communications Act of 1934 (47 U.S.C. 151 et seq.) to enhance the ability of direct broadcast satellite and other multichannel video providers to compete effectively with cable television systems, and for other purposes.

S. 2522

At the request of Mr. DEWINE, the names of the Senator from North Dakota (Mr. CONRAD) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 2522, a bill to support enhanced drug interdiction efforts in the major transit countries and support a comprehensive supply eradication and crop substitution program in source countries.

SENATE JOINT RESOLUTION 56

At the request of Mr. GRASSLEY, the names of the Senator from Oklahoma (Mr. INHOFE) and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of Senate Joint Resolution 56, a joint resolution expressing the sense of Congress in support of the existing Federal legal process for determining the safety and efficacy of drugs, including marijuana and other Schedule I drugs, for medicinal use.

SENATE JOINT RESOLUTION 59

At the request of Mr. GRAMM, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of Senate Joint Resolution 59, a joint resolution to provide for a Balanced Budget Constitutional Amendment that prohibits the use of Social Security surpluses to achieve compliance.

SENATE CONCURRENT RESOLUTION 121

At the request of Mr. SPECTER, the names of the Senator from Alabama (Mr. SHELBY), the Senator from Ohio (Mr. DEWINE), and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of Senate Concurrent Resolution 121, a concurrent resolution expressing the sense of Congress that the President should take all necessary measures to respond to the increase in steel imports resulting from the financial crises in Asia, the independent States of the former Soviet Union, Russia, and other areas of the world, and for other purposes.

SENATE CONCURRENT RESOLUTION 122

At the request of Mr. LEVIN, the names of the Senator from North Dakota (Mr. DORGAN), the Senator from Maryland (Ms. MIKULSKI), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Virginia (Mr. WARNER), the Senator from Delaware (Mr. ROTH), the Senator from California (Mrs. FEINSTEIN), the Senator from Ohio (Mr. GLENN), the Senator from New York (Mr. D'AMATO), the Senator from Michigan (Mr. ABRAHAM), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Maryland (Mr. SARBANES), the Senator from Ohio (Mr. DEWINE), the Senator from Kansas (Mr. BROWNBACK), the Senator from New York (Mr. MOYNIHAN), the Senator from Mississippi (Mr. COCHRAN), and the Senator from Illinois (Mr. DURBIN) were added as cosponsors of Senate Concurrent Resolution 122, a concurrent resolution expressing the sense of Congress that the 65th anniversary of the Ukrainian Famine of 1932–1933 should serve as a reminder of the brutality of the government of the former Soviet Union's repressive policies toward the Ukrainian people.

SENATE CONCURRENT RESOLUTION 123

At the request of Mr. DASCHLE, his name was added as a cosponsor of Senate Concurrent Resolution 123, a concurrent resolution to express the sense

of the Congress regarding the policy of the Forest Service toward recreational shooting and archery ranges on Federal land.

SENATE RESOLUTION 257

At the request of Mr. MURKOWSKI, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Hawaii (Mr. AKAKA), the Senator from Colorado (Mr. ALLARD), the Senator from Louisiana (Mr. BREAUX), the Senator from Arkansas (Mr. BUMPERS), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Maine (Ms. COLLINS), the Senator from North Carolina (Mr. FAIRCLOTH), the Senator from New Hampshire (Mr. GREGG), the Senator from Idaho (Mr. KEMPTHORNE), the Senator from Florida (Mr. MACK), the Senator from Oklahoma (Mr. NICKLES), the Senator from Kansas (Mr. ROBERTS), the Senator from Alabama (Mr. SESSIONS), the Senator from Oregon (Mr. SMITH), the Senator from Maine (Ms. SNOWE), and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of Senate Resolution 257, a resolution expressing the sense of the Senate that October 15, 1998, should be designated as "National Inhalant Abuse Awareness Day."

SENATE RESOLUTION 260

At the request of Mr. GRAHAM, the names of the Senator from Florida (Mr. MACK), the Senator from Louisiana (Mr. BREAUX), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Virginia (Mr. ROBB), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from South Dakota (Mr. JOHNSON), the Senator from Minnesota (Mr. WELLSTONE), the Senator from Nebraska (Mr. KERREY), and the Senator from Nevada (Mr. BRYAN) were added as cosponsors of Senate Resolution 260, a resolution expressing the sense of the Senate that October 11, 1998, should be designated as "National Children's Day."

SENATE RESOLUTION 274

At the request of Mr. FORD, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of Senate Resolution 274, a resolution to express the sense of the Senate that the Louisville Festival of Faiths should be commended and should serve as model for similar festivals in other communities throughout the United States.

SENATE RESOLUTION 284—EXPRESSING THE SENSE OF THE SENATE THAT THE PRESIDENT SHOULD RENEGOTIATE THE EXTRADITION TREATY BETWEEN THE UNITED STATES OF AMERICA AND THE UNITED MEXICAN STATES

Mr. TORRICELLI submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 284

Whereas under the Extradition Treaty Between the United States of America and the United Mexican States, Mexico refused to extradite murder suspect and U.S. citizen Jose Luis Del Toro to the United States until the State of Florida agreed not to exercise its right to seek capital punishment in its criminal prosecution of him;

Whereas under the Extradition Treaty Mexico has refused to extradite other suspects of capital crimes; and

Whereas the Extradition Treaty interferes with the justice system of the United States and encourages criminals to flee to Mexico: Now, therefore, be it

Resolved,

SECTION 1. SENSE OF THE SENATE REGARDING THE RENEGOTIATION OF THE U.S.-MEXICAN EXTRADITION TREATY.

It is the sense of the Senate that—

(1) the President should renegotiate the Extradition Treaty Between the United States of America and the United Mexican States, signed in Mexico City in 1978 (31 U.S.T. 5059), so that the possibility of capital punishment will not interfere with the timely extradition of criminal suspects from Mexico to the United States.

AMENDMENTS SUBMITTED

INTERNET TAX FREEDOM ACT

BUMPERS (AND GRAHAM) AMENDMENT NO. 3677

Mr. BUMPERS (for himself and Mr. GRAHAM) proposed an amendment to the bill (S. 442) to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, and for other purposes.

At the appropriate place, insert the following new title:

TITLE ___ COLLECTION OF STATE AND LOCAL SALES TAXES ON OUT-OF-STATE SALES

SEC. ___01. SHORT TITLE.

This title may be cited as the "Consumer and Main Street Protection Act of 1998".

SEC. ___02. FINDINGS.

Congress finds that—

(1) merchandise purchased from out-of-State firms is subject to State and local sales taxes in the same manner as merchandise purchased from in-State firms,

(2) State and local governments generally are unable to compel out-of-State firms to collect and remit such taxes, and consequently, many out-of-State firms choose not to collect State and local taxes on merchandise delivered across State lines,

(3) moreover, many out-of-State firms fail to inform their customers that such taxes exist, with some firms even falsely claiming that merchandise purchased out-of-State is tax-free, and consequently, many consumers unknowingly incur tax liabilities, including interest and penalty charges,

(4) Congress has a duty to protect consumers from explicit or implicit misrepresentations of State and local sales tax obligations,

(5) small businesses, which are compelled to collect State and local sales taxes, are subject to unfair competition when out-of-State firms cannot be compelled to collect and remit such taxes on their sales to residents of the State,

(6) State and local governments provide a number of resources to out-of-State firms including government services relating to disposal of tons of catalogs, mail delivery, communications, and bank and court systems,

(7) the inability of State and local governments to require out-of-State firms to collect and remit sales taxes deprives State and local governments of needed revenue and forces such State and local governments to raise taxes on taxpayers, including consumers and small businesses, in such State,

(8) the Supreme Court ruled in Quill Corporation v. North Dakota, 112 S. Ct. 1904 (1992) that the due process clause of the Constitution does not prohibit a State government from imposing personal jurisdiction and tax obligations on out-of-State firms that purposefully solicit sales from residents therein, and that the Congress has the power to authorize State governments to require out-of-State firms to collect State and local sales taxes, and

(9) as a matter of federalism, the Federal Government has a duty to assist State and local governments in collecting sales taxes on sales from out-of-State firms.

SEC. ___03. AUTHORITY FOR COLLECTION OF SALES TAX.

(a) IN GENERAL.—A State is authorized to require a person who is subject to the personal jurisdiction of the State to collect and remit a State sales tax, a local sales tax, or both, with respect to tangible personal property if—

(1) the destination of the tangible personal property is in the State,

(2) during the 1-year period ending on September 30 of the calendar year preceding the calendar year in which the taxable event occurs, the person has gross receipts from sales of such tangible personal property—

(A) in the United States exceeding $3,000,000, or

(B) in the State exceeding $100,000, and

(3) the State, on behalf of its local jurisdictions, collects and administers all local sales taxes imposed pursuant to this title.

(b) STATES MUST COLLECT LOCAL SALES TAXES.—Except as provided in section ___04(d), a State in which both State and local sales taxes are imposed may not require State sales taxes to be collected and remitted under subsection (a) unless the State also requires the local sales taxes to be collected and remitted under subsection (a).

(c) AGGREGATION RULES.—All persons that would be treated as a single employer under section 52 (a) or (b) of the Internal Revenue Code of 1986 shall be treated as one person for purposes of subsection (a).

(d) DESTINATION.—For purposes of subsection (a), the destination of tangible personal property is the State or local jurisdiction which is the final location to which the seller ships or delivers the property, or to which the seller causes the property to be shipped or delivered, regardless of the means of shipment or delivery or the location of the buyer.

SEC. ___04. TREATMENT OF LOCAL SALES TAXES.

(a) UNIFORM LOCAL SALES TAXES.—

(1) IN GENERAL.—Sales taxes imposed by local jurisdictions of a State shall be deemed to be uniform for purposes of this title and shall be collected under this title in the same manner as State sales taxes if—

(A) such local sales taxes are imposed at the same rate and on identical transactions in all geographic areas in the State, and

(B) such local sales taxes imposed on sales by out-of-State persons are collected and administered by the State.

(2) APPLICATION TO BORDER JURISDICTION TAX RATES.—A State shall not be treated as failing to meet the requirements of paragraph (1)(A) if, with respect to a local jurisdiction which borders on another State, such State or local jurisdiction—

(A) either reduces or increases the local sales tax in order to achieve a rate of tax equal to that imposed by the bordering State on identical transactions, or

(B) exempts from the tax transactions which are exempt from tax in the bordering State.

(b) NONUNIFORM LOCAL SALES TAXES.—

(1) IN GENERAL.—Except as provided in subsection (d), nonuniform local sales taxes required to be collected pursuant to this title shall be collected under one of the options provided under paragraph (2).

(2) ELECTION.—For purposes of paragraph (1), any person required under authority of this title to collect nonuniform local sales taxes shall elect to collect either—

(A) all nonuniform local sales taxes applicable to transactions in the State, or

(B) a fee (at the rate determined under paragraph (3)) which shall be in lieu of the nonuniform local sales taxes described in subparagraph (A).

Such election shall require the person to use the method elected for all transactions in the State while the election is in effect.

(3) RATE OF IN-LIEU FEE.—For purposes of paragraph (2)(B), the rate of the in-lieu fee for any calendar year shall be an amount equal to the product of—

(A) the amount determined by dividing total nonuniform local sales tax revenues collected in the State for the most recently completed State fiscal year for which data is available by total State sales tax revenues for the same year, and

(B) the State sales tax rate.

Such amount shall be rounded to the nearest 0.25 percent.

(4) NONUNIFORM LOCAL SALES TAXES.—For purposes of this title, nonuniform local sales taxes are local sales taxes which do not meet the requirements of subsection (a).

(c) DISTRIBUTION OF LOCAL SALES TAXES.—

(1) IN GENERAL.—Except as provided in subsection (d), a State shall distribute to local jurisdictions a portion of the amounts collected pursuant to this title determined on the basis of—

(A) in the case of uniform local sales taxes, the proportion which each local jurisdiction receives of uniform local sales taxes not collected pursuant to this title,

(B) in the case of in-lieu fees described in subsection (b)(2)(B), the proportion which each local jurisdiction's nonuniform local sales tax receipts bears to the total nonuniform local sales tax receipts in the State, and

(C) in the case of any nonuniform local sales tax collected pursuant to this title, the geographical location of the transaction on which the tax was imposed.

The amounts determined under subparagraphs (A) and (B) shall be calculated on the basis of data for the most recently completed State fiscal year for which the data is available.

(2) TIMING.—Amounts described in paragraph (1) (B) or (C) shall be distributed by a State to its local jurisdictions in accordance with State timetables for distributing local sales taxes, but not less frequently than every calendar quarter. Amounts described in paragraph (1)(A) shall be distributed by a State as provided under State law.

(3) TRANSITION RULE.—If, upon the effective date of this title, a State has a State law in effect providing a method for distributing local sales taxes other than the method under this subsection, then this subsection shall not apply to that State until the 91st day following the adjournment sine die of that State's next regular legislative session which convenes after the effective date of this title (or such earlier date as State law may provide). Local sales taxes collected pursuant to this title prior to the application of this subsection shall be distributed as provided by State law.

(d) EXCEPTION WHERE STATE BOARD COLLECTS TAXES.—Notwithstanding section 03(b) and subsections (b) and (c) of this section, if a State had in effect on January 1, 1995, a State law which provides that local sales taxes are collected and remitted by a board of elected States officers, then for any period during which such law continues in effect—

(1) the State may require the collection and remittance under this title of only the State sales taxes and the uniform portion of local sales taxes, and

(2) the State may distribute any local sales taxes collected pursuant to this title in accordance with State law.

SEC. 05. RETURN AND REMITTANCE REQUIREMENTS.

(a) IN GENERAL.—A State may not require any person subject to this title—

(1) to file a return reporting the amount of any tax collected or required to be collected under this title, or to remit the receipts of such tax, more frequently than once with respect to sales in a calendar quarter, or

(2) to file the initial such return, or to make the initial such remittance, before the 90th day after the person's first taxable transaction under this title.

(b) LOCAL TAXES.—The provisions of subsection (a) shall also apply to any person required by a State acting under authority of this title to collect a local sales tax or in-lieu fee.

SEC. 06. NONDISCRIMINATION AND EXEMPTIONS.

Any State which exercises any authority granted under this title shall allow to all persons subject to this title all exemptions or other exceptions to State and local sales taxes which are allowed to persons located within the State or local jurisdiction.

SEC. 07. APPLICATION OF STATE LAW.

(a) PERSONS REQUIRED TO COLLECT STATE OR LOCAL SALES TAX.—Any person required by section 03 to collect a State or local sales tax shall be subject to the laws of such State relating to such sales tax to the extent that such laws are consistent with the limitations contained in this title.

(b) LIMITATIONS.—Except as provided in subsection (a), nothing in this title shall be construed to permit a State—

(1) to license or regulate any person,

(2) to require any person to qualify to transact intrastate business, or

(3) to subject any person to State taxes not related to the sales of tangible personnel property.

(c) PREEMPTION.—Except as otherwise provided in this title, this title shall not be construed to preempt or limit any power exercised or to be exercised by a State or local jurisdiction under the law of such State or local jurisdiction or under any other Federal law.

SEC. 08. TOLL-FREE INFORMATION SERVICE.

A State shall not have power under this title to require any person to collect a State or local sales tax on any sale unless, at the time of such sale, such State has a toll-free telephone service available to provide such person information relating to collection of such State or local sales tax. Such information shall include, at a minimum, all applicable tax rates, return and remittance addresses and deadlines, and penalty and interest information. As part of the service, the State shall also provide all necessary forms and instructions at no cost to any person using the service. The State shall prominently display the toll-free telephone number on all correspondence with any person using the service. This service may be provided jointly with other States.

SEC. 09. DEFINITIONS.

For the purposes of this title—

(1) the term "compensating use tax" means a tax imposed on or incident to the use, storage, consumption, distribution, or other use within a State or local jurisdiction or other area of a State, of tangible personal property;

(2) the term "local sales tax" means a sales tax imposed in a local jurisdiction or area of a State and includes, but is not limited to—

(A) a sales tax or in-lieu fee imposed in a local jurisdiction or area of a State by the State on behalf of such jurisdiction or area, and

(B) a sales tax imposed by a local jurisdiction or other State-authorized entity pursuant to the authority of State law, local law, or both;

(3) the term "person" means an individual, a trust, estate, partnership, society, association, company (including a limited liability company) or corporation, whether or not acting in a fiduciary or representative capacity, and any combination of the foregoing;

(4) the term "sales tax" means a tax, including a compensating use tax, that is—

(A) imposed on or incident to the sale, purchase, storage, consumption, distribution, or other use of tangible personal property as may be defined or specified under the laws imposing such tax, and

(B) measured by the amount of the sales price, cost, charge or other value of or for such property; and

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

SEC. 10. EFFECTIVE DATE.

This title shall take effect 180 days after the date of the enactment of this title. In no event shall this title apply to any sale occurring before such effective date.

ABRAHAM AMENDMENT NO. 3678

Mr. MCCAIN (for Mr. ABRAHAM) proposed an amendment to the bill, S. 442, supra; as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Government Paperwork Elimination Act."

SEC. 2. DIRECTION AND OVERSIGHT OF INFORMATION TECHNOLOGY.

Section 3504(a)(1)(B)(vi) of title 44, United States Code, is amended to read as follows:

"(vi) the acquisition and use of information technology, including the use of alternative information technologies (such as the use of electronic submission, maintenance, or disclosure of information) to substitute for paper, and the use and acceptance of electronic signatures.".

SEC. 3. PROCEDURES.

(a) Within 18 months after enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use.

(1) The procedures shall be compatible with standards and technology for electronic signatures as may be generally used in commerce and industry and by State government, based upon consultation with appropriate private sector and State government standard setting bodies.

(2) Such procedures shall not inappropriately favor one industry or technology.

(3) An electronic signature shall be as reliable as is appropriate for the purpose, and efforts shall be made to keep the information submitted intact.

(4) Successful submission of an electronic form shall be electronically acknowledged.

(5) In accordance with all other sections of the Act, to the extent feasible and appropriate, and described in a written finding, an agency, when it expects to receive electronically 50,000 or more submittals of a particular form, shall take all steps necessary to ensure that multiple formats of electronic signatures are made available for submitting such forms.

SEC. 4. AUTHORITY AND FUNCTIONS OF THE DIRECTOR OF THE OFFICE OF MANAGEMENT AND BUDGET.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall ensure that, within five years of the date of enactment of this Act, executive agencies provide for the optional use of electronic maintenance, submission, or disclosure of information where practicable, as an alternative information technology to substitute for paper, and the use and acceptance of electronic signatures where practicable.

SEC. 5. ELECTRONIC STORAGE OF FORMS.

Within 18 months of enactment of this Act, in order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget shall develop procedures and guidelines for executive agency use to permit employer electronic storage and filing of forms containing information pertaining to employees

SEC. 6. STUDY.

In order to fulfill the responsibility to administer the functions assigned under chapter 35 of title 44, United States Code, the Clinger-Cohen Act of 1996 (P.L. 104–106), and the provisions of this Act, the Director of the Office of Management and Budget, shall conduct an ongoing study of paperwork reduction and electronic commerce, the impact on individual privacy, and the security and authenticity of transactions due to the use of electronic signatures pursuant to this Act, and shall report the findings to Congress.

SEC. 7. ENFORCEABILITY AND LEGAL EFFECT OF ELECTRONIC RECORDS.

Electronic records submitted or maintained in accordance with agency procedures and guidelines established pursuant to this title, or electronic signatures or other forms of electronic authentication used in accordance with such procedures and guidelines, shall not be denied legal effect, validity or enforceability because they are in electronic form.

SEC. 8. DISCLOSURE OF INFORMATION.

Except as provided by law, information collected in the provision of electronic signature services for communications with an agency, as provided by this Act, shall only be used or disclosed by persons who obtain, collect, or maintain such information as a business or government practice, for the purpose of facilitating such communications, or with the prior affirmative consent of the person about whom the information pertains.

SEC. 9. APPLICATION WITH OTHER LAWS.

Nothing in this title shall apply to the Department of the Treasury or the Internal Revenue Service, to the extent that—

(1) it involves the administration of the internal revenue laws; and

(2) it conflicts with any provision of the Internal Revenue Service Restructuring and Reform Act of 1998 or the Internal Revenue Code of 1986.

SEC. 10. DEFINITIONS.

For purposes of this Act:

(1) EXECUTIVE AGENCY.—The term "executive agency" has the meaning given that term in section 105 of title 5, United States Code.

(2) ELECTRONIC SIGNATURE.—The term "electronic signature" means a method of signing an electronic message that—

(A) identifies and authenticates a particular person as the source of such electronic message; and

(B) indicates such person's approval of the information contained in such electronic message.

(3) FORM, QUESTIONNAIRE, OR SURVEY.—The terms "form", "questionnaire", and "survey" include documents produced by an agency to facilitate interaction between an agency and non-government persons.

BRYAN AMENDMENT NO. 3679

Mr. McCAIN (for Mr. BRYAN) proposed an amendment to the bill, S. 442, supra; as follows:

At the end of the bill, add the following:

TITLE II—CHILDREN'S ONLINE PRIVACY PROTECTION

SEC. 201. SHORT TITLE.

This title may be cited as the "Children's Online Privacy Protection Act of 1998".

SEC. 202. DEFINITIONS.

In this title:

(1) CHILD.—The term "child" means an individuals under the age of 13.

(2) OPERATOR.—The term "operator"—

(A) means any person who operates a website located on the Internet or an online service and who collects or maintains personal information from or about the users of or visitors to such website or online service, or on whose behalf such information is collected or maintained, where such website or online service is operated for commercial purposes, including any person offering products or services for sale through that website or online service, involving commerce—

(i) among the several States or with 1 or more foreign nations;

(ii) in any territory of the United States or the District of Columbia, or between any such territory and—

(I) another such territory; or

(II) any State or foreign nation; or

(iii) between the District of Columbia and any State, territory, or foreign nation; but

(B) does not include any non-profit entity that would otherwise be exempt from coverage under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(3) COMMISSION.—The term "Commission" means the Federal Trade Commission.

(4) DISCLOSURE.—The term "disclosure" means, with respect to personal information—

(A) the release of personal information collected from a child in identifiable form by an operator for any purpose, except where such information is provided to a person other than the operator who provides support for the internal operations of the website and does not disclose or use that information for any other purposes; and

(B) making personal information collected form a child by a website or online service directed to children or with actual knowledge that such information was collected from a child, publicly available in identifiable form, by any means including by a public posting, through the Internet, or through—

(i) a home page of a website;

(ii) a pen pal service;

(iii) an electronic mail services;

(iv) a message board; or

(v) a chat room.

(5) FEDERAL AGENCY.—The term "Federal agency" means an agency, as that term is defined in section 551(1) of title 5, United States Code.

(6) INTERNET.—The term "Internet" means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

(7) PARENT.—The term "parent" includes a legal guardian.

(8) PERSONAL INFORMATION.—The term "personal information" means individually identifiable information about an individual collected online, including—

(A) a first and last name;

(B) a home or other physical address including street name and name of a city or town;

(C) an e-mail address;

(D) a telephone number;

(E) a Social Security number;

(F) any other identifier that the Commission determines permits the physical or online contacting of a specific individual; or

(G) information concerning the child or the parents of that child that the website collects online from the child and combines with an identifier described in this paragraph.

(9) VERIFIABLE PARENTAL CONSENT.—The term "verifiable parental consent" means any reasonable effort (taking into consideration available technology), including a request for authorization for future collection, use, and disclosure described in the notice, to ensure that a parent of a child receives notice of the operator's personal information collection, use, and disclosure practices, and authorizes the collection, use, and disclosure, as applicable, of personal information and the subsequent use of that information before that information is collected from that child.

(10) WEBSITE OR ONLINE SERVICE DIRECTED TO CHILDREN.—

(A) IN GENERAL.—The term "website or online service directed to children" means—

(i) a commercial website or online service that is targeted to children; or

(ii) that portion of a commercial website or online service that is targeted to children.

(B) LIMITATION.—A commercial website or online service, or a portion of a commercial website or online service, shall not be deemed directed to children solely for referring or linking to a commercial website or online service directed to children by using information location tools, including a directory, index, reference, pointer, or hypertext link.

(11) PERSON.—The term "person" means any individual, partnership, corporation, trust, estate, cooperative, association, or other entity.

(12) ONLINE CONTACT INFORMATION.—The term "online contact information" means an e-mail address or another substantially similar identifier that permits direct contact with a person online.

SEC. 203. REGULATION OF UNFAIR AND DECEPTIVE ACTS AND PRACTICES IN CONNECTION WITH THE COLLECTION AND USE OF PERSONAL INFORMATION FROM AND ABOUT CHILDREN ON THE INTERNET.

(a) ACTS PROHIBITED.—

(1) IN GENERAL.—It is unlawful for an operator of a website or online service directed to children, or any operator that has actual knowledge that it is collecting personal information from a child, to collect personal information from a child in a manner that violates the regulations prescribed under subsection (b).

(2) DISCLOSURE TO PARENT PROTECTED.—Notwithstanding paragraph (1), neither an operator of such a website or online service nor the operator's agent shall be held to be liable under any Federal or State law for any disclosure made in good faith and following reasonable procedures in responding to a request for disclosure of personal information under subsection (b)(1)(B)(iii) to the parent of a child.

(b) REGULATIONS.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Commission shall promulgate under section 553 of title 5, United States Code, regulations that—

(A) require the operator of any website or online service directed to children that collects personal information from children or the operator of a website or online service that has actual knowledge that it is collecting personal information from a child—

(i) to provide notice on the website of what information is collected from children by the operator, how the operator uses such information, and the operator's disclosure practices for such information; and

(ii) to obtain verifiable parental consent for the collection, use, or disclosure of personal information from children;

(B) require the operator to provide, upon request of a parent under this subparagraph whose child has provided personal information to that website or online service, upon proper identification of that parent, to such parent—

(i) a description of the specific types of personal information collected from the child by that operator;

(ii) the opportunity at any time to refuse to permit the operator's further use or maintenance in retrievable form, or future online collection, of personal information from that child; and

(iii) notwithstanding any other provision of law, a means that is reasonable under the circumstances for the parent to obtain any personal information collected from that child;

(C) prohibit conditioning a child's participation in a game, the offering of a prize, or another activity on the child disclosing more personal information than is reasonably necessary to participate in such activity; and

(D) require the operator of such a website or online service to establish and maintain reasonable procedures to protect the confidentiality, security, and integrity of personal information collected from children.

(2) WHEN CONSENT NOT REQUIRED.—The regulations shall provide that verifiable parental consent under paragraph (1)(A)(ii) is not required in the case of—

(A) online contact information collected from a child that is used only to respond directly on a one-time basis to a specific request from the child and is not used to recontact the child and is not maintained in retrievable form by the operator;

(B) a request for the name or online contact information of a parent or child that is used for the sole purpose of obtaining parental consent or providing notice under this section and where such information is not maintained in retrievable form by the operator if parental consent is not obtained after a reasonable time;

(C) online contact information collected from a child that is used only to respond more than once directly to a specific request from the child and is not used to recontact the child beyond the scope of that request—

(i) if, before any additional response after the initial response to the child, the operator uses reasonable efforts to provide a parent notice of the online contact information collected from the child, the purposes for which it is to be used, and an opportunity for the parent to request that the operator make no further use of the information and that it not be maintained in retrievable form; or

(ii) without notice to the parent in such circumstances as the Commission may determine are appropriate, taking into consideration the benefits to the child of access to information and services, and risks to the security and privacy of the child, in regulations promulgated under this subsection;

(D) the name of the child and online contact information (to the extent reasonably necessary to protect the safety of a child participant on the site)—

(i) used only for the purpose of protecting such safety;

(ii) not used to recontact the child or for any other purpose; and

(iii) not disclosed on the site,

if the operator uses reasonable efforts to provide a parent notice of the name and online contact information collected from the child, the purposes for which it is to be used, and an opportunity for the parent to request that the operator make no further use of the information and that it not be maintained in retrievable form; or

(E) the collection, use, or dissemination of such information by the operator of such a website or online service necessary—

(i) to protect the security or integrity of its website;

(ii) to take precautions against liability;

(iii) to respond to judicial process; or

(iv) to the extent permitted under other provisions of law, to provide information to law enforcement agencies or for an investigation on a matter related to public safety.

(3) TERMINATION OF SERVICE.—The regulations shall permit the operator of a website or an on-line service to terminate service provided to a child whose parent has refused, under the regulations prescribed under paragraph (1)(B)(ii), to permit the operator's further use or maintenance in retrievable form, or future online collection, of personal information from that child.

(c) ENFORCEMENT.—Subject to sections 204 and 206, a violation of a regulation prescribed under subsection (a) shall be treated as a violation of a rule defining an unfair or deceptive act or practice prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(d) INCONSISTENT STATE LAW.—No State or local government may impose any liability for commercial activities or actions by operators in interstate or foreign commerce in connection with an activity or action described in this title that is inconsistent with the treatment of those activities or actions under this section.

SEC. 204. SAFE HARBORS.

(a) GUIDELINES.—An operator may satisfy the requirements of regulations issued under section 203(b) by following a set of self-regulatory guidelines, issued by representatives of the marketing or online industries, or by other persons, approved under subsection (b).

(b) INCENTIVES.—

(1) SELF-REGULATORY INCENTIVES.—In prescribing regulations under section 203, the Commission shall provide incentives for self-regulation by operators to implement the protections afforded children under the regulatory requirements described in subsection (b) of that section.

(2) DEEMED COMPLIANCE.—Such incentives shall include provisions for ensuring that a person will be deemed to be in compliance with the requirements of the regulations under section 203 if that person complies with guidelines that, after notice and comment, are approved by the Commission upon making a determination that the guidelines meet the requirements of the regulations issued under section 203.

(3) EXPEDITED RESPONSE TO REQUESTS.—The Commission shall act upon requests for safe harbor treatment within 180 days of the filing of the request, and shall set forth in writing its conclusions with regard to such requests.

(c) APPEALS.—Final action by the Commission on a request for approval of guidelines, or the failure to act within 180 days on a request for approval of guidelines, submitted under subsection (b) may be appealed to a district court of the United States of appropriate jurisdiction as provided for in section 706 of title 5, United States Code.

SEC. 205. ACTIONS BY STATES.

(a) IN GENERAL.—

(1) CIVIL ACTIONS.—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the engagement of any person in a practice that violates any regulation of the Commission prescribed under section 203(b), the State, as parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction to—

(A) enjoin that practice;

(B) enforce compliance with the regulation;

(C) obtain damage, restitution, or other compensation on behalf of residents of the State; or

(D) obtain such other relief as the court may consider to be appropriate.—

(2) NOTICE.—

(A) IN GENERAL.—Before filing an action under paragraph (1), the attorney general of the State involved shall provide to the Commission—

(i) written notice of that action; and

(ii) a copy of the complaint for that action.

(B) EXEMPTION.—

(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to the filing of an action by an attorney general of a State under

this subsection, if the attorney general determines that it is not feasible to provide the notice described in that subparagraph before the filing of the action.

(ii) NOTIFICATION.—In an action described in clause (i), the attorney general of a State shall provide notice and a copy of the complaint to the Commission at the same time as the attorney general files the action.

(b) INTERVENTION.—

(1) IN GENERAL.—On receiving notice under subsection (a)(2), the Commission shall have the right to intervene in the action that is the subject of the notice.

(2) EFFECT OF INTERVENTION.—If the Commission intervenes in an action under subsection (a), it shall have the right—

(A) to be heard with respect to any matter that arises in that action; and

(B) to file a petition for appeal.

(3) AMICUS CURIAE.—Upon application to the court, a person whose self-regulatory guidelines have been approved by the Commission and are relied upon as a defense by any defendant to a proceeding under this section may file amicus curiae in that proceeding.

(c) CONSTRUCTION.—For purposes of bringing any civil action under subsection (a), nothing in this title shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(1) conduct investigations;

(2) administer oaths or affirmations; or

(3) compel the attendance of witnesses or the production of documentary and other evidence.

(d) ACTIONS BY THE COMMISSION.—In any case in which an action is instituted by or on behalf of the Commission for violation of any regulation prescribed under section 203, no State may, during the pendency of that action, institute an action under subsection (a) against any defendant named in the complaint in that action for violation of that regulation.

(e) VENUE; SERVICE OF PROCESS.—

(1) VENUE.—Any action brought under subsection (a) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(2) SERVICE OF PROCESS.—In an action brought under subsection (a), process may be served in any district in which the defendant—

(A) is an inhabitant; or

(B) may be found.

SEC. 206. ADMINISTRATION AND APPLICABILITY OF ACT.

(a) IN GENERAL.—Except as otherwise provided, this title shall be enforced by the Commission under the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(b) PROVISIONS.—Compliance with the requirements imposed under this title shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act (12 U.S.C. 601 et seq. and 611 et seq.), by the Board; and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;

(3) the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the National Credit Union Administration Board with respect to any Federal credit union;

(4) part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(5) the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act; and

(6) the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.

(c) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency referred to in subsection (a) of its powers under any Act referred to in that subsection, a violation of any requirement imposed under this title shall be deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (a), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under this title, any other authority conferred on it by law.

(d) ACTIONS BY THE COMMISSION.—The Commission shall prevent any person from violating a rule of the Commission under section 203 in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this title. Any entity that violates such rule shall be subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this title.

(e) EFFECT ON OTHER LAWS.—Nothing contained in the Act shall be construed to limit the authority of the Commission under any other provisions of law.

SEC. 207. REVIEW.

(a) IN GENERAL.—Not later than 5 years after the effective date of the regulations initially issued under section 203, the Commission shall—

(1) review the implementation of this title, including the effect of the implementation of this title on practices relating to the collection and disclosure of information relating to children, children's ability to obtain access to information of their choice online, and on the availability of websites directed to children; and

(2) prepare and submit to Congress a report on the results of the review under paragraph (1).

SEC. 208. EFFECTIVE DATE.

Sections 203(a), 205, and 206 of this title take effect on the later of—

(1) the date that is 18 months after the date of enactment of this Act; or

(2) the date on which the Commission rules on the first application for safe harbor treatment under section 204 if the Commission does not rule on the first such application within one year after the date of enactment of this Act, but in no case later than the date that is 30 months after the date of enactment of this Act.

NATIONAL HISTORIC TRAILS INTERPRETIVE CENTER

THOMAS AMENDMENT NO. 3680

Mr. HAGEL (for Mr. THOMAS) proposed an amendment to the bill (H.R. 2186) to authorize the Secretary of the Interior to provide assistance to the National Historic Trails Interpretive Center in Casper, Wyoming; as follows:

On page 6, beginning on line 2 strike "and, subject to the availability of appropriations," and insert "and".

On page 6 line 12 strike "subject to appropriations,".

On page 6 strike section [e] in its entirety and renumber the remaining sections accordingly.

GALLATIN LAND CONSOLIDATION ACT OF 1998

BAUCUS (AND BURNS) AMENDMENT NO. 3681

Mr. HAGEL (for Mr. BAUCUS for himself and Mr. BURNS) proposed an amendment to the bill (S. 1719) to direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co.; as follows:

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gallatin Land Consolidation Act of 1998".

SEC. 2. FINDINGS.

Congress finds that—

(1) the land north of Yellowstone National Park possesses outstanding natural characteristics and wildlife habitats that make the land a valuable addition to the National Forest System;

(2) it is in the interest of the United States to establish a logical and effective ownership pattern for the Gallatin National Forest, reducing long-term costs for taxpayers and increasing and improving public access to the forest;

(3) it is in the interest of the United States for the Secretary of Agriculture to enter into an Option Agreement for the acquisition of land owned by Big Sky Lumber Co. to accomplish the purposes of this Act; and

(4) other private property owners are willing to enter into exchanges that further improve the ownership pattern of the Gallatin National Forest.

SEC. 3. DEFINITIONS.

In this Act:

(1) BLM LAND.—The term "BLM land" means approximately 2,000 acres of Bureau of Land Management land (including all appurtenances to the land) that is proposed to be

acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(2) BSL.—The term "BSL" means Big Sky Lumber Co., an Oregon joint venture, and its successors and assigns, and any other entities having a property interest in the BSL land.

(3) BSL LAND.—The term "BSL land" means approximately 54,000 acres of land (including all appurtenances to the land except as provided in section 4(e)(1)(D)(i)) owned by BSL that is proposed to be acquired by the Secretary of Agriculture, as depicted in Exhibit A to the Option Agreement.

(4) EASTSIDE NATIONAL FORESTS.—The term "Eastside National Forests" means national forests east of the Continental Divide in the State of Montana, including the Beaverhead National Forest, Deerlodge National Forest, Helena National Forest, Custer National Forest, and Lewis and Clark National Forest.

(5) NATIONAL FOREST SYSTEM LAND.—The term "National Forest System land" means approximately 29,000 acres of land (including all appurtenances to the land) owned by the United States in the Gallatin National Forest, Flathead National Forest, Deerlodge National Forest, Helena National Forest, Lolo National Forest, and Lewis and Clark National Forest that is proposed to be acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(6) OPTION AGREEMENT.—The term "Option Agreement" means—

(A) the document signed by BSL, dated July 29, 1998 and entitled "Option Agreement for the Acquisition of Big Sky Lumber Co. Lands Pursuant to the Gallatin Range Consolidation and Protection Act of 1993";

(B) the exhibits and maps attached to the document described in subparagraph (A); and

(C) an exchange agreement to be entered into between the Secretary and BSL and made part of the document described in subparagraph (A).

(7) SECRETARY.—The "Secretary" means the Secretary of Agriculture.

SEC. 4. GALLATIN LAND CONSOLIDATION COMPLETION.

(a) IN GENERAL.—Notwithstanding any other provision of law, and subject to the terms and conditions of the Option Agreement—

(1) if BSL offers title acceptable to the Secretary to the BSL land—

(A) the Secretary shall accept a warranty deed to the BSL land and a quit claim deed to agreed to mineral interests in the BSL land;

(B) the Secretary shall convey to BSL, subject to valid existing rights and to other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary and BSL, fee title to the National Forest System land; and

(C) the Secretary of the Interior shall convey to BSL, by patent or otherwise, subject to valid existing rights and other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary of the Interior and BSL, fee title to the BLM land;

(2) if BSL places title in escrow acceptable to the Secretary to 11½ sections of the BSL land in the Taylor Fork area as set forth in the Option Agreement—

(A) the Secretary shall place Federal land in the Bangtail and Doe Creek areas of the Gallatin National Forest, as identified in the Option Agreement, in escrow pending conveyance to the Secretary of the Taylor Fork land, as identified in the Option Agreement in escrow;

(B) the Secretary, subject to the availability of funds, shall purchase 7½ sections of BSL land in the Taylor Fork area held in escrow and identified in the Option Agreement at a purchase price of $4,150,000; and

(C) the Secretary shall acquire the 4 Taylor Fork sections identified in the Option Agreement remaining in escrow, and any of the 6 sections referred to in subparagraph (B) for which funds are not available, by providing BSL with timber sale receipts from timber sales on the Gallatin National Forest and other eastside national forests in the State of Montana in accordance with subsection (c); and

(3)(A) as funds or timber sale receipts are received by BSL—

(i) the deeds to an equivalent value of BSL Taylor Fork land held in escrow shall be released and conveyed to the Secretary; and

(ii) the escrow of deeds to an equivalent value of Federal land shall be released to the Secretary in accordance with the terms of the Option Agreement; or

(B) if funds or timber sale receipts are not provided to BSL as provided in the Option Agreement, BSL shall be entitled to receive patents and deeds to an equivalent value of the Federal land held in escrow.

(b) VALUATION.—

(1) IN GENERAL.—The property and other assets exchanged or conveyed by BSL and the United States under subsection (a) shall be approximately equal in value, as determined by the Secretary.

(2) DIFFERENCE IN VALUE.—To the extent that the property and other assets exchanged or conveyed by BSL or the United States under subsection (a) are not approximately equal in value, as determined by the Secretary, the values shall be equalized in accordance with methods identified in the Option Agreement.

(c) TIMBER SALE PROGRAM.—

(1) IN GENERAL.—The Secretary shall implement a timber sale program, according to the terms and conditions identified in the Option Agreement and subject to compliance with applicable environmental laws (including regulations), judicial decisions, memoranda of understanding, small business set-aside rules, and acts beyond the control of the Secretary, to generate sufficient timber receipts to purchase the portions of the BSL land in Taylor Fork identified in the Option Agreement.

(2) IMPLEMENTATION.—In implementing the timber sale program—

(A) the Secretary shall provide BSL with a proposed annual schedule of timber sales;

(B) as set forth in the Option Agreement, receipts generated from the timber sale program shall be deposited by the Secretary in a special account established by the Secretary and paid by the Secretary to BSL;

(C) receipts from the Gallatin National Forest shall not be subject to the Act of May 23, 1908 (16 U.S.C. 500); and

(D) the Secretary shall fund the timber sale program at levels determined by the Secretary to be commensurate with the preparation and administration of the identified timber sale program.

(d) RIGHTS-OF-WAY.—As specified in the Option Agreement—

(1) the Secretary, under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), shall convey to BSL such easements in or other rights-of-way over National Forest System land for access to the land acquired by BSL under this Act for all lawful purposes; and

(2) BSL shall convey to the United States such easements in or other rights-of-way over land owned by BSL for all lawful purposes, as may be agreed to by the Secretary and BSL.

(e) QUALITY OF TITLE.—

(1) DETERMINATION.—The Secretary shall review the title for the BSL land described in subsection (a) and, within 45 days after receipt of all applicable title documents from BSL, determine whether—

(A) the applicable title standards for Federal land acquisition have been satisfied and the quality of the title is otherwise acceptable to the Secretary of Agriculture;

(B) all draft conveyances and closing documents have been received and approved;

(C) a current title commitment verifying compliance with applicable title standards has been issued to the Secretary; and

(D) the title includes both the surface and subsurface estates without reservation or exception (except as specifically provided in this Act), including—

(i) minerals, mineral rights, and mineral interests (including severed oil and gas surface rights), subject to and excepting other outstanding or reserved oil and gas rights;

(ii) timber, timber rights, and timber interests (except those reserved subject to section 251.14 of title 36, Code of Federal Regulations, by BSL and agreed to by the Secretary);

(iii) water, water rights, ditch, and ditch rights;

(iv) geothermal rights; and

(v) any other interest in the property.

(2) CONVEYANCE OF TITLE.—

(A) IN GENERAL.—If the quality of title does not meet Federal standards or is otherwise determined to be unacceptable to the Secretary of Agriculture, the Secretary shall advise BSL regarding corrective actions necessary to make an affirmative determination under paragraph (1).

(B) TITLE TO SUBSURFACE ESTATE.—Title to the subsurface estate shall be conveyed by BSL to the Secretary in the same form and content as that estate is received by BSL from Burlington Resources Oil & Gas Company Inc. and Glacier Park Company.

(f) TIMING OF IMPLEMENTATION.—

(1) LAND-FOR-LAND EXCHANGE.—The Secretary shall accept the conveyance of land described in subsection (a) not later than 45 days after the Secretary has made an affirmative determination of quality of title.

(2) LAND-FOR-TIMBER SALE RECEIPT EXCHANGE.—As provided in subsection (c) and the Option Agreement, the Secretary shall make timber receipts described in subsection (a)(3) available not later than December 31 of the fifth full calendar year that begins after the date of enactment of this Act.

(3) PURCHASE.—The Secretary shall complete the purchase of BSL land under subsection (a)(3)(B) not later than 30 days after the date on which appropriated funds are made available and an affirmative determination of quality of title is made with respect to the BSL land.

SEC. 5. OTHER FACILITATED EXCHANGES.

(a) AUTHORIZED EXCHANGES.—

(1) IN GENERAL.—The Secretary shall enter into the following land exchanges if the landowners are willing:

(A) Wapiti land exchange, as outlined in the documents entitled "Non-Federal Lands in Facilitated Exchanges" and "Federal Lands in Facilitated Exchanges" and dated July 1998.

(B) Eightmile/West Pine land exchange as outlined in the documents entitled "Non-Federal Lands in Facilitated Exchanges" and "Federal Lands in Facilitated Exchanges" and dated July 1998.

(2) EQUAL VALUE.—Before entering into an exchange under paragraph (1), the Secretary shall determine that the parcels of land to be

exchanged are of approximately equal value, based on an appraisal.

(b) SECTION 1 OF THE TAYLOR FORK LAND.—

(1) IN GENERAL.—The Secretary is encouraged to pursue a land exchange with the owner of section 1 of the Taylor Fork land after completing a full public process and an appraisal.

(2) REPORT.—The Secretary shall report to Congress on the implementation of paragraph (1) not later than 180 days after the date of enactment of this Act.

SEC. 6. GENERAL PROVISIONS.

(a) MINOR CORRECTIONS.—

(1) IN GENERAL.—The Option Agreement shall be subject to such minor corrections and supplemental provisions as may be agreed to by the Secretary and BSL.

(2) NOTIFICATION.—The Secretary shall notify the Committee on Energy and Natural Resources of the Senate, the Committee on Resources of the House of Representatives, and each member of the Montana congressional delegation of any changes made under this subsection.

(3) BOUNDARY ADJUSTMENT.—

(A) IN GENERAL.—The boundary of the Gallatin National Forest is adjusted in the Wineglass and North Bridger area, as described on maps dated July 1998, upon completion of the conveyances.

(B) NO LIMITATION.—Nothing in this subsection limits the authority of the Secretary to adjust the boundary pursuant to section 11 of the Act of March 1, 1911 (commonly known as the "Weeks Act") (16 U.S.C. 521).

(C) ALLOCATION OF LAND AND WATER CONSERVATION FUND MONEYS.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*-9), boundaries of the Gallatin National Forest shall be considered to be the boundaries of the National Forest as of January 1, 1965.

(b) PUBLIC AVAILABILITY.—The Option Agreement—

(1) shall be on file and available for public inspection in the office of the Supervisor of the Gallatin National Forest; and

(2) shall be filed with the county clerk of each of Gallatin County, Park County, Madison County, Granite County, Broadwater County, Meagher County, Flathead County, and Missoula County, Montana.

(c) COMPLIANCE WITH OPTION AGREEMENT.—The Secretary, the Secretary of the Interior, and BSL shall comply with the terms and conditions of the Option Agreement except to the extent that any provision of the Option Agreement conflicts with this Act.

(d) STATUS OF LAND.—All land conveyed to the United States under this Act shall be added to and administered as part of the Gallatin National Forest and Deerlodge National Forest, as appropriate, in accordance with the Act of March 1, 1911 (5 U.S.C. 515 et seq.), and other laws (including regulations) pertaining to the National Forest System.

(e) MANAGEMENT.—

(1) PUBLIC PROCESS.—Not later than 30 days after the date of completion of the land-for-land exchange under section 4(f)(1), the Secretary shall initiate a public process to amend the Gallatin National Forest Plan and the Deerlodge National Forest Plan to integrate the acquired land into the plans.

(2) PROCESS TIME.—The amendment process under paragraph (1) shall be completed as soon as practicable, and in no event later than 540 days after the date on which the amendment process is initiated.

(3) LIMITATION.—An amended management plan shall not permit surface occupancy on the acquired land for access to reserved or outstanding oil and gas rights or for exploration or development of oil and gas.

(4) INTERIM MANAGEMENT.—Pending completion of the forest plan amendment process under paragraph (1), the Secretary shall—

(A) manage the acquired land under the standards and guidelines in the applicable land and resource management plans for adjacent land managed by the Forest Service; and

(B) maintain all existing public access to the acquired land.

(f) RESTORATION.—

(1) IN GENERAL.—The Secretary shall implement a restoration program including reforestation and watershed enhancements to bring the acquired land and surrounding national forest land into compliance with Forest Service standards and guidelines.

(2) STATE AND LOCAL CONSERVATION CORPS.—In implementing the restoration program, the Secretary shall, when practicable, use partnerships with State and local conservation corps, including the Montana Conservation Corps, under the Public Lands Corps Act of 1993 (16 U.S.C. 1721 et seq.).

(g) IMPLEMENTATION.—The Secretary of Agriculture shall ensure that sufficient funds are made available to the Gallatin National Forest to carry out this Act.

(i) REVOCATIONS.—Notwithstanding any other provision of law, any public orders withdrawing lands identified in the Option Agreement from all forms of appropriation under the public land laws are revoked upon conveyance of the lands by the Secretary.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Amend the title so as to read: "To direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co. and other entities.".

FINANCIAL SERVICES ACT OF 1998

GORTON AMENDMENT NO. 3682

(Ordered to lie on the table.)

Mr. GORTON submitted an amendment intended to be proposed by him to the bill (H.R. 10) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes; as follows:

Section 401(a) of H.R. 10 is amended as follows:

In new subparagraph (9)(C) of section (c) of the Home Owners' Loan Act (12 U.S.C. Sec. 1467a(c)), by inserting the following language after the word "date," in the last line of the subparagraph: "or that is a company described in subparagraph (A) that acquires control of a savings and loan holding company described in this subparagraph and complies thereafter with subparagraph (B) with respect to any activity in which such company or the acquired savings and loan holding company was not engaged as of the date of the acquisition,"

EXPLANATION

The proposed amendment prohibits a financial company that acquires a grandfathered unitary thrift holding company from engaging in any new non-financial activities post-acquisition. Under the proposed amendment, the financial company could retain and operate any existing non-financial activities of the grandfathered thrift holding company without a forced divestiture. This provision only applies to financial companies that are not regulated under the Bank Holding Company Act.

The proposed amendment does not alter the provisions that prohibit non-financial activities by a banking holding company or financial holding company under the Bank Holding Company Act. Thus, if a banking holding company or financial holding company acquired a grandfathered unitary thrift holding company with non-financial activities, these non-financial activities would have to be divested pursuant to the divestiture provisions of the Bank Holding Company Act.

NATIONAL MOTOR VEHICLE SAFETY, ANTI-THEFT, TITLE REFORM, AND CONSUMER PROTECTION ACT OF 1998

GORTON AMENDMENT NO. 3683

Mr. SESSIONS (for Mr. GORTON) proposed an amendment to the bill (S. 852) to establish nationally uniform requirements regarding the titling and registration of salvage, non-repairable, and rebuilt vehicles; as follows:

Strike out all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Salvage Motor Vehicle Consumer Protection Act of 1998".

SEC. 2. MOTOR VEHICLE TITLING AND DISCLOSURE REQUIREMENTS.

(a) AMENDMENT TO TITLE 49, UNITED STATES CODE.—Subtitle VI of title 49, United States Code, is amended by inserting a new chapter at the end:

"CHAPTER 333—AUTOMOBILE SAFETY AND TITLE DISCLOSURE REQUIREMENTS

"Sec.
"33301. Definitions.
"33302. Passenger motor vehicle titling.
"33303. Disclosure and label requirements on transfer of rebuilt salvage vehicles.
"33304. Report on funding.
"33305. Effect on State law.
"33306. Civil penalties.
"33307. Actions by States.

"§ 33301. Definitions

"(A) DEFINITIONS.—For the purposes of this chapter:

"(1) PASSENGER MOTOR VEHICLE.—The term 'passenger motor vehicle' has the same meaning given such term by section 32101(10), except, notwithstanding section 32101(9), it includes a multi-purpose passenger vehicle (constructed on a truck chassis or with special features for occasional off-road operation), a truck, other than a truck referred to in section 32101(10)(B), and a pickup truck when that vehicle or truck is rated by the manufacturer of such vehicle or truck at not more than 10,000 pounds gross vehicle weight, and it only includes a vehicle manufactured primarily for use on public streets, roads and highways.

"(2) SALVAGE VEHICLE.—The term 'salvage vehicle' means any passenger motor vehicle, other than a flood vehicle or a nonrepairable vehicle, which—

"(A) is a late model vehicle which has been wrecked, destroyed, or damaged, to the extent that the total cost of repairs to rebuild

or reconstruct the passenger motor vehicle to its condition immediately before it was wrecked, destroyed, or damaged, and for legal operation on the roads or highways, exceeds 75 percent of the retail value of the passenger motor vehicle;

"(B) is a later model vehicle which has been wrecked, destroyed, or damaged, and to which an insurance company acquires ownership pursuant to a damage settlement (except in the case of a settlement in connection with a recovered stolen vehicle, unless such vehicle sustained damage sufficient to meet the damage threshold prescribed by subparagraph (A)); or

"(C) the owner wishes to voluntarily designate as a salvage vehicle by obtaining a salvage title, without regard to the level of damage, age, or value of such vehicle or any other factor, except that such designation by the owner shall not impose on the insurer of the passenger motor vehicle or on an insurer processing a claim made by or on behalf of the owner of the passenger motor vehicle any obligation or liability.

Notwithstanding any other provision of this chapter, a State may use the term 'older model salvage vehicle' to designate a wrecked, destroyed, or damaged vehicle that does not meet the definition of a late model vehicle in paragraph (9). If a State, as of the date of enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, has established a salvage definition at a lesser percentage than provided under subparagraph (A), then that definition shall not be considered to be inconsistent with the provisions of this chapter.

"(3) SALVAGE TITLE.—The term 'salvage title' means a passenger motor vehicle ownership document issued by the State to the owner of a salvage vehicle. A salvage title shall be conspicuously labeled with the word 'salvage' across the front.

"(4) REBUILT SALVAGE VEHICLE.—The term 'rebuilt salvage vehicle' means—

"(A) any passenger motor vehicle which was previously issued a salvage title, has passed State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, has passed the State safety inspection in those States requiring a safety inspection pursuant to section 33302(b)(8), has been issued a certificate indicating that the passenger motor vehicle has passed the required safety inspection in those States requiring such a safety inspection pursuant to section 33302(b)(8), and has a decal stating 'Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' affixed to the driver's door jamb; or

"(B) any passenger motor vehicle which was previously issued a salvage title, has passed a State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, and has, affixed to the driver's door jamb, a decal stating 'Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria' in those States not requiring a safety inspection pursuant to section 33302(b)(8).

"(5) REBUILT SALVAGE TITLE.—The term 'rebuilt salvage title' means the passenger motor vehicle ownership document issued by the State to the owner of a rebuilt salvage vehicle. A rebuilt salvage title shall be conspicuously labeled either with the words 'Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' or 'Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria,' as appropriate, across the front.

"(6) NONREPAIRABLE VEHICLE.—The term 'nonrepairable vehicle' means any passenger motor vehicle, other than a flood vehicle, which is incapable of safe operation for use on roads or highways and which has no resale value except as a source of parts or scrap only or which the owner irreversibly designates as a source of parts or scrap. Such passenger motor vehicle shall be issued a nonrepairable vehicle certificate and shall never again be titled or registered.

"(7) NONREPAIRABLE VEHICLE CERTIFICATE.—The term 'nonrepairable vehicle certificate' means a passenger motor vehicle ownership document issued by the State to the owner of a nonrepairable vehicle. A nonrepairable vehicle certificate shall be conspicuously labeled with the word 'Nonrepairable' across the front.

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(9) LATE MODEL VEHICLE.—The term 'Late Model Vehicle' means any passenger motor vehicle which—

"(A) has a manufacturer's model year designation of or later than the year in which the vehicle was wrecked, destroyed, or damaged, or any of the six preceding years; or

"(B) has a retail value of more than $7,500.

The Secretary shall adjust such retail value on an annual basis in accordance with changes in the consumer price index.

"(10) RETAIL VALUE.—The term 'retail value' means the actual cash value, fair market value, or retail value of a passenger motor vehicle as—

"(A) set forth in a current edition of any nationally recognized compilation (to include automated databases) of retail values; or

"(B) determined pursuant to a market survey of comparable vehicles with regard to condition and equipment.

"(11) COST OF REPAIRS.—The term 'cost of repairs' means the estimated retail cost of parts needed to repair the vehicle or, if the vehicle has been repaired, the actual retail cost of the parts used in the repair, and the cost of labor computed by using the hourly labor rate and time allocations that are reasonable and customary in the automobile repair industry in the community where the repairs are to be performed.

"(12) FLOOD VEHICLE.—

"(A) IN GENERAL.—The term 'flood vehicle' means any passenger motor vehicle that—

"(i) has been acquired by an insurance company as part of a damage settlement due to water damage; or

"(ii) has been submerged in water to the point that rising water has reached over the door sill, has entered the passenger or trunk compartment, and has exposed any electrical, computerized, or mechanical component to water, except where a passenger motor vehicle which, pursuant to an inspection conducted by an insurance adjuster or estimator, a motor vehicle repairer or motor vehicle dealer in accordance with inspection guidelines or procedures established by the Secretary or the State, is determined—

"(I) to have no electrical, computerized or mechanical components which were damaged by water; or

"(II) to have one or more electrical, computerized or mechanical components which were damaged by water and where all such damaged components have been repaired or replaced.

"(B) INSPECTION NOT REQUIRED FOR ALL FLOOD VEHICLES.—No inspection under subparagraph (A) shall be required unless the owner or insurer of the passenger motor vehicle is seeking to avoid a brand of 'Flood' pursuant to this chapter.

"(C) EFFECT OF DISCLOSURE.—Disclosing a passenger motor vehicle's status as a flood vehicle or conducting an inspection pursuant to subparagraph (A) shall not impose on any person any liability for damage to (except in the case of damage caused by the inspector at the time of the inspection) or reduced value of a passenger motor vehicle.

"(b) CONSTRUCTION.—The definitions set forth in subsection (a) only apply to vehicles in a State which are wrecked, destroyed, or otherwise damaged on or after the date on which such State complies with the requirements of this chapter and the rule promulgated pursuant to section 33302(b).

"§ 33302. Passenger motor vehicle titling

"(a) CARRY-FORWARD OF STATE INFORMATION.—For any passenger motor vehicle, the ownership of which is transferred on or after the date that is 1 year after the date of the enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of that Act, in licensing such vehicle for use, shall disclose in writing on the certificate of title whenever records readily accessible to the State indicate that the passenger motor vehicle was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'older model salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', 'nonrepairable', 'reconstructed', 'rebuilt', or any other symbol or word of like kind, or that it has been damaged by flood, and the name of the State that issued that title.

"(b) NATIONALLY UNIFORM TITLE STANDARDS AND CONTROL METHODS.—Not later than 18 months after the date of the enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, the Secretary shall by rule require each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of that Act, in licensing any passenger motor vehicle where ownership of such passenger motor vehicle is transferred more than 2 years after publication of such final rule, to apply uniform standards, procedures, and methods for the issuance and control of titles for motor vehicles and for information to be contained on such titles. Such titling standards, control procedures, methods, and information shall include the following requirements:

"(1) A State shall conspicuously indicate on the face of the title or certificate for a passenger motor vehicle, as applicable, if the passenger motor vehicle is a salvage vehicle, a nonrepairable vehicle, a rebuilt salvage vehicle, or a flood vehicle.

"(2) Such information concerning a passenger motor vehicle's status shall be conveyed on any subsequent title, including a duplicate or replacement title, for the passenger motor vehicle issued by the original titling State or any other State.

"(3) The title documents, the certificates, and decals required by section 33301(4), and the issuing system shall meet security standards minimizing the opportunities for fraud.

"(4) The certificate of title shall include the passenger motor vehicle make, model, body type, year, odometer disclosure, and vehicle identification number.

"(5) The title documents shall maintain a uniform layout, to be established in consultation with the States or an organization representing them.

"(6) A passenger motor vehicle designated as nonrepairable shall be issued a nonrepairable vehicle certificate and shall not be retitled.

"(7) No rebuilt salvage title shall be issued to a salvage vehicle unless, after the salvage vehicle is repaired or rebuilt, it complies with the requirements for a rebuilt salvage vehicle pursuant to section 33301(4). Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. Any such anti-theft inspection program shall include the following:

"(A) A requirement that the owner of any passenger motor vehicle submitting such vehicle for an anti-theft inspection provide a completed document identifying the vehicle's damage prior to being repaired, a list of replacement parts used to repair the vehicle, and proof of ownership of such replacement parts, as may be evidenced by bills of sale, invoices, or, if such documents are not available, other proof of ownership for the replacement parts. The owner shall also include an affirmation that the information in the declaration is complete and accurate and that, to the knowledge of the declarant, no stolen parts were used during the rebuilding.

"(B) A requirement to inspect the passenger motor vehicle or any major part or any major replacement part required to be marked under section 33102 for signs of such mark or vehicle identification number being illegally altered, defaced, or falsified. Any such passenger motor vehicle or any such part having a mark or vehicle identification number that has been illegally altered, defaced, or falsified, and that cannot be identified as having been legally obtained (through bills of sale, invoices, or other ownership documentation), shall be contraband and subject to seizure. The Secretary, in consultation with the Attorney General, shall, as part of the rule required by this section, establish procedures for dealing with those parts whose mark or vehicle identification number is normally removed during industry accepted remanufacturing or rebuilding practices, which parts shall be deemed identified for purposes of this section if they bear a conspicuous mark of a type, and applied in such a manner, as designated by the Secretary, indicating that they have been rebuilt or remanufactured. With respect to any vehicle part, the Secretary's rule, as required by this section, shall acknowledge that a mark or vehicle identification number on such part may be legally removed or altered as provided for in section 511 of title 18, United States Code, and shall direct inspectors to adopt such procedures as may be necessary to prevent the seizure of a part from which the mark or vehicle identification number has been legally removed or altered.

"(8) Any safety inspection for a rebuilt salvage vehicle performed pursuant to this chapter shall be performed in accordance with nationally uniform safety inspection criteria established by the Secretary. A State may determine whether to conduct such safety inspection itself, contract with one or more third parties, or permit self-inspection by a person licensed by such State in an automotive-related business, all subject to criteria promulgated by the Secretary hereunder. Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. A State requiring such safety inspection may require the payment of a fee for the privilege of such inspection or the processing thereof.

"(9) No duplicate or replacement title shall be issued unless the word 'duplicate' is clearly marked on the face thereof and unless the procedures for such issuance are substantially consistent with Recommendation three of the Motor Vehicle Titling, Registration and Salvage Advisory Committee.

"(10) A State shall employ the following titling and control methods:

"(A) If an insurance company is not involved in a damage settlement involving a salvage vehicle or a nonrepairable vehicle, the passenger motor vehicle owner shall apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable, before the passenger motor vehicle is repaired or the ownership of the passenger motor vehicle is transferred, but in any event within 30 days after the passenger motor vehicle is damaged.

"(B) If an insurance company, pursuant to a damage settlement, acquires ownership of a passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company or salvage facility or other agent on its behalf shall apply for a salvage title or nonrepairable vehicle certificate within 30 days after the title is properly assigned by the owner to the insurance company and delivered to the insurance company or salvage facility or other agent on its behalf with all liens released.

"(C) If an insurance company does not assume ownership of an insured's or claimant's passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company shall notify the owner of the owner's obligation to apply for a salvage title or nonrepairable vehicle certificate for the passenger motor vehicle and notify the State passenger motor vehicle titling office that a salvage title or nonrepairable vehicle certificate should be issued for the vehicle, except to the extent such notification is prohibited by State insurance law.

"(D) If a leased passenger motor vehicle incurs damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the lessor shall apply for a salvage title or nonrepairable vehicle certificate within 21 days after being notified by the lessee that the vehicle has been so damaged, except when an insurance company, pursuant to a damage settlement, acquires ownership of the vehicle. The lessee of such vehicle shall inform the lessor that the leased vehicle has been so damaged within 30 days after the occurrence of the damage.

"(E) Any person acquiring ownership of a damaged passenger motor vehicle that meets the definition of a salvage or nonrepairable vehicle for which a salvage title or nonrepairable vehicle certificate has not been issued, shall apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable. This application shall be made before the vehicle is further transferred, but in any event, within 30 days after ownership is acquired. The requirements of this subparagraph shall not apply to any scrap metal processor which acquires a passenger motor vehicle for the sole purpose of processing it into prepared grades of scrap and which so processes such vehicle.

"(F) State records shall note when a nonrepairable vehicle certificate is issued. No State shall issue a nonrepairable vehicle certificate after 2 transfers of ownership.

"(G) When a passenger motor vehicle has been flattened, baled, or shredded, whichever comes first, the title or nonrepairable vehicle certificate for the vehicle shall be surrendered to the State within 30 days. If the second transferee on a nonrepairable vehicle certificate is unequipped to flatten, bale, or shred the vehicle, such transferee shall, at the time of final disposal of the vehicle, use the services of a professional automotive recycler or professional scrap processor who is hereby authorized to flatten, bale, or shred the vehicle and to effect the surrender of the nonrepairable vehicle certificate to the State on behalf of such second transferee. State records shall be updated to indicate the destruction of such vehicle and no further ownership transactions for the vehicle will be permitted. If different than the State of origin of the title or nonrepairable vehicle certificate, the State of surrender shall notify the State of origin of the surrender of the title or nonrepairable vehicle certificate and of the destruction of such vehicle.

"(H) When a salvage title is issued, the State records shall so note. No State shall permit the retitling for registration purposes or issuance of a rebuilt salvage title for a passenger motor vehicle with a salvage title without a certificate of inspection, which complies with the security and guideline standards established by the Secretary pursuant to paragraphs (3), (7), and (8), as applicable, indicating that the vehicle has passed the inspections required by the State. This subparagraph does not preclude the issuance of a new salvage title for a salvage vehicle after a transfer of ownership.

"(I) After a passenger motor vehicle titled with a salvage title has passed the inspections required by the State, the inspection official will affix the secure decal required pursuant to section 33301(4) to the driver's door jamb of the vehicle and issue to the owner of the vehicle a certificate indicating that the passenger motor vehicle has passed the inspections required by the State. The decal shall comply with the permanency requirements established by the Secretary.

"(J) The owner of a passenger motor vehicle titled with a salvage title may obtain a rebuilt salvage title or vehicle registration, or both, by presenting to the State the salvage title, properly assigned, if applicable, along with the certificate that the vehicle has passed the inspections required by the State. With such proper documentation and upon request, a rebuilt salvage title or registration, or both, shall be issued to the owner. When a rebuilt salvage title is issued, the State records shall so note.

"(11) A seller of a passenger motor vehicle that becomes a flood vehicle shall, prior to the time of transfer of ownership of the vehicle, give the transferee a written notice that the vehicle has been damaged by flood, provided such person has actual knowledge that such vehicle has been damaged by flood. At the time of the next title application for the vehicle, disclosure of the flood status shall be provided to the applicable State with the properly assigned title and the word 'Flood' shall be conspicuously labeled across the front of the new title.

"(12) In the case of a leased passenger motor vehicle, the lessee, within 15 days of the occurrence of the event that caused the vehicle to become a flood vehicle, shall give the lessor written disclosure that the vehicle is a flood vehicle.

"(13) Ownership of a passenger motor vehicle may be transferred on a salvage title, however, a passenger motor vehicle for which a salvage title has been issued shall not be registered for use on the roads or highways unless it has been issued a rebuilt salvage title.

"(14) Ownership of a passenger motor vehicle may be transferred on a rebuilt salvage title, and a passenger motor vehicle for which a rebuilt salvage title has been issued may, if permitted by State law, be registered for use on the roads and highways.

"(15) Ownership of a passenger motor vehicle may only be transferred 2 times on a nonrepairable vehicle certificate. A passenger motor vehicle which a nonrepairable vehicle certificate has been issued can never be titled or registered for use on roads or highways.

"(c) CONSUMER NOTICE IN NONCOMPLIANT STATES.—Any State receiving, either directly or indirectly, funds appropriated under section 30503(c) of this title after the date of enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998 and not complying with the requirements of subjections (a) and (b) of this section, shall conspicuously print the following notice on all titles or ownership certificates issued for passenger motor vehicles in such State until such time as such State is in compliance with the requirements of subjections (a) and (b) of this section: 'NOTICE: This State does not conform to the uniform Federal requirements of the National Salvage Motor Vehicle Consumer Protection Act of 1998.'.

"(d) ELECTRONIC PROCEDURES.—A State may employ electronic procedures in lieu of paper documents whenever such electronic procedures provide the same information, function, and security otherwise required by this section.

"§ 33303. Disclosure and label requirements on transfer of rebuilt salvage vehicles

"(a) WRITTEN DISCLOSURE REQUIREMENTS.—

"(1) GENERAL RULE.—Under regulations prescribed by the Secretary of Transportation, a person transferring ownership of a rebuilt salvage vehicle shall, prior to the time of transfer of ownership of the vehicle, give the transferee a written disclosure that the vehicle is a rebuilt salvage vehicle when such person has actual knowledge of the status of such vehicle.

"(2) FALSE STATEMENT.—A person making a written disclosure required by a regulation prescribed under paragraph (1) of this subsection may not make a false statement in the disclosure.

"(3) COMPLETENESS.—A person acquiring a rebuilt salvage vehicle for resale may accept a disclosure under paragraph (1) only if it is complete.

"(4) REGULATIONS.—The regulations prescribed by the Secretary shall provide the way in which information is disclosed and retained under paragraph (1).

"(b) LABEL REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary shall by regulation require that a label be affixed to the windshield or window of a rebuilt salvage vehicle before its first sale at retail containing such information regarding that vehicle as the Secretary may require. The label shall be affixed by the individual who conducts the applicable State antitheft inspection in a participating State.

"(2) REMOVAL, ALTERATION, OR ILLEGIBILITY OF REQUIRED LABEL.—No person shall willfully remove, alter, or render illegible any label required by paragraph (1) affixed to a rebuilt salvage vehicle before the vehicle is delivered to the actual custody and possession of the first retail purchaser.

"(c) LIMITATION.—The requirements of subsections (a) and (b) shall only apply to a transfer of ownership of a rebuilt salvage vehicle where such transfer occurs in a State which, at the time of the transfer, is complying with subsections (a) and (b) of section 33302.

"§ 33304. Report on funding

"The Secretary shall, contemporaneously with the issuance of a final rule pursuant to section 33302(b), report to appropriate committees of Congress whether the costs to the States of compliance with such rule can be met by user fees for issuance of titles, issuance of registrations, issuance of duplicate titles, inspection of rebuilt vehicles, or for the State services, or by earmarking any moneys collected through law enforcement action to enforce requirements established by such rule.

"§ 33305. Effect on State law

"(a) IN GENERAL.—Unless a State is in compliance with subsection (c) of section 33302, effective on the date the rule promulgated pursuant to section 33302 becomes effective, the provisions of this chapter shall preempt all State laws in States receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, to the extent they are inconsistent with the provisions of this chapter or the rule promulgated pursuant to section 33302, which—

"(1) set forth the form of the passenger motor vehicle title;

"(2) define, in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any term defined in section 33301 or the terms 'salvage', 'nonrepairable', or 'flood', or apply any of those terms to any passenger motor vehicle (but not to a passenger motor vehicle part or part assembly separate from a passenger motor vehicle); or

"(3) set forth titling, recordkeeping, antitheft inspection, or control procedures in connection with any salvage vehicle, rebuilt salvage vehicle, non-repairable vehicle, or flood vehicle.

"(b) EXCEPTIONS.—

"(1) PASSENGER MOTOR VEHICLE; OLDER MODEL SALVAGE.—Subsection (a)(2) does not preempt State use of the term—

"(A) 'passenger motor vehicle' in statutes not related to titling, recordkeeping, antitheft inspection, or control procedures in connection with any salvage vehicle, rebuilt salvage vehicle, nonrepairable vehicle, or flood vehicle; or

"(B) 'older model salvage' to designate a wrecked, destroyed, or damaged vehicle that is older than a late model vehicle.

"(2) CONSUMER LAW ACTIONS.—Nothing in this chapter may be construed to affect any private right of action under State law.

"(c) CONSTRUCTION.—Additional disclosures of a passenger motor vehicle's title status or history, in addition to the terms defined in section 33301, shall not be deemed inconsistent with the provisions of this chapter. Such disclosures shall include disclosures made on a certificate of title. When used in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any definition of a term defined in section 33301 which is different than the definition in that section or any use of any term listed in subsection (a), but not defined in section 33301, shall be deemed inconsistent with the provisions of this chapter. Nothing in this chapter shall preclude a State from disclosing on a rebuilt national salvage title that a rebuilt national salvage vehicle has passed a State safety inspection which differed from the nationally uniform criteria to be promulgated pursuant to section 33302(b)(8).

"§ 33306. Civil penalties

"(a) PROHIBITED ACTS.—It is unlawful for any person knowingly to—

"(1) make or cause to be made any false statement on an application for a title (or duplicate title) for a passenger motor vehicle or any disclosure made pursuant to section 33303;

"(2) fail to apply for a salvage title when such an application is required;

"(3) alter, forge, or counterfeit a certificate of title (or an assignment thereof), a nonrepairable vehicle certificate, a certificate verifying an anti-theft inspection or an anti-theft and safety inspection, a decal affixed to a passenger motor vehicle pursuant to section 33302(b)(10)(I), or any disclosure made pursuant to section 33303;

"(4) falsify the results of, or provide false information in the course of, an inspection conducted pursuant to section 33302(b)(7) or (8);

"(5) offer to sell any salvage vehicle or non-repairable vehicle as a rebuild salvage vehicle;

"(6) fail to make any disclosure required by section 33302(b)(11);

"(7) fail to make any disclosure required by section 33303;

"(8) violate a regulation prescribed under this chapter;

"(9) move a vehicle or a vehicle title in interstate commerce for the purpose of avoiding the titling requirements of this chapter; or

"(10) conspire to commit any of the acts enumerated in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (9.,

"(b) CIVIL PENALTY.—Any person who commits an unlawful act as provided in subsection (a) of this section shall be fined a civil penalty of up to $2,000 per offense. A separate violation occurs for each passenger motor vehicle involved in the violation.

"§ 33307. Actions by States

"(a) IN GENERAL.—When a person violates any provision of this chapter, the chief law enforcement officer of the State in which the violation occurred may bring an action—

"(1) to restrain the violation;

"(2) recover amounts for which a person is liable under section 33306; or

"(3) to recover the amount of damage suffered by any resident in that State who suffered damage as a result of the knowing commission of an unlawful act under section 33306(a) by another person.

"(b) STATUTE OF LIMITATIONS.—An action under subsection (a) shall be brought in any court of competent jurisdiction within 2 years after the date on which the violation occurs.

"(c) NOTICE.—The State shall serve prior written notice of any action under subsection (a) or (f)(2) upon the Attorney General of the United States and provide the Attorney General with a copy of its complaint, except that if it is not feasible for the State to provide such prior notice, the State shall serve such notice immediately upon instituting such action. Upon receiving a notice respecting an action, the Attorney General shall have the right—

"(1) to intervene in such action;

"(2) upon so intervening, to be heard on all matters arising therein; and

"(3) to file petitions for appeal.

"(d) CONSTRUCTION.—For purposes of bring any action under subsection (a), nothing in this Act shall prevent an attorney general from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(e) VENUE; SERVICE OF PROCESS.—Any action brought under subsection (a) in a district court of the United States may be

brought in the district in which the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28, United States Code. Process in such an action may be served in any district in which the defendant is an inhabitant or in which the defendant may be found.

"(f) ACTIONS BY STATE OFFICIALS.—

"(1) Nothing contained in this section shall prohibit an attorney general of a State or other authorized State official from proceeding in State court on the basis of an alleged violation of any civil or criminal statute of such State.

"(2) In addition to actions brought by an attorney general of a State under subsection (a), such an action may be brought by officers of such State who are authorized by the State to bring actions in such State or behalf of its residents.".

(b) CONFORMING AMENDMENT.—The table of chapters for part C at the beginning of subtitle VI of title 49, United States Code, is amended by inserting at the end the following new item:

"333. AUTOMOBILE SAFETY AND TITLE DISCLOSURE REQUIREMENTS ..... 33301".

SEC. 3. AMENDMENTS TO CHAPTER 305.

(a) DEFINITIONS.—

(1) Section 30501(4) of title 49, United States Code, is amended to read as follows:

"(4) 'nonrepairable vehicle', 'salvage vehicle', and 'rebuilt salvage vehicle' have the same meanings given those terms in section 33301 of this title.".

(2) Section 30501(5) of such title is amended by striking "junk automobiles" and insert "non-repairable vehicles".

(3) Section 30501(8) of such title is amended by striking "salvage automobiles" and inserting "salvage vehicles".

(4) Section 30501 of such title is amended by striking paragraph (7) and redesignating paragraphs (8) and (9) or paragraph (7) and (8), respectively.

(b) NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM.—

(1) Section 30502(d)(3) of title 49, United States Code, is amended to read as follows:

"(3) whether an automobile known to be titled in a particular State is or has been a nonrepairable vehicle, a rebuilt salvage vehicle, or a salvage vehicle;".

(2) Section 30502(d)(5) of such title is amended to read as follows:

"(5) whether an automobile bearing a known vehicle identification number has been reported as a nonrepairable vehicle, a rebuilt salvage vehicle, or a salvage vehicle under section 30504 of this title.".

(c) STATE PARTICIPATION.—Section 30503 of title 49, United States Code, is amended to read as follows:

"§ 30503. State participation

"(a) STATE INFORMATION.—Each State receiving funds appropriated under subsection (c) shall make titling information maintained by that State available for use in operating the National Motor Vehicle Title Information System established or designated under section 30502 of this title.

"(b) VERIFICATION CHECKS.—Each State receiving funds appropriated under subsection (c) shall establish a practice of performing an instant title verification check before issuing a certificate of title to an individual or entity claiming to have purchased an automobile from an individual or entity in another State. The check shall consist of—

"(1) communicating to the operator—

"(A) the vehicle identification number of the automobile for which the certificate of title is sought;

"(B) the name of the State that issued the most recent certificate of title for the automobile; and

"(C) the name of the individual or entity to whom the certificate of title was issued; and

"(2) giving the operator an opportunity to communicate to the participating State the results of a search of the information.

"(c) GRANTS TO STATES.—

"(1) In cooperation with the States and not later than January 1, 1994, the Attorney General shall—

"(A) conduct a review of systems used by the States to compile and maintain information about the titling of automobiles; and

"(B) determine for each State the cost of making titling information maintained by that State available to the operator to meet the requirements of section 30502(d) of this title.

"(2) The Attorney General may make reasonable and necessary grants to participating States to be used in making titling information maintained by those States available to the operator.

"(d) REPORT TO CONGRESS.—Not later than October 1, 1998, the Attorney General shall report to Congress on which States have met the requirements of this section. If a State has not met the requirements, the Attorney General shall describe the impediments that have resulted in the State's failure to meet the requirements.".

(d) REPORTING REQUIREMENTS.—Section 30504 of title 49, United States Code, is amended by striking "junk automobiles or salvage automobiles" every place it appears and inserting "nonrepairable vehicles, rebuilt salvage vehicles or salvage vehicles".

SEC. 4. DEALER NOTIFICATION PROGRAM FOR PROHIBITED SALE OF NONQUALIFYING VEHICLES FOR USE AS SCHOOLBUSES.

Section 30112 of title 49, United States Code, is amended by adding at the end hereof the following:

"(c) NOTIFICATION PROGRAM FOR DEALERS CONCERNING SALES OF VEHICLES AS SCHOOLBUSES.—Not later than September 1, 1998, the Secretary shall develop and implement a program to notify dealers and distributors in the United States that subsection (a) prohibits the sale or delivery of any vehicle for use as a schoolbus (as that term is defined in section 30125(a)(1) of this title) that does not meet the standards prescribed under section 30125(b) of this title.".

LEVIN (AND OTHERS) AMENDMENT NO. 3684

Mr. SESSIONS (for Mr. LEVIN for himself, Ms. FEINSTEIN, and Mr. BRYAN) proposed an amendment to amendment No. 3683 proposed by Mr. GORTON to the bill, S. 852, supra; as follows:

On page 2, before line 1, strike the item relating to section 33303 and insert the following:

"33303. Disclosure and label requirements on transfer of rebuilt Federal salvage vehicles.

On page 2, lines 17 and 18, strike "SALVAGE VEHICLE.—The term 'salvage vehicle'" and insert "FEDERAL SALVAGE VEHICLE.—The term 'Federal salvage vehicle'".

On page 4, line 10, strike "SALVAGE TITLE.—The term 'salvage title'" and insert "FEDERAL SALVAGE TITLE.—The term 'Federal salvage title'".

On page 4, lines 15 and 16, strike "REBUILT SALVAGE VEHICLE.—The term 'rebuilt salvage vehicle'" and insert "FEDERAL REBUILT SALVAGE VEHICLE.—The term 'Federal rebuilt salvage vehicle'".

On page 5, line 4, strike "Rebuilt" and insert "Federal Rebuilt".

On page 5, line 14, strike "Rebuilt" and insert "Federal Rebuilt".

On page 5, beginning on line 19, strike "REBUILT SALVAGE TITLE.—The term 'rebuilt salvage title'" and insert "FEDERAL REBUILT SALVAGE TITLE.—The term 'Federal rebuilt salvage title'".

On page 5, line 22, strike "rebuilt salvage" and insert "Federal rebuilt salvage".

On page 5, line 22, strike "a rebuilt salvage" and insert "a Federal rebuilt salvage".

On page 5, lines 24 and 25, strike "Rebuilt Salvage" each place that term appears and insert "Federal Rebuilt Salvage".

On page 6, lines 4 and 5, strike "NONREPAIRABLE VEHICLE.—The term 'nonrepairable vehicle'" and insert "FEDERAL NONREPAIRABLE VEHICLE.—The term 'Federal nonrepairable vehicle'".

On page 6, line 11, strike "nonrepairable" and insert "Federal nonrepairable".

On page 6, lines 14 and 15, strike "NONREPAIRABLE VEHICLE CERTIFICATE.—The term 'nonrepairable vehicle certificate'" and insert "FEDERAL NONREPAIRABLE VEHICLE CERTIFICATE.—The term 'Federal nonrepairable vehicle certificate'".

On page 6, lines 17 through 18, strike "nonrepairable" and insert "Federal nonrepairable.

On page 6, line 18, strike "nonrepairable" and insert "Federal nonrepairable".

On page 6, line 19, strike "word" and insert "words".

On page 6, lines 19 and 20, strike "Nonrepairable" and insert "Federal nonrepairable".

On page 8, line 3, strike "FLOOD VEHICLE.—" and insert "FEDERAL FLOOD VEHICLE.—".

On page 9, line 8, strike "FLOOD" and insert "FEDERAL FLOOD".

On page 9, line 11, strike "Flood" and insert "Federal Flood".

On page 22, strike lines 20 and 21 and insert the following:

"§ 33303. Disclosure and label requirements on transfer of Federal rebuilt salvage vehicles"

On page 21, line 2, strike "word" and insert "words".

On page 21, line 2, strike "Flood" and insert "Federal Flood".

Strike "salvage" and insert "Federal salvage" on the following pages and in or beginning on the following lines:

(1) Page 3, line 15.
(2) Page 4, lines 12, 13, 14, and 18.
(3) Page 5, line 9.
(4) Page 11, line 14.
(5) Page 15, lines 17, 18, and 20.
(6) Page 16, lines 7, 11, 16, 19, and 22.
(7) Page 17, lines 5, 6, 18, 19, and 21.
(8) Page 19, lines 8, 11, 12, 19, and 22.
(9) Page 20, line 10.
(10) Page 21, lines 10 and 11.
(11) Page 25, lines 15 and 22.
(12) Page 27, line 15.
(13) Page 28, line 4.
(14) Page 31, lines 11 and 19.
(15) Page 32, line 12.
(16) Page 34, line 17.

Strike "flood" and insert "Federal flood" on the following pages and in or beginning on the following lines:

(1) Page 6, line 6.
(2) Page 9, line 14.
(3) Page 11, line 15.
(4) Page 21, line 8.
(5) Page 25, lines 16 and 23.

Strike "rebuilt salvage" and insert "Federal rebuilt salvage" on the following pages and in or beginning on the following lines:

(1) Page 5, line 22 (each place it appears).
(2) Page 11, lines 14 and 15.
(3) Page 12, line 14.
(4) Page 14, line 18.
(5) Page 20, lines 8 through 9, 16, and 14.
(6) Page 21, lines 16 and 17.
(7) Page 22, line 25.
(8) Page 23, lines 3, 11, and 20.
(9) Page 24, lines 4 and 9.
(10) Page 25, line 22.
(11) Page 27, line 4.
(12) Page 28, line 5.
(13) Page 31, line 12.
(14) Page 32, lines 5 and 11.
(15) Page 34, line 16.

Strike "nonrepairable" and insert "Federal nonrepairable" on the following pages and in or beginning on the following lines:

(1) Page 11, line 14.
(2) Page 12, line 9.
(3) Page 15, lines 18 and 20.
(4) Page 16, lines 5, 8, 17, 20, and 23.
(5) Page 17, lines 5, 6 through 7, 18, 19, and 21.
(6) Page 18, lines 8, 12, 15, and 22.
(7) Page 19, lines 3 and 6.
(8) Page 21, lines 21 and 23.
(9) Page 25, lines 15 through 16.
(10) Page 25, lines 22 through 23.
(11) Page 27, line 18.
(12) Page 28, lines 4 and 5.
(13) Page 31, lines 11 and 15 through 16.
(14) Page 32, lines 4 and 11.
(15) Page 34, line 16.

On page 10, line 20, strike "title." and insert "title, or that the vehicle was a 'Federal salvage vehicle', 'Federal rebuilt salvage vehicle', 'Federal flood vehicle', or 'Federal nonrepairable vehicle'.".

On page 11, line 15, strike "vehicle." and insert "vehicle, or if records readily available to the State indicate that the passenger motor vehicle was previously issued a title that bore any word or symbol referred to in subsection (a).".

On page 27, between lines 7 and 8, insert the following:

"(d) STATUTORY CONSTRUCTION.—Except as specifically provided in this chapter, nothing in this chapter is intended to affect any State law—

"(1) relating to the inspection or titling of, disclosure, or other action concerning salvage, rebuilt salvage, flood, or nonrepairable motor vehicles; or

"(2) that provides for more stringent protection of a purchaser of a used motor vehicle.

On page 32, strike lines 1 through 12 and insert the following:

(1) Section 30502(d)(3) of title 49, United States Code, is amended to read as follows:

"(3) whether an automobile known to be titled in a particular State—

"(A) is or has been a Federal nonrepairable vehicle, a Federal rebuilt salvage vehicle, or a Federal salvage vehicle; or

"(B) was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', or any other symbol or word of like kind, or that the vehicle has been damaged by flood.".

(2) Section 30502(d)(5) of title 49, United States Code, is amended to read as follows:

"(5) whether—

"(A) an automobile bearing a known vehicle identification number has been reported as a Federal nonrepairable vehicle, a Federal rebuilt salvage vehicle, or a Federal salvage vehicle under section 30504 of this title; or

"(B) the vehicle was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', or any other symbol or word of like kind, or that the vehicle has been damaged by flood.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Friday, October 2, 1998, at 10:00 a.m. in open session, to receive testimony on ballistic missile defense programs, policies, and related issues.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, October 2, 1998, at 10:00 a.m., 11:00 a.m. and 2:00 p.m. to hold three hearings.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. SESSIONS. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Committee to meet on Friday, October 2, 1998, at 9:00 a.m. for a hearing on the nominations of John Sepulveda, to be Deputy Director of the Office of Personnel Management, and Joseph Swerdzewski, to be General Counsel of the Federal Labor Relations Authority.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. SESSIONS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to meet to consider pending business Friday, October 2, 1998, at 9:30 a.m., Hearing Room (SD–406).

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

COMMITTEE ON AGING

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Special Committee on the Year 2000 Technology Problem be permitted to meet on October 2, 1998 at 9:30 a.m. for the purpose of conducting a hearing.

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

SUBCOMMITTEE ON ANTITRUST, BUSINESS RIGHTS, AND COMPETITION

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Business Rights, and Competition, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Friday, October 2, 1998, at 10:00 a.m. to hold a hearing in room 226, Senate Dirksen Office Building, on: "International Antitrust Enforcement: How Well Is It Working?"

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

ADDITIONAL STATEMENTS

TRIBUTE TO COLONEL SAM ROBERTS, USAF (RETIRED)

• Mr. BURNS. Mr. President, I rise today in recognition of a great American patriot and fellow Montanan, Colonel Sam Roberts, U.S. Air Force, retired.

Colonel Roberts is a true American hero, who exemplifies the meaning of duty, honor and country. Today, in my home state of Montana, Colonel Roberts will be honored at the University of Montana during an 80th anniversary ceremony for the Reserve Officer Training Corps (ROTC).

Colonel Roberts received many honors during his career. These awards include the Bronze Star, the Distinguished Flying Cross, two Air Medals and Commendation Awards from both the Army and the Air Force. In the 1960's, Colonel Roberts, who was assigned to the Strategic Air Command, briefed our Nation's leaders about the threats to our country and potential targets for the United States during the cold war.

Sam Roberts was a great leader of those under his command. His motto: "Don't ask any of your men to do anything that you wouldn't do yourself or that you wouldn't show them how to do yourself," is a cornerstone that we should look for in the future leaders of our military.

I salute Colonel Sam Roberts, and his lovely wife, Kathleen, for the sacrifices they made during Sam's career and thank them for a job well done. I consider it an honor and privilege to call Sam and Kathleen Roberts my friends.•

STATEMENT ON THE DEATH OF GENE AUTRY

• Mrs. BOXER. Mr. President, I was saddened to learn of the death of Gene Autry, a longtime Californian, earlier this afternoon. Mr. Autry will always be remembered as a singer and performer of enormous talent and appeal. First making his way onto the radio airwaves in 1928 as a singer, his career quickly broadened to include acting. He appeared in such films as "Tumbling Tumbleweeds" in 1935 and television series as "The Gene Autry Show" between 1951–1954. Perhaps his most famous song, "Rudolph the Red Nosed Reindeer" will forever remind us of his zest for life and gentle charm each holiday season.

Mr. Autry succeeded in everything he undertook—radio, television, records, songwriting, movies, real estate, and

business. In 1961, he bought the expansion Los Angeles Angels, renamed in 1965 as the California Angels. He maintained ownership of the team until the Walt Disney Company took operating control in 1996.

Over the course of his life, Mr. Autry collected Western memorabilia and art. In 1988, using much of his own funding, he opened the Gene Autry Western Heritage Museum in Los Angeles' Griffith Park. I cherish every opportunity I have to visit the Heritage Museum and view treasures from the Old West.

My most sincere condolences go out to Mrs. Autry and his entire family. Gene Autry will be missed by all, especially Californians who benefited tremendously from his works. I know that right now, the Singing Cowboy is "Back in the Saddle Again," smiling down on us.•

HONORING CHALMERS WYLIE

• Mr. DEWINE. Mr. President, I rise today to pay tribute to the memory of former Representative Chalmers Wylie, who passed away on August 14, 1998, at the age of 77.

Chalmers Wylie was elected to the House of Representatives in 1966, and went on to serve thirteen distinguished terms. His career included service as Ranking Member of the House Banking, Finance, and Urban Affairs Committee.

Mr. Wylie dedicated his life to public service—and especially to the service of the people of Ohio's 15th district. While serving in the Army during World War II, he received the Purple Heart for wounds sustained while aiding fallen soldiers in Germany. In addition, he was awarded the Silver and Bronze Star, the Presidential Unit Citation with two oak-leaf clusters, the French Croix de Guerre and the Belgian Fourragere.

Undoubtedly, Mr. Wylie's war-time service provided him with a special understanding of the needs of veterans. This experience was particularly apparent in the House Veterans' Committee, where he fought for veterans and was instrumental in improving veteran access to medical care in Columbus, Ohio through the establishment of the Veterans' Affairs Outpatient Clinic.

Along with my distinguished colleague Senator GLENN, I am introducing legislation today to name the Department of Veterans' Affairs Outpatient Clinic, located at 543 Taylor Avenue in Columbus, Ohio, the "Chalmers P. Wylie Veterans Outpatient Clinic." This is a companion bill to H.R. 4602, which was introduced by our distinguished House colleague Deborah Pryce, with the support of the entire Ohio delegation. I hope that my colleagues in the Senate will support the swift passage of this fitting tribute to our friend Chalmers Wylie, for his years of dedication to veterans, to Ohio, and to America.•

LET'S ENCOURAGE BROWNFIELDS DEVELOPMENT AND GET THE LITTLE GUY OUT OF SUPERFUND LITIGATION AT CO-DISPOSAL SITES

• Mr. LAUTENBERG. Mr. President, yesterday the Conferees on VA-HUD Appropriations decided to amend our nation's Superfund law.

At present, Superfund contains a limit on the liability of sureties who issue performance bonds to Superfund cleanup contractors. I was the author of that provision, which I introduced in 1990 as a free-standing Superfund bill (S. 3187). My bill was broadly supported by labor, environmentalists, and the American Insurance Association.

But, Mr. President, at the time the surety liability legislation was passed, certain Senators who doubted the limitation was necessary to increase the availability, and hence, competitiveness, of surety bonds, added a sunset provision.

During the VA-HUD Conference yesterday, the Conferees agreed to eliminate that sunset provision. The deletion has had broad-based, bipartisan support, and has appeared in each comprehensive Superfund reform bill introduced in this Congress.

I supported that amendment, Mr. President, but I want to underscore my distress at the manner in which the Conferees adopted the amendment.

Several months ago, I asked Senator CHAFEE to include two Superfund amendments on the agenda for an Environment and Public Works Committee business meeting before the end of the year—one pertaining to brownfields and the other to municipal solid waste ("MSW"). Senator CHAFEE rejected this request, based on his opposition to "piecemeal" Superfund reform, that is, anything less than a comprehensive overhaul of the entire Superfund statute—something that has eluded this body now for three consecutive Congresses, or six years.

I was therefore astonished that the surety amendment made its way into yesterday's VA-HUD Conference Report. I was especially surprised that Senator CHAFEE, as Chair of the authorizing Committee, signed off on this piece of Superfund reform on an appropriations bill, despite his repeated opposition to "piecemeal" reform, and the fact that this provision had not passed the House or the Senate as a stand-alone bill, and was not in either the House or the Senate VA-HUD bills.

Some argued that the surety amendment was merely technical in nature—that it simply perpetuated the opportunity for sureties to enjoy limited liability under Superfund.

Using that criterion, a brownfields liability exemption would also constitute nothing more than a technical fix—it would clarify that Congress did not intend Superfund liability to deter persons from purchasing and cleaning up brownfields properties. Nor would an MSW amendment—which would confirm that Congress did not intend persons who disposed of only household waste to be liable for cleanup of toxic waste.

The surety amendment has also been touted as non-controversial—having consistently enjoyed broad-based bipartisan support.

Mr. President, as I have stated on many occasions, and my esteemed colleagues must agree, brownfields and MSW liability exemptions can boast the same historic consensus. They have appeared in each of the comprehensive Superfund reform bills introduced by Republicans or Democrats since the 103rd Congress. And they have gained the support of all stakeholders, the Administration, and the national environmental community.

The brownfields and MSW fixes are minor, but they are crucial for successful brownfields development, or to relieve those subjected to unfair and unintended litigation. And they offer significant economic and environmental benefits. The nation's Mayors estimate they lose between $200 and $500 million a year in tax revenues from these properties sitting idle, and that returning these sites to productive use could create some 236,000 new jobs.

I am therefore honestly trying to understand what, if any, objective criteria exist for determining which small Superfund fixes will be made in this session.

When I consider yesterday's surety amendment, along with Senator LOTT's recycling proposal (S. 2180), I can find nothing that distinguishes sureties or recyclers from brownfields or MSW. There is virtually nothing that makes the surety's or recycler's needs more urgent than those of our cities in need of brownfields revitalization, and their taxpayers and residents, who want cleanup and redevelopment; or those of the homeowners and small businesses mired in litigation at landfill sites. And it certainly cannot be argued that brownfields or MSW have enjoyed any less broad-based support than have fixes for recyclers or sureties.

As a Senator from a state with literally thousands of brownfields sites, as well as altogether too many instances of homeowners and small businesses dragged into Superfund litigation by their corporate peers (and not by EPA), it is my responsibility to lobby for those communities and individuals who don't have lobbyists representing them here in the Congress. We, as their elected representatives, are their lobbyists. We are their voice. There is no reason in the world why this Senate, and this Congress, should not move forward to make the minor,

non-controversial, and eminently sensible changes to Superfund law that impede brownfields development and rob small businesses of their hard earned profits.

Now, Mr. President, some of my colleagues have claimed that passage of brownfields or MSW amendments are anathema to comprehensive Superfund reform. Or some of my colleagues have argued that precisely because the brownfields and MSW amendments are so popular, and enjoy such broad ranging support, and provide such significant benefits to the nation, that they should be held hostage to comprehensive Superfund reform—that we should see if they will succeed in driving parties back to the table to negotiate comprehensive Superfund reform for the fourth consecutive Congress.

Mr. President, with all due respect, I think it is wrong to prevent enactment of legislation that enjoys broad support, and would reap acknowledged benefits, as a tactical matter to achieve unrelated goals. This disserves the public and adds to public cynicism. For a variety of reasons, efforts to radically change Superfund, the nation's toxic waste cleanup program, have failed for six years running. Toward the end of each of the past two Congresses, many Senators, including this Senator, have argued that we should move ahead with achievable reforms that are non-controversial and permit our people, our communities, and our economy to benefit from their enactment. Today, as we head into the final week of this Congress, I make the same plea. Just as holding recyclers or sureties hostage to comprehensive Superfund reform has not gotten us any closer to producing an acceptable product that the President could sign, so holding brownfields development and persons who disposed of household trash hostage to other legislative goals is a failed strategy. It will not mitigate the controversy intrinsic to the broader issues raised by comprehensive legislation. But it will rob communities across the country of the jobs and tax ratables that flow from revitalized brownfields and will impose severe penalties on the individuals and small businesses caught up in a litigation nightmare through no fault of their own.

Mr. President, I call upon my esteemed colleagues to move brownfields and MSW amendments before this Congress ends. I believe otherwise we will all have a hard time explaining, when we return to our home states in October, why sureties and recyclers merited this body's attention, but our communities and our taxpayers and our small businesspeople were somehow less worthy.●

ANNIVERSARY OF THE COUNCIL FOR RESPONSIBLE NUTRITION

Mr. HATCH. Mr. President, I rise to offer my congratulations to the Council for Responsible Nutrition (CRN), which is now celebrating its 25th anniversary.

For over a quarter of a century, the members of CRN have been working to enhance the public's health by promoting wise dietary choices and the appropriate use of nutritional supplements. CRN's work with federal legislators and policy makers has helped to ensure that consumers have access to a variety of quality nutritional products and to accurate information about the health benefits of these products.

Over 100 million Americans are using dietary supplements daily. There is ample—and growing—scientific evidence that dietary supplements can help promote good health. To cite but one example, for many years, we have known that use of folic acid during pregnancy can reduce the risk of birth defects. Now it appears it can help prevent heart disease as well.

One of the most significant achievements of which I have been a part, as a Senator for the last 22 years, has been the passage of the Dietary Supplement Health and Education Act (DSHEA) of 1994. I worked closely with the CRN in passing this bill, and I am extremely grateful to them for their insights and expertise, which were integral to the success of this endeavor.

I am pleased to have had such a positive relationship with CRN and look forward to working with this fine Association for many years in the future to help Americans live healthier lives. Again, my congratulations to the Council for Responsible Nutrition.

OCEAN SHIPPING REFORM ACT

• Mr. BREAUX. Mr. President, last night, after several years of effort, the Senate passed S. 414, the Ocean Shipping Reform Act, and I strongly urge the President to sign this important piece of legislation into law.

The Ocean Shipping Reform Act of 1998 modifies our existing shipping regulatory scheme by bringing it up to date with the industry as it operates today. It provides more flexibility for carriers and shippers to agree on transportation arrangements. It authorizes the privatized publication of rate information. It gives individual carrier conference members more leeway in taking independent actions and in entering service contracts, and thus makes the current system more competitive.

Yet the bill also preserves the basic system and principles of common carriage, and maintains protections for ocean transportation users against unfair or unreasonable actions by transportation providers. Importantly, S. 414 preserves the Federal Maritime Commission as an independent regulatory agency, which is vitally important as that agency enforces this program while it additionally ensures that our trades remain free from restrictive foreign shipping practices that impede our oceanborne foreign commerce.

The reason this bill was so long in coming is that the Senate took great care to make the legislative process an open one. I was critical of shipping legislation passed in the other body three years ago, because it did not reflect the diversity of concerns reflected in the broad spectrum of shipping interests. It was, as I noted at a Commerce Committee hearing, "conceived in darkness." By contrast, the legislation ultimately agreed to by both the House and Senate is truly a compromise, in which all industry interests were heard from and all sectors had input. No one got everything they wanted in this legislation, and no one's interests were completely disregarded. This legislation is a carefully crafted balance of the many interests at stake. When it was necessary, members of all segments sat down and negotiated a compromise. Not everyone is completely pleased with all aspects of the legislation, but it is incumbent upon us to move forward.

I would also like to take this opportunity to thank a number of members of both the House and Senate for their efforts on this bill including; Congressmen SHUSTER, OBERSTAR, GILCHREST and CLEMENT in the House, and Senators MCCAIN and HOLLINGS, the Subcommittee Chairwoman Senator HUTCHISON and of course, Senator LOTT in the Senate. I would also like to thank Jim Sartucci of Senator MCCAIN's staff and my counsel, Carl Bentzel, for their long hours of hard work and industry constituent service as they pieced this bill together. Without the efforts of Senate staffers, Amy Henderson, Jeanne Bumpus and Carl Biersack, and Mark Ashby of my staff, and House staffers John Cullather and Rebecca Dye we would not have been able to move this bill. I would also commend the FMC for its objective assessments and contributions to this project, particularly FMC Chairman Hal Creel, General Counsel Tom Panebianco and Legislative Counsel Dave Miles. When we needed expertise, they provided us with help.

I am particularly pleased that the Federal Maritime Commission will continue its mission as a nonpartisan, independent agency. The Commission, under Chairman Hal Creel, and with fellow Commissioners Ming Hsu, Joe Scroggins and Del Won, has done an excellent job administering our shipping laws in a firm but even-handed manner. I urge the FMC to keep up the good work, and to keep Congress informed of how the new legislation is working. I am particularly interested in whether the protections afforded the smaller

shippers and intermediaries against unreasonable practices prove to be sufficient. To this end, I ask that the FMC pay particular attention to these parties' concerns about the new law and advise us of any recommended amendments to the legislation that may prove to be in order.

Again, I encourage the President to sign the Ocean Shipping Reform Act of 1998 into law.●

AMENDMENT TO VARIOUS REGULATIONS OF THE COMMITTEE ON RULES AND ADMINISTRATION

● Mr. WARNER. Mr. President, I would like to give notice to Members and staff of the Senate that the Committee on Rules and Administration has approved amendments to four Committee regulations, as noted below.

A. Committee Regulations Governing Franked Mail were amended by adding the following:

In section 8 (c), add the phrase "in excess of 500 notices per town meeting" after the phrase "Town meeting notices", so that it reads "Town meeting notices in excess of 500 notices per town meeting may not be sent fewer than 60 days immediately before the date of any primary or general election (whether regular, special, or runoff) for any Federal, State, or local office in which a Member of the Senate is a candidate for election.

EXPLANATION: The statutory prohibition on mass mailing (2 USC 3210) prohibits mailings in excess of 500 and completely exempts town meeting notices from this restriction. However, Committee regulations prohibited the use of town meeting notices during the 60 day period before a primary or general election regardless of the number of such notices that might be sent. This created the anomaly that a member may send less than 500 letters which include notice of a town meeting but may not send a simple, and less costly, town meeting notice. This amendment will permit town meeting notices less than 500 in number during the 60 day moratorium period.

A copy of the Committee Regulations Governing Franked Mail, as amended, is at attachment A.

B. Committee Public Transportation Subsidy Regulations for the United States Senate were amended by substituting as follows:

Substitute $40 for $21 in the first sentence of section 2 of so that it reads ". . .a value not exceeding $40.00 per month."

EXPLANATION: Committee regulations implementing the Tax Reform Act of 1986 authorize $21 per month as a tax free "de minimis fringe benefit" for employees using public transportation. This amount has not been increased since 1992. This amendment increases the benefit to $40, which approximates the average subsidy given by federal agencies within the DC area.

A copy of the Committee Public Transportation Subsidy Regulations, as amended, is at attachment B.

C. Committee Regulation For The Display Of Flags and State Seals In the Hallways Outside Senators' Offices was amended by deletion and substitution as follows:

Delete current paragraph one and substitute the following: Two wooden flagpoles, 8 feet in heights by 1-5/32" in diameter, mounted in bright brass finished stands weighing at least 15 pounds, for flying 3 foot by 5 foot state and United States flags, at the Senator's option, are permitted in the hallway outsides a Senator's office. The flagpoles and stands must be placed inside the office at night.

EXPLANATION: Committee regulations currently permit only one flag, either the United States or individual state flag, to be flown outside a member's office. This amendment will permit the flying of both the United States and the individual state flags outside a member's office.

A copy of the Committee Regulation For The Display Of Flags and State Seals In the Hallways Outside Senators' Offices, as amended, is at attachment C.

D. Committee Regulations Governing Advance Payments were amended by adding new section (k) as follows:

(k) state office rents, up to 1 year in advance

EXPLANATION: Committee regulations permited advance payment of numerous obligations but did not include advance payments for state office rents. This amendment authorizes a 1 year advance payment for state office rents to facilitate the processing of rent vouchers in a timely manner, consistent with good business practices.

A copy of the Committee Regulations Governing Advance Payment, as amended, is at attachment D.

I ask that the regulations be printed in the RECORD.

The Regulations follow:

ATTACHMENT A

REGULATIONS GOVERNING OFFICIAL MAIL

(Adopted by the Committee on Rules and Administration, United States Senate, October 30, 1997; Amended on September 30, 1998)

DEFINITIONS

SEC. 1. As used in these regulations—

(a) the term "election fiscal year" means a Federal fiscal year in which regular biennial general elections of Senators are held;

(b) the term "final printing and mailing clearance" means an approval of a blue line, color key, or other page proof giving final authorization to print and mail material submitted by a Senate office to the Sergeant at Arms;

(c) the term "franked mail" as defined in section 3201(4) of title 39, United States Code means: ". . . mail which is transmitted in the mail under a frank."

(d) the term "mass mailing" as defined in section 3210(a)(6)(E) of title 39, United States Code, as amended by the Legislative Branch Appropriations Act, 1995 (P.L. 103-283) means: ". . . with respect to a session of Congress, a mailing of more than five hundred newsletters or other pieces of mail with substantially identical content (whether such mail is deposited singly or in bulk, or at the same time or different times), but does not include any mailing—(i) of matter in direct response to a communication from a person to whom the matter is mailed; (ii) to other Members of Congress, or to Federal, State, or local government officials; or (iii) of a news release to the communications media; or (iv) of a town meeting notice, but no such mailing may be made fewer than 60 days immediately before the date of any primary election or general election (whether regular, special, or runoff) for any Federal, State, or local office in which a Member of the Senate is a candidate for election, or (v) of a Federal publication or other item that is provided by the Senate to all Senators or made available by the Senate for purchase by all Senators from official funds specifically for distribution." With respect to (i), a franked mailing made specifically and solely in response to, and mailed not more than 120 days after the date of receipt of a written request, inquiry, or expression of opinion or concern from the person to whom it is addressed is not a mass mailing. S.Res. 212 (101st Congress)

(e) the term "name addressed mail" means any mailing sent to named individuals at specific addresses;

(f) the term "newsletter" means any professionally photocomposed mailing consisting of documents which set forth, in textual and graphic form (or both), factual information and commentary on prospective, pending, or past issues of public policy;

(g) the term "non-election fiscal year" means a Federal fiscal year other than an election fiscal year;

(h) the term "postal patron mail" means any mailing prepared and mailed pursuant to section 3210(d) of title 39, United States Code;

(i) the term "official mail costs" means the equivalent of—

(1) postage on, and fees and charges in connection with, mail matter sent through the mail under the franking privilege; and

(2) the portions of the fees and charges paid for handling and delivery by the Postal Service of mailgrams considered as franked mail under section 3219 of title 39, United States Code; and

(3) and all other official mail other than the franking privileged as defined in section 58(a)(3)(B) and (C) of title 2, United States Code.

(j) the term "opinion survey" means any assemblage of mass mailings and related individual mailings, including, but not limited to, survey questionnaires, pre-survey letters, response forms, follow-up letters, and instructions that are sent to a sample group of individuals for the purpose of obtaining a reliable estimate of the opinion of the population from which the survey sample is drawn and are processed in accordance with the "Guidelines for Opinion Surveys" issued by the Committee on Rules and Administration in September 1979.

(k) the term "Senate office" means the Vice President of the United States, a United States Senator, a United States Senator-elect, a committee of the Senate, the Joint Committee on Printing, the Joint Economic Committee, an officer of the Senate, or an office of the Senate authorized by section 3210(b)(1) of title 39, United States Code, to send franked mail.

(l) the term "town meeting notice" means any mailing which relates solely to a notice

of the time and place at which a Senator or a member or members of his or her staff will be available to meet constituents regarding legislative issues or problems with Federal programs. The notice may include a short description as to the subject matter or purpose of the town meeting and an official photo in the banner of the notice.

(m) the term "prepared" means all necessary preparation prior to mailing; including the production of additional copies of a mailing, the folding of the mailing, and inserting of the mail into envelopes.

POSTAL ALLOCATIONS FOR NON-ELECTION FISCAL YEARS

SEC. 2. (a) With respect to a nonelection fiscal year, as soon as practicable after the enactment of the appropriation for Senate franked mail costs for such year, the Committee on Rules and Administration shall determine the following amounts:

(1) The amount that has been appropriated for franked mail costs of the Senate for the nonelection fiscal year.

(2) The amount necessary to be reserved for contingencies, which shall not exceed 10 percent of the amount determined pursuant to paragraph (1).

(3) The amount necessary for franked mail costs of Senate offices other than Senators for the nonelection fiscal year.

(4) The amount necessary for each Senator to send one State-wide postal patron mailing, based on total addresses in each state.

(5) 1/3 of the amount appropriated in (2)(a)(1), after deducting the amount necessary for contingencies and offices other than Senators.

(6) The amount which may be available for allocation to Senators, when the amount in (2)(a)(5) and amounts in (2)(a)(2) and (2)(a)(3) are subtracted from the amount appropriated for official mail paragraph (2)(a)(1).

(7) The factor to be used to equitably distribute remaining appropriated funds, determined by dividing the amount in paragraph (2)(a)(6) by the sum of the amounts in paragraph (2)(a)(4).

(b) As soon as practicable after making the determination described in section (a), the Committee on Rules and Administration shall make the following allocations:

(1) The allocation to Senate offices (other than a Senator personal's office) for the nonelection fiscal year

(2) The allocation for contingencies,

(3) The allocation to each Senator—

(A) to include the amount determined subsection (2)(a)(5), divided by 100, establishing the base amount for each office plus,

(B) the amount to be allocated to each Member, determined by multiplying each amount in (2)(a)(4) by the prorated percentage determined in subsection (2)(a)(7).

POSTAL ALLOCATIONS FOR ELECTION FISCAL YEARS

SEC. 3. (a) With respect to an election fiscal year, as soon as practicable after the enactment of the appropriation for Senate franked mail costs for such year, the Committee on Rules and Administration shall determine the following amounts:

(1) The amount that has been appropriated for franked mail costs of the Senate for the election fiscal year.

(2) The amount necessary to be reserved for contingencies, which shall not exceed 10 percent of the amount determined in paragraph (3)(a)(1).

(3) For the election fiscal year, the amount necessary for franked mail costs of Senate offices other than Senators and Senators-elect.

(4) 1/3 of the amount appropriated in (3)(a)(1), after deducting the amount necessary for contingencies and offices other than Senators.

(5) The amount which may be available for allocation to Senators, for an election fiscal year, when the amount in (3)(a)(4), and the amounts in (3)(a)(2), and (3)(a)(3) are subtracted from the amount appropriated for official mail, paragraph (3)(a)(1).

(6) For the period beginning on the date immediately following the date of the general election and ending January 3 of the election fiscal year, 10 percent of two-twelfths of the full funding amount necessary for each Senator-elect to send one state-wide postal patron mailing.

(7) For the period January 3 through September 30 of the election fiscal year, 75 percent of the full funding amount necessary for each newly-elected Senator to send one state-wide postal patron mailing.

(8) For the period October 1 through January 3 of the election fiscal year, 25 percent of the full funding amount necessary for each Senator whose service as a Senator will end on January 3 of the election fiscal year to send one state-wide postal patron mailing.

(9) For the period January 3 through April 3 of the election fiscal year, 10 percent of 25 percent of the full funding amount necessary for each Senator whose service as a Senator will end on January 3 of the election fiscal year to send one state-wide postal patron mailing.

(10) For the election fiscal year, the full funding amounts necessary for each Senator, other than those Senators whose terms of service as Senators will begin or end on January 3 of the election fiscal year, to send one state-wide postal patron mailing.

(11) The factor to be used to equitably distribute remaining election fiscal year appropriated funds, determined by dividing the amount in paragraph (3)(a)(5) by the sum of the amounts in paragraph (3)(a)(6) through (3)(a)(10).

(b) As soon as practicable after making the determination described in subsection (b), the Committee on Rules and Administration shall make the following allocations:

(1) The allocation to a Senate office (other than a Senator or Senator-elect) for the election fiscal year.

(2) The allocation for contingencies,

(3) The allocation to each Senator—

(A) to include the amount determined in subsection (3)(a)(4), divided by 100, establishing the base amount for each office (¾of the individual amount to Senators-elect, and ¼ to departing Senators), plus,

(B) the amount determined in (3)(a)(5), allocated;

(i) To each Senator referred to in (3)(a)(6), adjusted by the amount determined in (3)(a)(11).

(ii) To each Senator referred to in (3)(a)(7), adjusted by the amount determined in (3)(a)(11).

(iii) To each Senator referred to in (3)(a)(8), adjusted by the amount determined in (3)(a)(11).

(iv) To each Senator referred to in (3)(a)(9), adjusted by the amount determined in (3)(a)(11).

(v) To each Senator referred to in (3)(a)(10), adjusted by the amount determined in (3)(a)(11).

USES OF FUNDS RESERVED FOR CONTINGENCIES

SEC. 4. The amounts described in sections 2(a)(2) and 3(a)(2) shall be available for distribution by the Committee on Rules and Administration only for—

(a) providing a Senator appointed to complete the term of a Senator who dies or retires with an allocation for the fiscal year in which such appointment is effective;

(b) providing the Secretary of the Senate with sufficient postage to send franked mail as provided for by section 3218 of title 39, United States Code; and

(c) reimbursing a Senator for a charge to the Senator's allocation for franked mail costs when the charge is the result of an error on the part of an office of the Sergeant at Arms.

COST DETERMINATION AND REPORTING

Franked Mail, Mass Mail, Mail Prepared Pursuant to Section 9 of these Regulations

SEC. 5. (a)(1) The postage on all franked mail shall be determined by the Senate Customer Service Records Section and reported to the U. S. Postal Service. State offices must advise their D.C. offices of their frank mail counts on a monthly basis. By the 5th of each month, the D.C. offices will inform the Service Department of these counts. Timely and accurate reports are required to ensure proper accounting of franked mail.

(2) Not more than 250 extra copies of a mass mailing printed with the frank may be returned to an office for distribution in reception rooms and at town meetings. Additional copies, printed without the frank, may be requested on a separate work order.

(3) No mass mailing and no mailing prepared pursuant to section 9 shall be mailed until the density analysis, indicating the total number of pieces to be mailed and the locations to which they will be mailed, has been approved by the office for which the mail is being sent. Such approval shall be signified by signing a statement of approval on the density analysis sheet. The approved copy of the density analysis shall be retained by the Customer Service Records Section with the work order and a copy of the mail matter.

(4) Before processing a request for a mass mailing submitted by a Member office, the Sergeant at Arms shall determine: (1) the postage cost of the mailing, and (2) that the postage cost of the request, when added to costs incurred or encumbered for mass mailings by that Member in the fiscal year, will not exceed the amount ($50,000) allowed for mass mailings by each Member each fiscal year. (P.L. 103-283) If the requested mailing exceeds that amount, the Sergeant at Arms shall notify the Member and take no further action on the request.

Record Keeping

(b)(1) The Sergeant at Arms shall maintain records of the following information for each Senate office to which postage allocations are applicable.

(A) The amount of the allocation for franked mail costs.

(B) Each amount of franked mail cost determined pursuant to this section.

(C) The amount of the allocation for franked mail costs for such Senate office which remains after the amounts described in paragraph (B) is added to or subtracted from, as appropriate, the amount described in paragraph A.

(2) The Sergeant at Arms shall provide offices with monthly reports on the status of their postal allocations.

(3) The Sergeant at Arms shall provide to each Member a monthly report detailing the postage costs associated with franked mailings and mass mailings, and shall provide the office of the Financial Clerk of the Senate a monthly certification of franked mailing and mass mailing costs for each Member. The Financial Clerk of the Senate shall debit these costs from the respective expense accounts for such franked mailing and mass mailing, and issue a check in payment.

Publication of Mass Mail Costs

(c) Two weeks after the close of each calendar quarter, or as soon as practicable thereafter, the Sergeant at Arms and Doorkeeper of the Senate shall send to each Senate office a statement of the cost of postage and paper and of the other operating expenses incurred as a result of mass mailings processed for such Senate office during such quarter. The statement shall provide information regarding the cost of postage and paper and other costs, and shall distinguish the costs attributable to mass mailings. The statement shall also include the total cost per capita in the State. A compilation of all such statements shall be sent to the Senate Committee on Rules and Administration. A summary tabulation of such information shall be published quarterly in the Congressional Record and included in the semi-annual Report of the Secretary of the Senate. Such summary tabulation shall set forth for each Senate office the following information: the Senate office's name, the total number of pieces of mass mail mailed during the quarter, the total cost of such mail, and, in the case of Senators, the cost of such mail divided by the total population of the State from which the Senator was elected, and the total number of pieces of mass mail divided by the total population of the State from which the Senator was elected, and the allocation made to each Senator from the appropriation for official mail expenses.

PREPARATION OF OFFICIAL MAIL

SEC. 6. (a) All mass mailings shall be submitted to and mailed by the Sergeant at Arms and shall be charged against the Senator's Official Personnel Office Expense Account, pursuant to the Legislative Branch Appropriations Act, 1995 (P.L. 103-283). All mailings are to be presented to the Sergeant at Arms for accountability prior to mailing. Such mailings shall not exceed total postage cost of $50,000 in any fiscal year, and must adhere to all regulations pertaining to mass mailings.

Two Sheet Limit

(b) A mass mailing by a Senator shall not exceed 2 sheets of legal size paper (or their equivalent), including any enclosure that—

(1) is prepared by or for the Senator who makes the mailing; or

(2) contains information concerning, expresses the views of, or otherwise relates to the Senator who makes the mailing.

Taxpayer Expense Notice

(c) Each mass mailing by a Senate office shall contain the following notice in a prominent place on the bottom of the cover page of the document: "PREPARED, PUBLISHED, AND MAILED AT TAXPAYER EXPENSE." The notice shall be printed in a type size not smaller than seven point.

Mail to be Mailed under the Frank

(d) All mass mailings by Senate offices shall be mailed under the frank.

Mail to be Mailed by the Sergeant at Arms.

(e) The following mail matter shall be mailed through the Sergeant at Arms—

(1) All mass mailings by Senate offices, whether printed on the Sergeant at Arms high speed laser printers or elsewhere.

(2) All mail prepared pursuant to section 9 of these regulations.

Town Meeting Notices

(3) Town meeting notices shall be processed as postal patron mail, unless sending name addressed mail to selected persons in the area served by the town meeting would be more economical, or the town meeting is to be on a subject or subjects that would not be of interest to all the people who would receive a postal patron mailing. Town meeting notices may not be mailed in franked envelopes.

(4) All franked and mass mail sent from D.C. offices, including flats and parcels, and constituent response mail and comparable mail prepared through an offices' Office Automation System shall be picked up by the Senate Post Office and delivered by the Senate Post Office to the Sergeant at Arms.

(5) Constituent response mail mailed through the Sergeant at Arms shall be sorted and bundled by zip code and endorsed with the most economical rate unless otherwise specified by the Senator for whom the mail is mailed. Senators may specify that such mail be endorsed "AUTO PRESORT" or "BLK. RATE."

Survey Questionnaires

(f) Mass mailings, other than opinion surveys, shall not contain franked response cards or forms. Any mass mailing containing a questionnaire shall contain instructions to the recipients on how to properly return their responses.

Rates and Endorsements

(g) (1) Name addressed mass mailings shall be sent at the lowest postal rate for which the mail qualifies, unless the office for whom the mail is being mailed directs, in writing, that it be mailed at a higher rate.

(2) Bulk rate mail will have no endorsement other than "BLK RATE" or "AUTO PRESORT."

Pictures of Missing Children

(h)(1) Unless (i) a Senator, committee chairman, or other office head for whom a mass mailing or automated mail system mailing is being sent directs that such picture and information not be printed on a particular mailing, or (ii) the Sergeant at Arms finds, with respect to any or all of the mass mailings in a period of time, that the printing of such pictures and information will significantly slow the processing of the mail, all mass-mailings that are mailed as self-mailers shall bear on the address panel a picture of and information about a missing child in accordance with this subsection, and all letters prepared, folded, inserted in envelopes, and mailed by the Sergeant at Arms shall be inserted in window envelopes bearing the picture of and information about the same missing child whose picture appears on mass mailings during the same work-week. No other official mail of the Senate shall be used for the mass dissemination of pictures of, and information about, missing children.

(2) Only pictures of, and information about, missing children that are provided by the National Center for Missing and Exploited Children (hereinafter in this section referred to as the Center) are to be printed on mass mail and envelopes subject to this section. The Sergeant at Arms shall be the liaison with the Center for obtaining such pictures and information.

(3) The Sergeant at Arms and the Director of the Center or his or her designee shall make arrangements for the Sergeant at Arms to periodically receive photographs of and information about a missing child for each State from which the Center has such photographs and information.

(4) The pictures of, and information about, missing children shall be made part of the printing plates prepared for mailings subject to this section. To the greatest extent possible, mail prepared for a Senator shall bear the photograph of, and information about, a missing child from the Senator's State.

(5) Whenever information is received from the Center that a child has been found whose picture and information are currently being printed on Senate mail, the Sergeant at Arms shall determine whether or not printing plates currently in use or awaiting use shall be discarded and new plates prepared. Whenever information is received from the Center that a child has been found whose picture and information were previously printed on Senate mail, the Sergeant at Arms shall notify offices on whose mail such picture and information were printed, and such offices shall destroy any extra copies of such mail that are on hand.

(6) The Sergeant at Arms shall transmit to the Center at the end of each month a list of the mass mailings and automated mail system letters mailed that month indicating for each mailing the State to which mailed, the number of pieces, and the child whose picture appeared thereon.

ORANGE BAG MAIL AND EXPRESS MAIL

Orange Bag Mail

SEC. 7. (a) Orange bags are used by offices only for intra-office mail from Washington, D.C. to State offices. These bags are charged at priority rates. (Orange bags used by state offices are only for transportation of franked mail to the Post Office).

Express Mail

(b) The frank may not be used for express mail. Expenses for non-frankable official mail, such as Express mail, Overseas mail, Registered and Certified mail, etc., may be defrayed from any source of funds only as provided by subsections (d) and (I) of section 311 of the Legislative Branch Appropriations Act of 1991, Public Law 101-520. Offices are advised that the Senate Post Office has created a system through which offices may present express mail, together with an authorization card similar to the cards used to purchase office supplies from the Keeper of Stationery, and have the cost of the express mail charged to the office's official office expense account. Offices choosing to use express mail originating outside Washington may establish commercial accounts with the U.S. Postal Service instead of pre-paying each mailing.

RESTRICTION ON THE USE OF MASS MAIL AND TOWN MEETING NOTICES PRIOR TO A PRIMARY OR BIENNIAL FEDERAL GENERAL ELECTION

SEC. 8. (a) No Senator may send mass mailings during the period beginning 60 days before the date of any biennial Federal general election. The 60-day pre-election moratorium on mass mailings does not apply to a committee when such mass mailings are mailed under the frank of the Chairman and relate to the normal and regular business of the committee.

Use of mass mail by Senators who are candidates is further restricted (unless the Senator's candidacy has been certified as uncontested pursuant to procedures of the Committee on Rules and Administration):

(b) Mass mailings may not be sent fewer than 60 days immediately before the date of any primary or general election (whether regular, special, or runoff) for any Federal, State, or local office in which a Member of the Senate is a candidate for election, unless the candidacy of the Senator in such elections is uncontested.correctmail

(c) Town meeting notices in excess of 500 notices per town meeting may not be sent fewer than 60 days immediately before the date of any primary or general election (whether regular, special, or runoff) for any Federal, State, or local office in which a Member of the Senate is a candidate for election. There is no exception for uncontested candidacies (P.L. 103-283).

(d) Solicitation forms provided by a Member through a mass mailing which are intended to be mailed back by constituents, may not be responded to during the 60 days immediately before the date of any primary or general election (whether regular, special, or runoff) for any Federal, State, or local office in which a Member of the Senate is a candidate for election.

RESPONSES TO ORGANIZED MAIL CAMPAIGNS

SEC. 9. (a) Whenever a Senator determines that he or she is the recipient of mail generated by an organized mail campaign and that the resources of his or her office are not sufficient to enter the names and addresses into the offices' mail management system, the Senator may use the services of commercial vendors under contracts approved by the Committee on Rules and Administration. This service converts names and addresses to machine readable media which then may be added to such Senator's mail management system. The Sergeant at Arms has the responsibility for the processing and administrative support for this service.

(b) Expenses for work performed in accordance with this section shall be paid from funds from a Senator's Official Personnel and Office Expense Account and shall be reported to offices with their quarterly mass mail cost reports required by section 5(c).

CHANGE OF ADDRESS PROGRAMS

SEC. 10. Offices may have names and address on their mail files processed through the National Change of Address (NCOA) Program. A Senator may use any of the vendors certified by the U. S. Postal Service to provide NCOA service. A current list of vendors can be obtained from the Senate Computer Center. Processing costs charged by the NCOA vendor and transportation costs charged by the delivery service shall be billed to, and paid by, such Senator from his or her Official Personnel and Office Expense Account.

(a) Such Senator shall request the Senate Computer Center to prepare his or her mail file for shipment to the vendor selected by the Senator, using the delivery service selected by the Senator. A Sergeant at Arms "Request for Assistance" form shall be used for this purpose, and shall include a statement in the following format:

Processing and shipping costs will be paid by the Office of Senator _____ (insert name). Bills are to be submitted to _____ (insert address).

_____
Senator's Signature

(b) The Senate Computer Center will provide the Senator with information about the mail file that will assist the Senator in estimating processing costs that will be incurred. Please contact the Sergeant at Arms for other options regarding change of address.

(c) The Computer Center will prepare the Senator's file for processing, and arrange for transportation, using the delivery service designated by the Senator. The NCOA vendor and the delivery service will be provided with copies of the "Request for Assistance" for their use in billing the Senator for their services. On receipt of the corrected file from the NCOA vendor, the Senate Computer Center will restore it to the Senate Mail File System or provide the updated file to the appropriate vendor.

PAPER AND ENVELOPE ALLOWANCES

SEC. 12. (a)(1)(A) Each year the Secretary of the Senate shall provide each Senator with the greater of—

(i) one and one-third sheets of blank paper per adult constituent, as reported by the Bureau of the Census; or

(ii) 1,800,000 sheets of blank paper.

(B) Each year the Secretary of the Senate shall provide each Senator with letterhead paper and envelopes in the greater of the following quantities:

(i) 100 sheets and 100 envelopes per 1,000 constituents of the Senator; or

(ii) 180,000 sheets and 180,000 envelopes.

(2) A portion of a Senator's allowance for paper that is unused at the end of a year may be used during the following year but lapses at the end of that year and shall not be available for use thereafter.

(3) A portion of a Senator's allowance for paper that is unused at the time the Senator resigns, retires, or otherwise leaves office shall lapse and shall not be available for use thereafter.

(4) No portion of the paper allowance of a Senator may be given or otherwise transferred to another Senate office.

(b) (1) Each year the Secretary of the Senate shall provide each office set forth below with 180,000 sheets of blank paper, 180,000 sheets of letterhead paper, and 180,000 envelopes:

(A) Each standing committee of the Senate.

(B) Each select committee of the Senate.

(C) Each special committee of the Senate.

(D) Each impeachment trial committee of the Senate.

(2) A portion of an allowance for paper made pursuant to paragraph (1) that is unused at the end of a year shall not be available for use thereafter.

(c) (1) The Secretary of the Senate shall provide each of the following offices with such quantities of paper and envelopes as may be necessary for the performance of its official duties:

(A) The Joint Committee on the Library.

(B) The Joint Committee on Printing.

(C) The Joint Committee on Taxation.

(D) The Joint Economic Committee.

(E) The President of the Senate.

(F) The President pro tempore of the Senate.

(G) The Majority Leader of the Senate.

(H) The Assistant Majority Leader of the Senate.

(I) The Secretary for the Majority.

(J) The Minority Leader of the Senate.

(K) The Assistant Minority Leader of the Senate.

(L) The Secretary for the Minority.

(M) The Republican Conference.

(N) The Republican Policy Committee.

(O) The Republican Steering Committee.

(P) The Democratic Conference.

(Q) The Democratic Policy Committee.

(R) The Democratic Steering Committee.

(S) The Architect of the Capitol, including the Senate Restaurants and the Superintendent of the Senate Office Buildings.

(T) The Attending Physician.

(U) The Capitol Police.

(V) The Chaplain of the Senate.

(W) The Secretary of the Senate, including all offices reporting thereto.

(X) The Senate Legislative Counsel.

(Y) The Senate Legal Counsel.

(Z) The Senate Sergeant at Arms, including all offices reporting thereto.

(AA) The Congressional Budget Office.

(BB) The Democratic Senatorial Campaign Committee.

(CC) The Republican Senatorial Campaign Committee.

(DD) The Senate Employees' Federal Credit Union.

(EE) The Senate Day Care Center.

(FF) The Senate Defense Liaison Office.

(HH) The Senate Press Galleries.

(2) Except as provided in paragraph (3), no portion of an allowance for paper made pursuant to paragraph (1) may be given or otherwise transferred to a Senator or an office named in subsection (b)(1).

(3) Paper from the allowance of the Sergeant at Arms may be used to reprint matter previously printed and charged to the allowance of another office if—

(A) an error in the previously printed matter was caused by the Sergeant at Arms; and

(B) (i) the previously printed matter was destroyed prior to distribution; or

(ii) the previously printed matter was distributed before the discovery of the error, and the reprinted matter is noted as a corrected version of such previously printed matter.

(d) For the purposes of this section—

(1) blank paper means paper that is 8.5 inches by 11 inches or 8.5 inches by 14 inches; and

(2) letterhead paper means paper that is 8.5 inches by 11 inches.

(e) For the purposes of this section, the term "year" means the period beginning on January 3 of a calendar year and ending on January 2 of the following year. Paper for any mass mailing the work order for which is submitted prior to the close of business of the Sergeant at Arms on January 2 of any year shall be charged to the allotment for such year ending on January 2 (or, in the case of Senators, to any remaining balance from the previous year) if the office for which the mass mailing is being prepared gives the Sergeant at Arms, by its close of business the following February 14, a final printing and mailing clearance. If final clearance for printing is not given by close of business on February 14, the work order for such work shall be canceled and, if the office still desires to have the work completed, a new work order shall be prepared and the paper charged to the year in which such work order is dated (or, in the case of Senators, to any remaining balance from the previous year). Costs incurred in processing a work order that is canceled because the final clearance for printing was not received prior to close of business February 14 shall be reported in the cost report for the quarter ending March 31.

PRINTING OF LETTERHEAD STATIONERY AND ENVELOPES

SEC. 13. (a) The return address on envelopes to be used with franked mail must bear the nine-digit zip code of the office sending the mail.

(b) Envelopes with Senators' return addresses and nine-digit zip codes shall not be used for mail from committees. Envelopes with committee return addresses and nine-digit zip codes shall not be used for mail from Senators' offices.

(c) Senators' letterhead stationery and envelope allowances may be used for personal office letterhead stationery and envelopes and committee letterhead stationery. Such allowances shall not be used for committee envelopes.

(d) Paper used for the following purposes shall not be charged to an office's paper allowance—

(1) Mailings that relate solely to a notice of appearance or scheduled itinerary of a Senator in the State represented by the Senator and which is mailed to the part of the State where such appearance is to occur.

(2) "Dear friend" letters or post cards processed in accordance with section 9 of these regulations.

(3) Non-personalized Senate letterhead stationery used for automated mail system letters printed on the Sergeant at Arms high speed laser printers.

(e) Committee envelopes may bear only the frank of the chairman or the ranking minority member, the name and address of the full committee, including the nine-digit zip code of the committee, and "Official Business" or "Public Document."

Approved by Chairman and Ranking Member.

Date: 9/30/98.

ATTACHMENT B

APPENDIX A. PUBLIC TRANSPORTATION SUBSIDY REGULATIONS

(Committee on Rules and Administration, United States Senate, effective August 1, 1992, Amended on September 30, 1998)

SEC. 1. POLICY

It is the policy of the Senate to encourage employees to use public mass transportation in commuting to and from Senate offices.

SEC. 2. AUTHORITY

The Tax Reform Act of 1986 allows employers to give employees as a tax free "de minimis fringe benefit" transit fare media of a value not exceeding $40.00 per month. The Fiscal Year 1991 Treasury-Postal Appropriations Act (Pub. L. 101-509) allows Federal agencies to participate in state or local government transit programs that encourage employees to use public transportation.

SEC. 3. DEFINITIONS

(a) Public Mass Transportation—A transportation system operated by a State or local government, e.g. bus or rail transit system.

(b) Fare Media—A ticket, pass, or other device, other than cash, used to pay for transportation on a public mass transit system.

(c) Office—Refers to a Senate employee's appointing authority, that is, the Senator, committee chairman, elected officer, or an official of the Senate who appointed the employee. For purposes of these regulations, an employee in the Office of the President pro tempore, Deputy President pro tempore, Majority Leader, Minority Leader, Majority Whip, Minority Whip, Secretary of the Conference of the Majority, or Secretary of the Conference of the Minority shall be considered to be an employee, whose appointing authority is the Senator holding such position.

(d) Qualified Employee—An individual employed in a Senate office whose salary is disbursed by the Secretary of the Senate, whose salary is within the limit set by his or her appointing authority for participation in a transit program under these regulations, and who is not a member of a car pool or the holder of any Senate parking privilege.

(e) Qualified program Refers to the program of a public mass transportation system that encourages employees to use public transportation in accordance with the requirements of Pub. L. 101-509 whose participation in the Senate program in accordance with these regulations has been approved by the Committee on Rules and Administration.

SEC. 4. PROGRAM REQUIREMENTS

(a) Each office within the Senate is authorized to provide to qualified employees under its supervision a de minimis fringe employment benefit of transit fare media of a value not to exceed the amount authorized by statute (currently not to exceed $21 per month).

(b) Each appointing authority may establish a salary limit for participation in this program by his or her employees. If such salary limit is established, all staff paid at or below that limit, and who meet the other criteria established in these regulations, must be permitted to participate in this program.

(c) For purposes of these regulations, an individual employed for a partial month in an office shall be considered employed for the full month in that office.

(d) The fare media purchased by participating offices under this program shall only be used by qualified employees for travel to and from their official duty station.

(e) Any fare media purchased under this program may not be sold or exchanged.

(f) In addition to any criminal liability, any person misusing, selling, exchanging or obtaining or using a fare media in violation of these regulations shall be required to reimburse the office for the full amount of the fare media involved and may be disqualified from further participation in this program.

SEC. 5. OFFICE ADMINISTRATION OF PROGRAM

Each office electing to participate in this program shall be responsible for its administration in accordance with these regulations, shall designate an individual to manage its program, and may adopt rules for its participation consistent with these regulations.

An employee who wishes to participate in this program shall make application with his or her office on a form which shall include a certification that such person is not a member of a motor pool, does not have any Senate parking privilege (or has relinquished same as a condition of participation), will use the fare media personally for travelling to and from his or her duty station, and will not exchange or sell the fare media provided under this program. The application shall include the following statement:

This certification concerns a matter within the jurisdiction of an agency of the United States and making a false, fictitious, or fraudulent certification may render the maker subject to criminal prosecution under 18 U.S.C. o 1001.

Safekeeping and distribution of fare media purchased for an office is the responsibility of the program manager in that office. Participating offices may not refund or replace any damaged, misplaced, lost, or stolen fare media.

SEC. 6. SENATE STATIONERY ROOM RESPONSIBILITIES

The only program currently available in the Washington, DC metropolitan area at this time is "Metro Pool, a program established through Metro by the District of Columbia. Transit benefits will be provided through Metro Pool for participating offices in the Washington, D.C. area. The Committee on Rules and Administration shall enter into an agreement with Metro Pool for purchase of fare media by the Senate Stationery Room as required by participating offices on a monthly basis.

A participating office shall purchase the fare media with its authorized appropriated funds from the Senate Stationery Room through its stationery account pursuant to 2 U.S.C. ô 119.

At the time of purchase each office shall present to the Senate Stationery Room two copies of the certification referred to in section 7 of these regulations. The Stationery Room shall make one copy available to the Senate Rules Committee Audit Section. In addition, the Stationery Room may not refund or replace any damaged, misplaced, lost, or stolen fare media that has been purchased through the office's stationery account.

SEC. 7. CERTIFICATION

The certification required by section 6 shall be approved by the appointing authority and shall include the name, and social security number of each participating employee within that office, and the following statements:

(a) Each person included on the list is currently a qualified employee as defined in Section 3.

(b) No person included on the list has any current Senate parking privilege and that no parking privileges will be restored to any person on the list during the period for which the fare media is purchased.

(c) That only one (1) fare media per month is being purchased for each participating employee.

SEC. 8. OTHER PARTICIPATING PROGRAMS

Section 6 provides for procedures for participation by Washington offices in the Metro Pool program established through Metro by the District of Columbia. Additional programs in the Washington, D.C. metropolitan area, or programs offered in other locations where Members have offices that meet the requirements of the law and these regulations, may be used for qualified employees, subject to the following requirements:

(A) Authorization

The public transit system shall submit information to the Committee on Rules and Administration that it participates in an established state or local government program to encourage the use of public transportation for employees in accordance with the provisions of Pub. L. 101-509 and these regulations. If the program meets the requirements of the statute and these regulations and is approved by the Committee on Rules and Administration, any Senate office served by such transit system may provide benefits to its employees pursuant to these regulations.

(B) Procedures

(1) A qualified program operating in the Washington, D.C. metropolitan area that permits purchase arrangements similar to those provided by the Metro Pool program shall participate in the Senate program in accordance with the procedures set forth in Section 6.

(2) A qualified program operating in the Washington, D.C. metropolitan area that does not have purchase arrangements similar to Metro Pool, or a qualified program located outside that metropolitan area, that permits purchases directly by an office, may make arrangements for purchase of media directly with a participating office. Such an office may provide for direct payment to that system and shall submit the certification in accordance with Section 7.

(3) In the case of a qualified program that does not permit purchase arrangements as provided in paragraphs (1) or (2) above, an office may provide for reimbursement to a qualified employee and shall submit a certification in accordance with Section 7.

(C) Documentation

The following documentation must accompany a voucher submitted under paragraph 8(B)(2) or (3):

(1) A copy of the Rules Committee approval, in accordance with section 8(A), with the first voucher submitted for that transit program, provided subsequent vouchers identify the transit program.

(2) The certification.

(3) Proof of purchase of the fare media.

(D) Voucher Guidance

In the case of a Senator's state office, reimbursement for payment to either a qualified transit system, or a qualified employee shall be from the Senators' Official Personnel and Office Expense Account

(SOP&OEA) as a home state office expense on a seven part voucher.

In the Washington, DC metropolitan area, reimbursement for payment to either a qualified transit system, or a qualified employee shall be as follows:

(1) in the case of a Senator's office from the SOP&OEA as an "other official expense" (discretionary expense).

(2) in the case of a Senate committee or administrative office as an "Other" expense.

SEC. 9. SPECIAL CIRCUMSTANCES

Any circumstances not covered under these regulations shall be considered on application to the Committee on Rules and Administration.

SEC. 10. EFFECTIVE DATE

These regulations shall take effect on the first day of the month following date of approval.

Approved by Chairman and Ranking Member.

Date: September 30, 1998.

ATTACHMENT C

REGULATIONS FOR THE DISPLAY OF FLAGS AND STATE SENATE SEALS IN THE HALLWAYS OUTSIDE SENATOR'S OFFICES

(Adopted by the Committee on Rules and Administration, United States Senate, October 21, 1987; Amended on September 30, 1998)

1. Two wooden flagpoles, 8 feet in height by 1-5/32" in diameter, mounted in bright brass finished stands weighing at least 15 pounds, for flying 3 foot by 5 foot state and United States flags, at the Senator's option, are permitted in the hallway outside a Senator's office. The flagpoles and stands must be placed inside the office at night.

2. One state seal in cast bronze, or other acceptable material, not less than 14 inches nor more than 15 inches in diameter, may be mounted on the wall to the right or left of the main entrance to the suite, at a height of 5 feet above the floor. The state seal may not be mounted on the entrance door.

3. Artifacts are not permitted on the walls, doors, and in the corridors outside Senator's offices.

Approved by Chairman and Ranking Member.

Date: September 30, 1998.

ATTACHMENT D

REGULATIONS GOVERNING ADVANCE PAYMENT

(Adopted by the Committee on Rules and Administration, United States Senate, October 30, 1997; Amended on September 30, 1998)

Under the authority granted by Sec. 1(b) for P.L. 105–55, the FY98 Legislative Branch Appropriations bill and using these regulations—

The term "advance payment" means any expense authorized, by the Committee on Rules and Administration, pursuant to P.L. 105–55.

By the above definition of advance payment and following the enactment of the FY98 Legislative Branch Appropriations bill, in addition to subscriptions, the following items are for advance payment:

(a) Rental of water coolers (cooler units only/not for water)

(b) monthly maintenance on equipment that is either non-standard and/or above the $500 limit

(c) cable TV services (including basic satellite service where needed)

(d) online services (for official use by the Senator only)

(e) rental booths at State Fairs, rent for space to be use during town hall meetings and associated costs (not to include insurance)

(f) conference and seminar fees (not to include meals charged separately)

(g) payments on leased equipment

(h) paging service

(i) clipping services

(j) yellow page listings (not to include the classified yellow pages)

(k) State office rents, up to 1 year in advance.

With respect to charges for on-line services, paging services, clipping services, and equipment maintenance, advance payment shall only be made in the cases of "flat fee services." Also, no advance payment will be allowed in instances where cancellation fees may be incurred. Time limitation on the obligation of funds is restricted to a Member's six-year term of office and a Committee's biennial funding period.

Approved by Chairman and Ranking Member.

Date: September 30, 1998.●

BREAST AND CERVICAL CANCER TREATMENT ACT

● Mrs. BOXER. Mr. President, in the remaining days of this Congress, we can make a profound difference in the lives of American women. The Breast and Cervical Cancer Treatment Act, S. 2017, would ensure that women whose cancer is diagnosed through the Centers for Disease Control and Prevention's screening program have access to the medical care they need. It would give states the option of extending Medicaid coverage to low-income, uninsured women who have been diagnosed with breast or cervical cancer through the CDC program.

Federal legislation is needed because the patchwork of state laws does not ensure women the treatment they need. In California, the health care community and breast cancer activists mobilized behind a bill to provide breast cancer treatment to uninsured and underinsured women. The California legislature passed the bill and sent it to the Governor for his signature. Despite the bill's widespread popularity, the Governor vetoed it a few days ago.

If we care enough about women's health to provide coverage for screenings, then we should care enough to provide treatment when those screenings find cancer. The last thing a woman should have to worry about when she is diagnosed is how she will pay for her treatment.

The heart wrenching experience of one of my constituents shows us how important the Breast and Cervical Cancer Treatment Act is.

Two and a half years ago, Edna Harris of Imperial Beach, California felt a lump in her breast. Like so many other women in her position, she feared it was cancerous. But Edna had another reason to worry. She was uninsured, and neither she nor her husband were employed.

Under the CDC's Early Detection program, Edna underwent a mammogram, a fine needle biopsy, and then a full biopsy. When the results came in, her worst fear had come true: she was diagnosed with breast cancer, and told she needed surgery. The CDC program that had diagnosed her did not cover the costs of treatment. Edna was told that unless she would come up with nearly $4,000, she could not receive treatment.

Edna's experience reveals a fatal flaw in one of our best-intentioned, and indeed most successful, programs. Low income and uninsured women who are diagnosed with cancer under the CDC program must scramble to find the money for treatment. Edna was fortunate; she ultimately was able to come up with the resources to fund her treatment. But others are not so fortunate. I have heard from women who have had to mortgage their homes or hold bake sales to pay for cancer treatment. This is unacceptable.

The Breast and Cervical Cancer Treatment Act will help ensure that all our mothers, daughters, and sisters receive the treatment they need at one of the most vulnerable times of their lives. I urge our leadership to bring the Breast and Cervical Cancer Treatment Act to the floor this session. We owe it to the women of this country to pass this legislation before Congress adjourns.●

ONE GUN A MONTH FORUM

● Mr. LAUTENBERG. Mr. President, I rise today to inform my colleagues of a forum I held on September 2 on the deadly problem of gun trafficking. I am pleased that Senator ROBB and Senator SARBANES were able to join me at the forum.

As my colleagues know, I have introduced S. 466, the Anti-Gun Trafficking Act. The Judiciary Committee has not held hearings on this legislation, and I thought it was important to gather expert testimony on the issue. The testimony I heard at the forum has made me even more determined to pass this sensible legislation and make it more difficult for gun traffickers to obtain and sell their deadly merchandise on our streets.

The witnesses at this forum included: Philadelphia Mayor Ed Rendell, who is also the chair of the Conference of Mayor's Task Force on Gun Violence; James and Sarah Brady; Captain R. Lewis Vass of the Virginia State Police, and Captain Thomas Bowers of the Maryland State Police.

We also heard from a panel of youth from right here in our nation's capital who live with gun violence everyday in their communities. They were John Schuler, Kenisha Green and Quanita Favorite.

In this statement I will summarize what happened during the forum. But I will also be including, during the next few days, testimony from the witnesses so that my colleagues and the public will have a record of their views.

Mr. President, as a result of the Brady Act, we have helped prevent thousands of guns from getting into the hands of the wrong people. Since the Brady Act went into effect in 1994, more than 242,000 handgun purchases have been denied to convicted felons, fugitives, drug addicts and other dangerous persons. The Domestic Violence Gun Ban in the Brady Act, which I sponsored and which went into effect in 1996, has prevented more than 6,800 firearms sales to people convicted of abusing a spouse or child.

However, the Brady Law has not completely stopped the flow of handguns to those who should not have them. Gun traffickers continue to supply an illegal gun market by buying large quantities of guns in states with lax gun laws and then reselling them on the streets—often in cities and states with strict gun laws.

If these traffickers can not legally buy a gun themselves, or if they do not want to have their name turn up if the gun is later found at a crime scene, they find others to make the purchases for them. The trafficker pays a straw purchaser, in money or drugs, to buy 25, 50 or more handguns at a time and then resells the guns to those who otherwise could not buy them—such as convicted felons, drug addicts, or children.

In fact, the Maryland State Police official testified that multiple guns purchased by straw purchasers were the source of the majority of firearms used in the commission of violent crime.

My bill would make it far more difficult and less profitable for traffickers to conduct their deadly business, by prohibiting an individual from buying more than one handgun a month. We know this approach works because three states—Virginia, Maryland, South Carolina—have passed one-gun-a month laws and the results have been dramatic. Gun trafficking from these states has plunged.

For instance, officers from the Virginia State Police testified that after Virginia passed its one-handgun-a-month limit in 1993, the number of crime guns traced back to Virginia from the Northeast dropped by nearly 40 percent. Prior to one-gun-a-month, Virginia had been among the leading supplier of weapons to the so-called "Iron Pipeline" that feed the arms race on the streets of Northeastern cities.

In 1995, the Virginia Crime Commission conducted a comprehensive study of the one-handgun-a-month limit to determine if the law had achieved its purpose. That study found, and I quote, "Virginia's one-gun-a-month statute . . . has had its intended effect of reducing Virginia's status as a source state for gun trafficking."

Maryland and South Carolina showed similar results. In South Carolina, according to the same Crime Commission report: "Prior to the passage of the one-gun-a-month law, South Carolina was a leading source state for guns traced to New York City, accounting for 39% of guns recovered in criminal investigations. Following the implementation of the law, South Carolina virtually dropped off of the statistical list of source states for firearms trafficked to the northeast."

Maryland—the most recent state to pass a limit on handgun purchases—passed its law in 1996 and has already seen the results. According to testimony from the Maryland State Police:

"In 1991 Maryland was nationally ranked second in terms of suppliers of crime guns to the City of New York. By 1997, one year after the passage of Maryland's one gun a month law, Maryland moved out of the top ten suppliers of crime guns to New York City."

And most significant is the drop in crime that has followed enactment of limits on handgun sales. For example, in Virginia, the number of murders, robberies and aggravated assaults committed with a firearm significantly dropped after 1993 when the limit went into effect. Of course it should not come as a surprise to anyone that violent crime would drop when it becomes more difficult for criminals to get a handgun. Handguns are the gun of choice for criminals—they are cheap and concealable. Of all murders committed with firearm, about 80% are committed with a handgun.

Limits on handgun purchases, while disrupting gun traffickers, have little or no effect on the sportsman or law abiding citizen because a very small percent of all handgun purchases involve multiple sales. For example, in 1991, Virginia State Police reported only 6% of handgun purchases were multiple sales. But of these, nearly 75% were semi-automatic weapons, the weapon of choice among gun traffickers. Mayor Rendell testified that less than 1% of handgun purchasers in Philadelphia bought more than 12 handguns in a twelve month period.

Let me put some human faces on this issue. As I said earlier, kids from the District of Columbia testified at my forum. And what they had to say was terrifying. Guns were an every day part of their lives. For these kids, D.C. does not stand for District of Columbia. It stands for Dodge City.

These young people told us that guns are easy to get in their neighborhoods and schools. They call it getting strapped. And if you do not get strapped you might not make it through the day, they said.

One young woman put it eloquently: "It's not fair," she said. "Other kids get to go to college. We get to go to funerals. These people who sell guns are the real predators. They feed off our pain."

We must shut these predators down.

Most sane people would ask, who could possibly need more than one handgun a month? The testimony at my forum gave the clear and obvious answer. Someone who should not have any at all. The only people who would "need" more than one gun a month are gun traffickers. It is the only way to make their deadly business profitable.

The need for a national limit on handgun sales is clear. I hope this Congress has the courage to act in the interests of law abiding Americans. But I have my doubts. This Congress has defeated sensible proposals to try to make guns safer through mandated safety locks. This Congress has defeated legislation that would require adults to keep their guns locked and out of reach of children.

I look forward to the day when this Congress listens to the American people instead of the gun lobby and the National Rifle Association. Poll after poll shows that Americans, including gun-owning Americans, want tougher controls on guns. A University of Chicago study in 1996 found 85% support legislation mandating that all new handguns must be childproof, and 80% favors limiting handgun sales to one a month.

We have heard a lot from Charlton Heston lately now that he is president of the National Rifle Association. But I sometimes think Mr. Heston forgets he is only an actor—not Moses—when he uses that superb voice of his in the service of the National Rifle Association.

I would like to remind Mr. Heston of one of the last things Moses said to the children of Israel before he died.

"I have put before you life and death, blessing and curse. Choose life if you and your offspring would live."

Well, Mr. Heston, we choose life—for ourselves and our children. And we are going to fight the curse that gun traffickers have wrought upon cities, our schools and our streets.

I urge my colleagues to listen to the American people; stop turning a blind eye to the daily destruction caused by guns in America. I urge my colleagues to have the will to do something to help the youth of America live without the daily sound of gunshots in their lives. I ask my colleagues to support this common sense approach to keep handguns out of the hands of criminals.

Mr. President, I ask that the testimony of Mayor Edward Rendell be printed in the RECORD.

The testimony follows:

TESTIMONY OF MAYOR EDWARD G. RENDELL, FORUM ON HANDGUN VIOLENCE AND S. 466, "THE ANTI-GUN TRAFFICKING ACT"—TALKING POINTS

I. THE SCOPE OF THE PROBLEM

We have a crisis in Philadelphia: Gun violence is out of control, and the carnage it has created is unprecedented in our City.

The statistics are chilling: Between 1985 and 1995, deaths by firearm rose 66 percent in Pennsylvania, and by 102 percent in Philadelphia. In 1995 there were 432 total homicides in Philadelphia, and gun homicides represented a staggering 77 percent of that number. In 1996, there were 414 total homicides,

and killings by gun represented 81 percent of that number. And last year, the gruesome trend continued: of the 410 total homicides in Philadelphia, 339 of them—almost 83 percent—were due to gun violence. These numbers are the highest of any city in the nation.

For the City, there is one particularly horrifying element to the growing plague of gun violence: More and more, kids are doing the killing. In almost 15 percent of all Philadelphia gun homicides over the last three years, a child under age 18 was arrested for pulling the trigger. And worst of all, kids are the victims, too: in 1995, 24 children were shot to death; in 1996, the number was 25; and last year, 26 kids were killed by gunfire. Ladies and gentlemen, homicide is now the leading cause of death among youths ages 16 to 21 in Philadelphia. Compare this Boston, where no kids—zero—under the age of 18 were killed by gunfire during the same period.

The carnage caused by gun violence in Philadelphia doesn't just show up in the murder statistics, either: More than half of all robberies committed in Philadelphia are robberies at the point of a gun. In Philadelphia last year, there were 11,938 robberies, and 53.7 percent were gun robberies. Almost one-third of those arrested for these crimes were under the age of 18.

Of the 6,198 aggravated assaults in Philadelphia last year, more than 36 percent involved a gun—a total of 2,279 shootings in one year. Almost 17 percent of those arrested for these crimes were juveniles.

In one bloody week earlier this year, our newspaper headlines recorded the shooting deaths of eight people in Philadelphia—five in one weekend alone. Among the victims: a 22-year-old man killed in a gun battle that erupted outside the Palestra at the University of Pennsylvania after a high-school basketball championship game. Three others were wounded in the melee, which took place in the middle of 33rd Street as the crowd was leaving the game. In other cases, two owners of a neighborhood pizzeria were gunned down in their store; an elderly woman was shot to death during a robbery in her own home; and a lawyer and his assistant were robbed and executed in their Center City office.

Though that week was particularly grim, it was by no means one-of-a-kind. In fact, the situation is so bad that an absence of murder actually became news last spring: In a story about the Philadelphia murder rate, one local newspaper reported that Philadelphia went 12 days without a homicide, from April 24th to May 5th. As the paper noted: "There had not been a comparable killing-free stretch for at least 10 years. The next longest streak on record was eight days, in 1988."

II. WE HAVE TRIED TO ADDRESS THE PROBLEM IN MANY WAYS

Having been a prosecutor for most of my professional career—I was the elected District Attorney of Philadelphia from 1978 to 1986, and before that, I served as the Chief of the Homicide Unit in the DA's office—I know a fair amount about crime and the fear that it generates among good and decent people in our communities. This is not an argument about whether people have the right to own guns or not. Rather, this is about stopping guns from getting into the wrong hands, particularly criminals and children.

I understand the need for comprehensive solutions to fighting crime involve more than controlling the flow of handguns in our City. For example, in my first term as District Attorney of Philadelphia, I authored the death penalty law in Pennsylvania, which withstood legal challenge and today is being used with increasing frequency.

In 1982, during my second term as DA, I authored Pennsylvania's current mandatory sentencing law, which created tough new mandatory jail terms for criminal offenders, including a flat five-year mandatory sentence for anyone convicted of using a firearm during the commission of a felony.

The results have meant longer sentences are being served in Pennsylvania. Last year alone, the number of convictions for gun offenses in Philadelphia almost doubled, and the number of jail terms meted out for these convictions jumped by more than 120 percent. Overall, the number of inmates in Pennsylvania prisons has increased by almost 30 percent since 1993 (26,060 inmates statewide in 1993, up to 34,534 inmates statewide by 1996.)

We have tried through the enactment of state legislation in Pennsylvania as recently a 1995. The Pennsylvania Uniform Firearms Act (18 Pa.C.S. §6111(g)(5)) makes it a felony to "knowingly and intentionally" sell or deliver a gun if he or she has "reason to believe" that the gun is intended to be used in the commission of a crime. But the problem has been in proving that the seller acted "knowingly or intentionally," with reason to believe that the firearm was intended for use in a crime. Proving intent is always difficult; proving that someone acted knowingly, intentionally and with reason to believe is practically impossible. As a result, a law meant to limit a criminal's access to guns in reality is used only very rarely, and as such has had no practical effect on the effort to keep guns out of the hands of criminals.

III. AND WE'RE STILL TRYING

The statistics show the grim toll of gun violence in Philadelphia, and these facts can be repeated in cities all over America. They can be measured in starkly human terms: the number of lives lost to gun violence, and the number of lives ruined by it, either through injury (victims and families) or incarceration (the perpetrators). But for cities like Philadelphia, the cost of gun violence can be quantified in dollars and cents too; Taking into account the enormous burden that guns place on our health services, courts, prisons, police, sheriffs, fire, pension, workers compensation, our public schools, and social services, the City estimates the cost of gun violence in Philadelphia is $58.8 million a year.

These statistics underscore the critical importance of doing all we can to eliminate the flow of guns to the wrong people: criminals, children, and those "straw purchasers" who sell to them. That is why we pushed for tougher sentences, for the death penalty, and for the construction of new prisons to house those sentenced to longer jail terms.

But the grim gun violence statistics keep climbing, showing that what we've done hasn't been nearly enough.

That's why we continue to do all that we can to stop the violence, with initiatives like the successful effort to win agreement with gun manufacturers to provide a child safety lock with every handgun they sell. The industry is to be commended for its willingness to act affirmatively to provide child safety locks. They are an easy, affordable way to reduce gun violence, and they are helping.

That is why we also have launched a comprehensive public education campaign in Philadelphia, targeting youngsters with a message that focuses on violence reduction (I Can End Violence) and specifically on carrying and using guns. These messages are aimed for distribution through churches, rec centers, and youth centers. In addition, we have launched a public service ad campaign—"What Are You Shooting For?"—that sends that same message throughout the Greater Philadelphia region, and we have garnered the assistance of the local media in supporting this effort by broadcasting these messages.

The Philadelphia Police Department has changed the way it does business with respect to handguns. A whole new series of initiatives have been introduced to control the damage done by criminals with handguns. These initiatives include: Standard Interview Protocol for all gun offenders to determine the origin of guns used in crimes; streamlining all gun issues in the Police Department under one command; aggressively serving warrants; zero tolerance for gun offenders in high violent-crime areas; and more aggressively tracing guns used in crimes, and cracking down on second sales, with the help of the ATF.

Working together, the ATF and the Philadelphia Police Department have made terrific progress in tracking the origins of guns used in the commission of crimes. Initially, the joint ATF–PPD task force traced firearms recovered in major crimes. Today, they trace all firearms linked to an arrest, and soon, they will have the capability to trace all firearms recovered in Philadelphia.

As a result of these initiatives, the task force has increased the number of arrests for gun violation prosecutions by 25 percent, and that number continues to rise. But again, to be successful in prosecuting those who sell guns to criminals, we must prove that the seller "knowingly or intentionally" sold the gun to someone he knew was going to use it to commit a crime. In practice, it is a difficult EGR standards to meet, especially since neither the seller nor the buyer has any incentive to testify to that effect. The seller clearly has no interest in testifying that he knowingly sold a gun to a criminal, or that he had reason to expect that it would be used in a crime. And the criminal likewise has little incentive to volunteer any inculpatory evidence whatsoever.

As a result, despite the success of these efforts, we must all do more.

IV. WHAT THE GUN INDUSTRY CAN DO

Gun manufacturers can help, too. Child safety locks were a great move, but more must be done. I have asked the industry to:

(1) increase internal security—14,000 guns were stolen from one manufacturer's plant in Southern California;

(2) stop selling guns that are attractive to criminals but have no legitimate use except to kill people: Saturday night specials, armor piercing bullets, military assault weapons;

(3) stop advertising that incorrectly suggests that people are safer for having a gun in their homes; the New England Journal of Medicine reports that bringing a gun into the home leads to a three-fold increase in risk of homicide in the home;

(4) take the lead and oppose senseless restrictions that impede investigation of gun crimes, such as obstruction of the Brady form and multiple purchase form in 20 days, making tracking infinitely more difficult. NOTE: even Ron Stewart of Colt recently called for federalization of state laws requiring a second set of serial numbers on weapons because, as he said, "isn't that a protective measure that prevents illegal ownership of a firearm?"

(5) A 1994 federal law banned further manufacture for civilian use of clips or magazines

holding more than 10 rounds of ammunition. Stop producing guns that accept "grandfathered" magazines;

(6) Develop technology to make illegal use almost impossible, such as the production of "personalized" handguns that can only be fired by their rightful owners. This is the ultimate weapon against illegal use of handguns. Last year, Colt unveiled a prototype personalized handgun for police to prevent them from being shot with their own weapons. This system should be developed ASAP for everyone, police and civilians alike.

The gun industry, working with the American Shooting Sports Council, has agreed to join mayors from a variety of cities, including Philadelphia, Chicago, Dallas, and St. Louis, in the formation of a joint task force to come with initiatives, by the fall of this year, to reduce handgun violence in American cities. That is the kind of partnership we need to substantively address the problem of handgun violence in our cities.

That is why I also urge federal support for Project Exile, a partnership we have created with the National Rifle Association in which Philadelphia would be used as a test city to gauge the impact of federalizing every violation of existing handgun laws. The idea is simple: federally prosecute all handgun violations, and mete out tough federal prison sentences for all convictions. It has shown dramatic results in Richmond, Va., and I have no doubt that it will reduce gun violence and the carnage that accompanies it on the streets of Philadelphia. People on both sides of the age-old gun debate have criticized this partnership, but again, this is not about the Second Amendment. This is not about the right to bear arms. We're talking about stemming the flow of guns into the inner city, where they are used by criminals and children to commit crimes and destroy families. Thanks to the support of Sen. Lautenberg and Sen. Specter, Congressional support for this initiative will help us obtain the federal resources needed to make the program a success. I have already been to the White House to discuss Administration support for the initiative, and I believe that it will be successful in that regard.

We are engaged in a war to reduce the carnage caused by gun violence. And we must fight this fight on many fronts, and sometimes with unusual allies. We have worked with the gun industry, the NRA and its representatives, for one simple reason: We need their help to reduce gun violence. And we are still considering litigation to force gun manufacturers to join the fight against gun violence if they do not do so willingly.

V. THE NEED FOR FEDERAL ONE GUN A MONTH LEGISLATION

If these initiatives are critical to our fight, then the enactment of legislation is no less essential in the effort to reduce gun violence. And that is why today's forum is critically important: Whatever other initiatives are implemented, we must develop Congressional support for S. 466, the federal Anti-Gun Trafficking Act sponsored by Sen. Lautenberg. Because gun trafficking knows no state lines, federal legislation—a uniform national standard limiting handgun purchases—is the only effective way to combat this problem.

I have long advocated support for One Gun a Month, because it is a matter of basic common sense. One Gun a Month deals only with handguns, and does not interfere at all with a citizen's right to maintain a firearm for home or personal protection. Instead, One Gun a Month focuses on stopping multiple purchases of handguns, because these are the guns that ultimately wind up being resold on the streets of our cities to criminals and children.

Look at the statistics on gun sales in Pennsylvania. In 1996, there were 150,000 handgun sales statewide. During roughly the same period, there were 38,338 guns sold in the Philadelphia region alone. Of that number, roughly nine percent of the purchasers bought nearly 30 percent of the guns.

What that means is that small numbers of people are buying lots of guns, and our experience shows that is for only one reason: to resell them on the street to people who use them in the commission of crimes.

One Gun a Month would limit purchasers to buying 12 guns a year. I also support the so-called "Collector's Exception," which would permit bona fide gun collectors from the legislation. As a result, for the overwhelming majority of gun purchasers, only the 13th gun would be prohibited. Ladies and gentlemen, legislation that proposes to ban handgun sales only at the purchase of 13 guns a year does not affect the average citizen—or the average gun purchaser. As the New York Times pointed out in a recent editorial supporting a federal limit, those who argue that One Gun a Month would limit a citizen's right to bear arms should be forced to "explain to crime-fearing Americans why a 12-gun-per-year limit would impose any offensive burden on law-abiding users who may want a weapons for target shooting or for personal protection."

Instead, the federal standard proposed in S. 466 simply limits the ability of those who resell guns on our streets. Again, look at just the Pennsylvania numbers. Of the 25,510 purchasers of guns in 1996, One Gun a Month would affect only 103 Pennsylvania purchasers (those who bought more than 12 guns in a 12-month period.) That's .4 percent of all purchasers of guns in Philadelphia, and only a total of 5,000 guns out of the 38,000 sold in 1996 in the Philadelphia region.

And while One Gun a Month does little to limit purchases by law-abiding citizens in Pennsylvania, it has the potential to crack down on the sales to those who sell to criminals and children. In other words, it has the ability to go after the gun sales that none of us want: not the City of Philadelphia, not any member of Congress, and not even the gun manufacturers or the NRA.

The grim reality of these types of sales is inescapable. FACT: At least 20 percent of all multiple gun purchasers can be linked to guns used in the commission of crime, particularly violent crime, in Philadelphia. FACT: A total of 608 handguns that were purchased in multiple purchase transactions have been directly linked to a homicide or other violent crime in Philadelphia. And as the tracing of these guns continues, these numbers undoubtedly will continue to rise. FACT: Under One Gun a Month, the sale of guns to "suspect purchasers" (those whose purchases suggest involvement in street resale of guns) could be reduced by as much as 54 percent.

States have taken the lead in the effort to limit purchases to one gun a month. And as Sen. Lautenberg has made clear, the good news is that One Gun a Month is working in Virginia, South Carolina and Maryland, where it was most recently enacted. In Virginia, the odds of a handgun seized in a crime anywhere along the East Coast has dropped 66 percent since One Gun a Month was enacted in 1993. In Maryland, handgun sales dropped more than 25 percent last year, and as the Washington Post noted sarcastically, that in turn "is threatening Maryland's position as a leading supplier of handguns seized by police at crime scenes up and down the East Coast."

I urge members of Congress to follow the lead of Sen. Lautenberg and support S. 466, the "Anti-Gun Trafficking Act." I have also urged the gun industry and the NRA to support this important legislation, together with my fellow mayors from cities all over the nation. Again, this is not about whether people have the right to bear arms or purchase weapons. This legislation does not affect them. This is about keeping guns out of the hands of criminals, and out of the hands of children. Gun violence is out of control in Philadelphia, and this legislation can help to stop it. I urge your support.

Several years ago, a Florida-based manufacturer of assault pistols which at that time were with a 32-round magazine, said: "I know some of the guns going out of here will end up killing people, but I'm not responsible for that." He was wrong then, and that attitude is wrong now. It is my responsibility, and it is everyone's responsibility, including mayors, state legislators, members of Congress, and indeed, especially the gun industry itself.

Back in April, I came to Washington to speak directly to gun manufacturers, thanks to the invitation of the American Shooting Sports Council. It was, I might add, not the greatest reception I've ever gotten. But they were at least willing to listen, and I told them that we very much wanted to be their allies in fighting the growing plague of gun violence. That remains true, but understand, one way or another we will try anything and everything—whether it is partnering with the gun industry or the NRA, or suing gun manufacturers—to end the terrible consequences of gun violence on the streets of Philadelphia.●

THE CALENDAR

Mr. HAGEL. Mr. President, for the leader, I ask unanimous consent that the Senate now proceed to the consideration of the following bills, en bloc:

Calendar Nos. 494, S. 890; 525, S. 1398; 527, S. 2171; 528, H.R. 449; 529, H.R. 2886; 530, H.R. 3796; 541, S. 1016; 542, S. 1408; 543, S. 1990; 546, S. 2232; 550, S. 1333; 551, S. 1665; 552, S. 2129; 561, S. 469; 565, S. 2272; 571, S. 1718; 573, S. 2106; 579, H.R. 3903; 598, H.R. 3381.

Further, I ask unanimous consent that any committee amendments be agreed to, the bills be read the third time and passed, as amended, if amended, the motions to reconsider be laid upon the table, and that any statements relating to the bills appear at the appropriate point in the RECORD, with the above occurring en bloc.

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

DUTCH JOHN FEDERAL PROPERTY DISPOSITION AND ASSISTANCE ACT OF 1998

The Senate proceeded to consider the bill (S. 890) to dispose of certain Federal properties located in Dutch John, Utah, to assist the local government in the interim delivery of basic services to the Dutch John community, and for other purposes, which had been reported from the Committee on Energy

and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Dutch John Federal Property Disposition and Assistance Act of 1998".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1)(A) Dutch John, Utah, was founded by the Secretary of the Interior in 1958 on Bureau of Reclamation land as a community to house personnel, administrative offices, and equipment for project construction and operation of the Flaming Gorge Dam and Reservoir as authorized by the Act of April 11, 1956 (70 Stat. 105, chapter 203; 43 U.S.C. 620 et seq.); and

(B) permanent structures (including houses, administrative offices, equipment storage and maintenance buildings, and other public buildings and facilities) were constructed and continue to be owned and maintained by the Secretary of the Interior;

(2)(A) Bureau of Reclamation land surrounding the Flaming Gorge Reservoir (including the Dutch John community) was included within the boundaries of the Flaming Gorge National Recreation Area in 1968 under Public Law 90-540 (16 U.S.C. 460v et seq.);

(B) Public Law 90-540 assigned responsibility for administration, protection, and development of the Flaming Gorge National Recreation Area to the Secretary of Agriculture and provided that lands and waters needed or used for the Colorado River Storage Project would continue to be administered by the Secretary of the Interior; and

(C) most structures within the Dutch John community (including the schools and public buildings within the community) occupy lands administered by the Secretary of Agriculture;

(3)(A) the Secretary of Agriculture and the Secretary of the Interior are unnecessarily burdened with the cost of continuing to provide basic services and facilities and building maintenance and with the administrative costs of operating the Dutch John community; and

(B) certain structures and lands are no longer essential to management of the Colorado River Storage Project or to management of the Flaming Gorge National Recreation Area;

(4)(A) residents of the community are interested in purchasing the homes they currently rent from the Secretary of the Interior and the land on which the homes are located;

(B) Daggett County, Utah, is interested in reducing the financial burden the County experiences in providing local government support services to a community that produces little direct tax revenue because of Federal ownership; and

(C) a withdrawal of the role of the Federal Government in providing basic direct community services to Dutch John would require local government to provide the services at a substantial cost;

(5)(A) residents of the Dutch John community are interested in self-government of the community; and

(B) with growing demands for additional commercial recreation services for visitors to the Flaming Gorge National Recreation Area and Ashley National Forest, there are opportunities for private economic development, but few private lands are available for the services; and

(6) the privatization and disposal to local government of certain lands in and surrounding Dutch John would be in the public interest.

(b) PURPOSES.—The purposes of this Act are—

(1) to privatize certain lands in and surrounding Dutch John, Utah;

(2) to transfer jurisdiction of certain Federal property between the Secretary of Agriculture and the Secretary of the Interior;

(3) to improve the Flaming Gorge National Recreation Area;

(4) to dispose of certain residential units, public buildings, and facilities;

(5) to provide interim financial assistance to local government to defray the cost of providing basic governmental services;

(6) to achieve efficiencies in operation of the Flaming Gorge Dam and Reservoir and the Flaming Gorge National Recreation Area;

(7) to reduce long-term Federal outlays; and

(8) to serve the interests of the residents of Dutch John and Daggett County, Utah, and the general public.

SEC. 3. DEFINITIONS.

In this Act:

(1) SECRETARY OF AGRICULTURE.—The term "Secretary of Agriculture" means the Secretary of Agriculture, acting through the Chief of the Forest Service.

(2) SECRETARY OF THE INTERIOR.—The term "Secretary of the Interior" means the Secretary of the Interior, acting through the Commissioner of the Bureau of Reclamation.

SEC. 4. DISPOSITION OF CERTAIN LANDS AND PROPERTIES.

(a) IN GENERAL.—Lands, structures, and community infrastructure facilities within or associated with Dutch John, Utah, that have been identified by the Secretary of Agriculture or the Secretary of the Interior as unnecessary for support of the agency of the respective Secretary shall be transferred or disposed of in accordance with this Act.

(b) LAND DESCRIPTION.—Except as provided in subsection (e), the Secretary of Agriculture and the Secretary of the Interior shall dispose of (in accordance with this Act) approximately 2,450 acres within or associated with the Dutch John, Utah, community in the NW¼ NW¼, S½ NW¼, and S½ of Section 1, the S½ of Section 2, 10 acres more or less within the NE¼ SW¼ of Section 3, Sections 11 and 12, the N½ of Section 13, and the E½ NE¼ of Section 14 of Township 2 North, Range 22 East, Salt Lake Base and Meridian, that have been determined to be available for transfer by the Secretary of Agriculture and the Secretary of the Interior, respectively.

(c) INFRASTRUCTURE FACILITIES AND LAND.—Except as provided in subsection (e), the Secretary of the Interior shall dispose of (in accordance with this Act) community infrastructure facilities and land that have been determined to be available for transfer by the Secretary of the Interior, including the following:

(1) The fire station, sewer systems, sewage lagoons, water systems (except as provided in subsection (e)(3)), old post office, electrical and natural gas distribution systems, hospital building, streets, street lighting, alleys, sidewalks, parks, and community buildings located within or serving Dutch John, including fixtures, equipment, land, easements, rights-of-way, or other property primarily used for the operation, maintenance, replacement, or repair of a facility referred to in this paragraph.

(2) The Dutch John Airport, comprising approximately 25 acres, including runways, roads, rights-of-way, and appurtenances to the Airport, subject to such monitoring and remedial action by the United States as is necessary.

(3) The lands on which are located the Dutch John public schools, which comprise approximately 10 acres.

(d) OTHER PROPERTIES AND FACILITIES.—The Secretary of Agriculture and the Secretary of the Interior shall dispose of (in accordance with this Act) the other properties and facilities that have been determined to be available for transfer or disposal by the Secretary of Agriculture and the Secretary of the Interior, respectively, including the following:

(1) Certain residential units occupied on the date of enactment of this Act, as determined by the Secretary of the Interior.

(2) Certain residential units unoccupied on the date of enactment of this Act, as determined by the Secretary of the Interior.

(3) Lots within the Dutch John community that are occupied on the date of enactment of this Act by privately owned modular homes under lease agreements with the Secretary of the Interior.

(4) Unoccupied platted lots within the Dutch John community.

(5) The land, comprising approximately 3.8 acres, on which is located the Church of Jesus Christ of Latter Day Saints, within Block 9, of the Dutch John community.

(6) The lands for which special use permits, easements, or rights-of-way for commercial uses have been issued by the Forest Service.

(7) The lands on which are located the offices, 3 employee residences, warehouses, and facilities of the Utah Division of Wildlife Resources, as described in the survey required under section 7, including yards and land defined by fences in existence on the date of enactment of this Act.

(8) The Dutch John landfill site, subject to such monitoring and remedial action by the United States as is necessary, with responsibility for monitoring and remediation being shared by the Secretary of Agriculture and the Secretary of the Interior proportionate to their historical use of the site.

(9) Such fixtures and furnishing in existence and in place on the date of enactment of this Act as are mutually determined by Daggett County, the Secretary of Agriculture, and the Secretary of the Interior to be necessary for the full use of properties or facilities disposed of under this Act.

(10) Such other properties or facilities at Dutch John that the Secretary of Agriculture or the Secretary of the Interior determines are not necessary to achieve the mission of the respective Secretary and the disposal of which would be consistent with this Act.

(e) RETAINED PROPERTIES.—Except to the extent the following properties are determined by the Secretary of Agriculture or the Secretary of the Interior to be available for disposal, the Secretary of Agriculture and the Secretary of the Interior shall retain for their respective use the following:

(1) All buildings and improvements located within the industrial complex of the Bureau of Reclamation, including the maintenance shop, 40 industrial garages, 2 warehouses, the equipment storage building, the flammable equipment storage building, the hazardous waste storage facility, and the property on which the buildings and improvements are located.

(2) 17 residences under the jurisdiction of the Secretary of the Interior and the Secretary of Agriculture, of which—

(A) 15 residences shall remain under the jurisdiction of the Secretary of the Interior; and

(B) 2 residences shall remain under the jurisdiction of the Secretary of Agriculture.

(3) The Dutch John water system raw water supply line and return line between the power plant and the water treatment plant, pumps and pumping equipment, and any appurtenances and rights-of-way to the line and other facilities, with the retained facilities to be operated and maintained by the United States with pumping costs and operation and maintenance costs of the pumps to be included as a cost to Daggett County in a water service contract.

(4) The heliport and associated real estate, consisting of approximately 20 acres, which shall remain under the jurisdiction of the Secretary of Agriculture.

(5) The Forest Service warehouse complex and associated real estate, consisting of approximately 2 acres, which shall remain under the jurisdiction of the Secretary of Agriculture.

(6) The Forest Service office complex and associated real estate, which shall remain under the jurisdiction of the Secretary of Agriculture.

(7) The United States Post Office, pursuant to Forest Service Special Use Permit No. 1073, which shall be transferred to the jurisdiction of the United States Postal Service pursuant to section 6(d).

SEC. 5. REVOCATION OF WITHDRAWALS.

In the case of lands and properties transferred under section 4, effective on the date of transfer to the Secretary of the Interior (if applicable) or conveyance by quitclaim deed out of Federal ownership, authorization for each of the following withdrawals is revoked:

(1) The Public Water Reserve No. 16, Utah No. 7, dated March 9, 1914.

(2) The Secretary of the Interior Order dated October 20, 1952.

(3) The Secretary of the Interior Order dated July 2, 1956, No. 71676.

(4) The Flaming Gorge National Recreation Area, dated October 1, 1968, established under Public Law 90–540 (16 U.S.C. 460v et seq.), as to lands described in section 4(b).

(5) The Dutch John Administrative Site, dated December 12, 1951 (PLO 769, U–0611).

SEC. 6. TRANSFER OF JURISDICTION.

(a) TRANSFERS FROM THE SECRETARY OF AGRICULTURE.—Except for properties retained under section 4(e), all lands designated under section 4 for disposal shall be—

(1) transferred from the jurisdiction of the Secretary of Agriculture to the Secretary of the Interior and, if appropriate, the United States Postal Service; and

(2) removed from inclusion in the Ashley National Forest and the Flaming Gorge National Recreation Area.

(b) TRANSFERS FROM THE SECRETARY OF THE INTERIOR.—

(1) IN GENERAL.—The Secretary of the Interior shall transfer to the Secretary of Agriculture administrative jurisdiction over certain lands and interests in land described in paragraph (2), containing approximately 2,167 acres located in Duchesne and Wasatch Counties, Utah, acquired by the Secretary of the Interior for the Central Utah Project.

(2) LAND DESCRIPTION.—The lands referred to in paragraph (1) are lands indicated on the maps generally depicting—

(A) the Dutch John transfer of the Ashley National Forest to the State of Utah, dated February 1997;

(B) the Dutch John transfer of the Uinta National Forest to the State of Utah, dated February 1997;

(C) lands to be transferred to the Forest Service: Lower Stillwater Properties;

(D) lands to be transferred to the Forest Service: Red Hollow (Diamond Properties); and

(E) lands to be transferred to the Forest Service: Coal Mine Hollow (Current Creek Reservoir).

(3) STATUS OF LANDS.—

(A) NATIONAL FORESTS.—The lands and interests in land transferred to the Secretary of Agriculture under paragraph (1) shall become part of the Ashley or Uinta National Forest, as appropriate. The Secretary of Agriculture shall adjust the boundaries of each of the National Forests to reflect the additional lands.

(B) MANAGEMENT.—The transferred lands shall be managed in accordance with the Act of March 1, 1911 (commonly known as the "Weeks Law") (36 Stat. 962, chapter 186; 16 U.S.C. 515 et seq.) and other laws (including rules and regulations) applicable to the National Forest System.

(C) WILDLIFE MITIGATION.—As of the date of the transfer under paragraph (1), the wildlife mitigation requirements of section 8 of the Act of April 11, 1956 (43 U.S.C. 620g), shall be deemed to be met.

(D) ADJUSTMENT OF BOUNDARIES.—This paragraph does not limit the authority of the Secretary of Agriculture to adjust the boundaries of the Ashley or Uinta National Forest pursuant to section 11 of the Act of March 1, 1911 (commonly known as the "Weeks Law") (36 Stat. 963, chapter 186; 16 U.S.C. 521).

(4) LAND AND WATER CONSERVATION FUND.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundaries of the Ashley and Uinta National Forests, as adjusted under this section, shall be considered to be the boundaries of the Forests as of January 1, 1965.

(c) FEDERAL IMPROVEMENTS.—The Secretary of the Interior shall transfer to the Secretary of Agriculture jurisdiction over Federal improvements to the lands transferred under this section.

(d) TRANSFERS FROM THE SECRETARY OF AGRICULTURE.—The Secretary of Agriculture shall transfer to the United States Postal Service administrative jurisdiction over certain lands and interests in land subject to Forest Service Special Use Permit No. 1073, containing approximately 0.34 acres.

(e) WITHDRAWALS.—Notwithstanding subsection (a), lands retained by the Federal Government under this Act shall continue to be withdrawn from mineral entry under the United States mining laws.

SEC. 7. SURVEYS.

The Secretary of the Interior shall survey or resurvey all or portions of the Dutch John community as necessary—

(1) to accurately describe parcels identified under this Act for transfer among agencies, for Federal disposal, or for retention by the United States; and

(2) to facilitate future recordation of title.

SEC. 8. PLANNING.

(a) RESPONSIBILITY.—In cooperation with the residents of Dutch John, the Secretary of Agriculture, and the Secretary of the Interior, Daggett County, Utah, shall be responsible for developing a land use plan that is consistent with maintenance of the values of the land that is adjacent to land that remains under the jurisdiction of the Secretary of Agriculture or Secretary of the Interior under this Act.

(b) COOPERATION.—The Secretary of Agriculture and the Secretary of the Interior shall cooperate with Daggett County in ensuring that disposal processes are consistent with the land use plan developed under subsection (a) and with this Act.

SEC. 9. APPRAISALS.

(a) REQUIREMENTS.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of the Interior shall conduct appraisals to determine the fair market value of properties designated for disposal under paragraphs (1), (2), (3), (5), and (7) of section 4(d).

(2) UNOCCUPIED PLATTED LOTS.—Not later than 90 days after the date of receipt by the Secretary of the Interior from an eligible purchaser of a written notice of intent to purchase an unoccupied platted lot referred to in section 4(d)(4), the Secretary of the Interior shall conduct an appraisal of the lot.

(3) SPECIAL USE PERMITS.—

(A) IN GENERAL.—Not later than 90 days after the date of receipt by the Secretary of the Interior from a permit holder of a written notice of intent to purchase a property described in section 10(g), the Secretary of the Interior shall conduct an appraisal of the property.

(B) IMPROVEMENTS AND ALTERNATIVE LAND.—An appraisal to carry out subparagraph (A) may include an appraisal of the value of permit holder improvements and alternative land in order to conduct an in-lieu land sale.

(4) OCCUPIED PARCELS.—In the case of an occupied parcel, an appraisal under this subsection shall include an appraisal of the full fee value of the occupied lot or land parcel and the value of residences, structures, facilities, and existing, in-place federally owned fixtures and furnishings necessary for full use of the property.

(5) UNOCCUPIED PARCELS.—In the case of an unoccupied parcel, an appraisal under this subsection shall consider potential future uses of the parcel that are consistent with the land use plan developed under section 8(a) (including the land use map of the plan) and with subsection (c).

(6) FUNDING.—Funds for appraisals conducted under this section shall be derived from the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (70 Stat. 107, chapter 203; 43 U.S.C. 620d).

(b) REDUCTIONS FOR IMPROVEMENTS.—An appraisal of a residence or a structure or facility leased for private use under this section shall deduct the contributory value of improvements made by the current occupant or lessee if the occupant or lessee provides reasonable evidence of expenditure of money or materials in making the improvements.

(c) CURRENT USE.—An appraisal under this section shall consider the current use of a property (including the use of housing as a community residence) and avoid uncertain speculation as to potential future use.

(d) REVIEW.—

(1) IN GENERAL.—The Secretary of the Interior shall make an appraisal under this section available for review by a current occupant or lessee.

(2) ADDITIONAL INFORMATION OR APPEAL.—

(A) IN GENERAL.—The current occupant or lessee may provide additional information, or appeal the findings of the appraisal in writing, to the Upper Colorado Regional Director of the Bureau of Reclamation.

(B) ACTION BY SECRETARY OF THE INTERIOR.—The Secretary of the Interior—

(i) shall consider the additional information or appeal; and

(ii) may conduct a second appraisal if the Secretary determines that a second appraisal is necessary.

(e) INSPECTION.—The Secretary of the Interior shall provide opportunities for other qualified, interested purchasers to inspect completed appraisals under this section.

SEC. 10. DISPOSAL OF PROPERTIES.

(a) CONVEYANCES.—

(1) PATENTS.—The Secretary of the Interior shall dispose of properties identified for disposal under section 4, other than properties retained under section 4(e), without regard to law governing patents.

(2) CONDITION AND LAND.—Except as otherwise provided in this Act, conveyance of a building, structure, or facility under this Act shall be in its current condition and shall include the land parcel on which the building, structure, or facility is situated.

(3) FIXTURES AND FURNISHINGS.—An existing and in-place fixture or furnishing necessary for the full use of a property or facility under this Act shall be conveyed along with the property.

(4) MAINTENANCE.—

(A) BEFORE CONVEYANCE.—Before property is conveyed under this Act, the Secretary of the Interior shall ensure reasonable and prudent maintenance and proper care of the property.

(B) AFTER CONVEYANCE.—After property is conveyed to a recipient under this Act, the recipient shall be responsible for—

(i) maintenance and proper care of the property; and

(ii) any contamination of the property.

(b) INFRASTRUCTURE FACILITIES AND LAND.—Infrastructure facilities and land described in paragraphs (1) and (2) of section 4(c) shall be conveyed, without consideration, to Daggett County, Utah.

(c) SCHOOL.—The lands on which are located the Dutch John public schools described in section 4(c)(3) shall be conveyed, without consideration, to the Daggett County School District.

(d) UTAH DIVISION OF WILDLIFE RESOURCES.—Lands on which are located the offices, 3 employee residences, warehouses, and facilities of the Utah Division of Wildlife Resources described in section 4(d)(7) shall be conveyed, without consideration, to the Division.

(e) RESIDENCES AND LOTS.—

(1) IN GENERAL.—

(A) FAIR MARKET VALUE.—A residence and occupied residential lot to be disposed of under this Act shall be sold for the appraised fair market value.

(B) NOTICE.—The Secretary of the Interior shall provide local general public notice, and written notice to lessees and to current occupants of residences and of occupied residential lots for disposal, of the intent to sell properties under this Act.

(2) PURCHASE OF RESIDENCES OR LOTS BY LESSEES.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary of the Interior shall provide a holder of a current lease from the Secretary for a residence to be sold under paragraph (1) or (2) of section 4(d) or for a residential lot occupied by a privately owned dwelling described in section 4(d)(3) a period of 180 days beginning on the date of the written notice of the Secretary of intent of the Secretary to sell the residence or lot, to execute a contract with the Secretary of the Interior to purchase the residence or lot for the appraised fair market value.

(B) NOTICE OF INTENT TO PURCHASE.—To obtain the protection of subparagraph (A), the lessee shall, during the 30-day period beginning on the date of receipt of the notice referred to in subparagraph (A), notify the Secretary in writing of the intent of the lessee to purchase the residence or lot.

(C) NO NOTICE OR PURCHASE CONTRACT.—If no written notification of intent to purchase is received by the Secretary in accordance with subparagraph (B) or if a purchase contract has not been executed in accordance with subparagraph (A), the residence or lot shall become available for purchase by other persons under paragraph (3).

(3) PURCHASE OF RESIDENCES OR LOTS BY OTHER PERSONS.—

(A) ELIGIBILITY.—If a residence or lot becomes available for purchase under paragraph (2)(C), the Secretary of the Interior shall make the residence or lot available for purchase by—

(i) a current authorized occupant of the residence to be sold;

(ii) a holder of a current reclamation lease for a residence within Dutch John;

(iii) an employee of the Bureau of Reclamation or the Forest Service who resides in Dutch John; or

(iv) a Federal or non-Federal employee in support of a Federal agency who resides in Dutch John.

(B) PRIORITY.—

(i) SENIORITY.—Priority for purchase of properties available for purchase under this paragraph shall be by seniority of reclamation lease or residency in Dutch John.

(ii) PRIORITY LIST.—The Secretary of the Interior shall compile a priority list of eligible potential purchasers that is based on the length of continuous residency in Dutch John or the length of a continuous residence lease issued by the Bureau of Reclamation in Dutch John, with the highest priority provided for purchasers with the longest continuous residency or lease.

(iii) INTERRUPTIONS.—If a continuous residency or lease was interrupted, the Secretary shall consider only that most recent continuous residency or lease.

(iv) OTHER FACTORS.—In preparing the priority list, the Secretary shall not consider a factor (including agency employment or position) other than the length of the current residency or lease.

(v) DISPUTES.—A potential purchaser may file a written appeal over a dispute involving eligibility or ranking on the priority list with the Secretary of the Interior, acting through the Upper Colorado Regional Director of the Bureau of Reclamation. The Secretary, acting through the Regional Director, shall consider the appeal and resolve the dispute.

(C) NOTICE.—The Secretary of the Interior shall provide general public notice and written notice by certified mail to eligible purchasers that specifies—

(i) properties available for purchase under this paragraph;

(ii) the appraised fair market value of the properties;

(iii) instructions for potential eligible purchasers; and

(iv) any purchase contract requirements.

(D) NOTICE OF INTENT TO PURCHASE.—An eligible purchaser under this paragraph shall have a period of 90 days after receipt of written notification to submit to the Secretary of the Interior a written notice of intent to purchase a specific available property at the listed appraised fair market value.

(E) NOTICE OF ELIGIBILITY OF HIGHEST ELIGIBLE PURCHASER TO PURCHASE PROPERTY.—The Secretary of the Interior shall provide notice to the potential purchaser with the highest eligible purchaser priority for each property that the purchaser will have the first opportunity to execute a sales contract and purchase the property.

(F) AVAILABILITY TO OTHER PURCHASERS ON PRIORITY LIST.—If no purchase contract is executed for a property by the highest priority purchaser within the 180 days after receipt of notice under subparagraph (E), the Secretary of the Interior shall make the property available to other purchasers listed on the priority list.

(G) LIMITATION ON NUMBER OF PROPERTIES.—No household may purchase more than 1 residential property under this paragraph.

(4) RESIDUAL PROPERTY TO COUNTY.—If a residence or lot to be disposed of under this Act is not purchased in accordance with paragraph (2) or (3) within 2 years after providing the first notice of intent to sell under paragraph (1)(B), the Secretary of the Interior shall convey the residence or lot to Daggett County without consideration.

(5) ADVISORY COMMITTEE.—The Secretary of the Interior, acting through the Upper Colorado Regional Director of the Bureau of Reclamation, may appoint a nonfunded Advisory Committee comprised of 1 representative from each of the Bureau of Reclamation, Daggett County, and the Dutch John community to review and provide advice to the Secretary on the resolution of disputes arising under this subsection and subsection (f).

(6) FINANCING.—The Secretary of the Interior shall provide advice to potential purchasers under this subsection and subsection (f) in obtaining appropriate and reasonable financing for the purchase of a residence or lot.

(f) UNOCCUPIED PLATTED LOTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary of the Interior shall make an unoccupied platted lot described in section 4(d)(4) available for sale to eligible purchasers for the appraised fair market value of the lot.

(2) CONVEYANCE FOR PUBLIC PURPOSE.—On request from Daggett County, the Secretary of the Interior may convey directly to the County without consideration a lot referred to in paragraph (1) that will be used for a public use purpose that is consistent with the land use plan developed under section 8(a).

(3) ADMINISTRATION.—The procedures established under subsection (e) shall apply to this subsection to the maximum extent practicable, as determined by the Secretary of the Interior.

(4) LAND-USE DESIGNATION.—For each lot sold under this subsection, the Secretary of the Interior shall include in the notice of intent to sell the lot provided under this subsection the land-use designation of the lot established under the land use plan developed under section 8(a).

(5) LIMITATION ON NUMBER OF LOTS.—No household may purchase more than 1 residential lot under this subsection.

(6) LIMITATION ON PURCHASE OF ADDITIONAL LOTS.—No household purchasing an existing residence under this section may purchase an additional single home, residential lot.

(7) RESIDUAL LOTS TO COUNTY.—If a lot described in paragraph (1) is not purchased in accordance with paragraphs (1) through (6) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the lot to Daggett County without consideration.

(g) SPECIAL USE PERMITS.—

(1) SALE.—Lands on which Forest Service special use permits are issued to holders numbered 4054 and 9303, Ashley National Forest, comprising approximately 15.3 acres and 1 acre, respectively, may be sold at appraised fair market value to the holder of the permit.

(2) ADMINISTRATION OF PERMITS.—On transfer of jurisdiction of the land to the Secretary of the Interior pursuant to section 6, the Secretary of the Interior shall administer the permits under the terms and conditions of the permits.

(3) NOTICE OF AVAILABILITY FOR PURCHASE.—The Secretary of the Interior shall notify the respective permit holders in writing of the availability of the land for purchase.

(4) APPRAISALS.—The Secretary of the Interior shall not conduct an appraisal of the land unless the Secretary receives a written notice of intent to purchase the land within 2 years after providing notice under paragraph (3).

(5) ALTERNATIVE PARCELS.—On request by permit holder number 9303, the Secretary of the Interior, in consultation with Daggett County, may—

(A) consider sale of a parcel within the Daggett County community of similar size and appraised value in lieu of the land under permit on the date of enactment of this Act; and

(B) provide the holder credit toward the purchase or other negotiated compensation for the appraised value of improvements of the permittee to land under permit on the date of enactment of this Act.

(6) RESIDUAL LAND TO COUNTY.—If land described in paragraph (1) is not purchased in accordance with paragraphs (1) through (5) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the land to Daggett County without consideration.

(h) TRANSFERS TO COUNTY.—Other land occupied by authorization of a special use permit, easement, or right-of-way to be disposed of under this Act shall be transferred to Daggett County if the holder of the authorization and the County, prior to transfer of the lands to the County—

(1) agree to and execute a legal document that grants the holder the rights and privileges provided in the existing authorization; or

(2) enter into another arrangement that is mutually satisfactory to the holder and the County.

(i) CHURCH LAND.—

(1) IN GENERAL.—The Secretary of the Interior shall offer to sell land to be disposed of under this Act on which is located an established church to the parent entity of the church at the appraised fair market value.

(2) NOTICE.—The Secretary of the Interior shall notify the church in writing of the availability of the land for purchase.

(3) RESIDUAL LAND TO COUNTY.—If land described in paragraph (1) is not purchased in accordance with paragraphs (1) and (2) within 2 years after providing the first notice of intent to sell under this subsection, the Secretary of the Interior shall convey the land to Daggett County without consideration.

(j) RESIDUAL PROPERTIES TO COUNTY.—The Secretary of the Interior shall convey all lands, buildings, or facilities designated for disposal under this Act that are not conveyed in accordance with subsections (a) through (i) to Daggett County without consideration.

(k) WATER RIGHTS.—

(1) IN GENERAL.—Subject to the other provisions of this subsection, the Secretary of the Interior shall transfer all water rights the Secretary holds that are applicable to the Dutch John municipal water system to Daggett County.

(2) WATER SERVICE CONTRACT.—

(A) IN GENERAL.—Transfer of rights under paragraph (1) is contingent on Daggett County entering into a water service contract with the Secretary of the Interior covering payment for and delivery of untreated water to Daggett County pursuant to the Act of April 11, 1956 (70 Stat. 105, chapter 203; 43 U.S.C. 620 et seq.).

(B) DELIVERED WATER.—The contract shall require payment only for water actually delivered.

(3) EXISTING RIGHTS.—Existing rights for transfer to Daggett County under this subsection include—

(A) Utah Water Right 41-2942 (A30557, Cert. No. 5903) for 0.08 cubic feet per second from a water well; and

(B) Utah Water Right 41-3470 (A30414b), an unapproved application to segregate 12,000 acre-feet per year of water from the original approved Flaming Gorge water right (41-2963) for municipal use in the town of Dutch John and surrounding areas.

(4) CULINARY WATER SUPPLIES.—The transfer of water rights under this subsection is conditioned on the agreement of Daggett County to provide culinary water supplies to Forest Service campgrounds served (on the date of enactment of this Act) by the water supply system and to Forest Service and Bureau of Reclamation facilities, at a rate equivalent to other similar uses.

(5) MAINTENANCE.—The Secretary of Agriculture and the Secretary of the Interior shall be responsible for maintenance of their respective water systems from the point of the distribution lines of the systems.

(l) SHORELINE ACCESS.—On receipt of an acceptable application, the Secretary of Agriculture shall consider issuance of a special use permit affording Flaming Gorge Reservoir public shoreline access and use within the vicinity of Dutch John in conjunction with commercial visitor facilities provided and maintained under such a permit.

(m) REVENUES.—

(1) IN GENERAL.—Except as provided in paragraph (2), all revenues derived from the sale of properties as authorized by this Act shall temporarily be deposited in a segregated interest-bearing trust account in the Treasury with the moneys on hand in the account paid to Daggett County semiannually to be used by the County for purposes associated with the provision of governmental and community services to the Dutch John community.

(2) DEPOSIT IN THE GENERAL FUND.—Of the revenues described in paragraph (1), 15.1 percent shall be deposited in the general fund of the Treasury.

SEC. 11. VALID EXISTING RIGHTS.

(a) AGREEMENTS.—

(1) IN GENERAL.—If any lease, permit, right-of-way, easement, or other valid existing right is appurtenant to land conveyed to Daggett County, Utah, under this Act, the County shall honor and enforce the right through a legal agreement entered into by the County and the holder before the date of conveyance.

(2) EXTENSION OR TERMINATION.—The County may extend or terminate an agreement under paragraph (1) at the end of the term of the agreement.

(b) USE OF REVENUES.—During such period as the County is enforcing a right described in subsection (a)(1) through a legal agreement between the County and the holder of the right under subsection (a), the County shall collect and retain any revenues due the Federal Government under the terms of the right.

(c) EXTINGUISHMENT OF RIGHTS.—If a right described in subsection (a)(1) with respect to certain land has been extinguished or otherwise protected, the County may dispose of the land.

SEC. 12. CULTURAL RESOURCES.

(a) MEMORANDA OF AGREEMENT.—Before transfer and disposal under this Act of any land that contains cultural resources and that may be eligible for listing on the National Register of Historic Places, the Secretary of Agriculture, in consultation with the Secretary of the Interior, the Utah Historic Preservation Office, and Daggett County, Utah, shall prepare a memorandum of agreement, for review and approval by the Utah Office of Historical Preservation and the Advisory Council on Historic Preservation established by title II of the National Historic Preservation Act (16 U.S.C. 470i et seq.), that contains a strategy for protecting or mitigating adverse effects on cultural resources on the land.

(b) INTERIM PROTECTION.—Until such time as a memorandum of agreement has been approved, or until lands are disposed of under this Act, the Secretary of Agriculture shall provide clearance or protection for the resources.

(c) TRANSFER SUBJECT TO AGREEMENT.—On completion of actions required under the memorandum of agreement for certain land, the Secretary of the Interior shall provide for the conveyance of the land to Daggett County, Utah, subject to the memorandum of agreement.

SEC. 13. TRANSITION OF SERVICES TO LOCAL GOVERNMENT CONTROL.

(a) ASSISTANCE.—

(1) IN GENERAL.—The Secretary of the Interior shall provide training and transitional operating assistance to personnel designated by Daggett County, Utah, as successors to the operators for the Secretary of the infrastructure facilities described in section 4(c).

(2) DURATION OF TRAINING.—With respect to an infrastructure facility, training under paragraph (1) shall continue for such period as is necessary for the designated personnel to demonstrate reasonable capability to safely and efficiently operate the facility, but not to exceed 2 years.

(3) CONTINUING ASSISTANCE.—The Secretary shall remain available to assist with resolving questions about the original design and installation, operating and maintenance needs, or other aspects of the infrastructure facilities.

(b) TRANSITION COSTS.—For the purpose of defraying costs of transition in administration and provision of basic community services, an annual payment of $300,000 (as adjusted by the Secretary for changes in the Consumer Price Index for all-urban consumers published by the Department of Labor) shall be provided from the Upper Colorado River Basin Fund authorized by section 5 of the Act of April 11, 1956 (70 Stat. 107, chapter 203; 43 U.S.C. 620d), to Daggett County, Utah, or, in accordance with subsection (c), to Dutch John, Utah, for a period not to exceed 15 years beginning the first January 1 that occurs after the date of enactment of this Act.

(c) DIVISION OF PAYMENT.—If Dutch John becomes incorporated and become responsible for operating any of the infrastructure facilities referred to in subsection (a)(1) or for providing other basic local governmental services, the payment amount for the year of incorporation and each following year shall be proportionately divided between Daggett County and Dutch John based on the respective costs paid by each government for the previous year to provide the services.

(d) ELECTRIC POWER.—

(1) AVAILABILITY.—The United States shall make available electric power and associated energy from the Colorado River Storage Project for the Dutch John community.

(2) AMOUNT.—The amount of electric power and associated energy made available under paragraph (1) shall not exceed 1,000,000 kilowatt-hours per year.

(3) RATES.—The rates for power and associated energy shall be the firm capacity and energy rates of the Salt Lake City Area/Integrated Projects.

SEC. 14. AUTHORIZATION OF APPROPRIATIONS.

(a) RESOURCE RECOVERY AND MITIGATION.—There are authorized to be appropriated to the Secretary of Agriculture, out of nonpower revenues to the Federal Government from land transferred under this Act, such sums as are necessary to implement such habitat, sensitive resource, or cultural resource recovery, mitigation, or replacement strategies as are developed with respect to land transferred under this Act, except that the strategies may not include acquisition of privately owned lands in Daggett County.

(b) OTHER SUMS.—In addition to sums made available under subsection (a), there are authorized to be appropriated such sums as are necessary to carry out this Act.

The committee amendment was agreed to.

The bill (S. 890), as amended, was considered read the third time and passed.

IRRIGATION PROJECT CONTRACT EXTENSION ACT OF 1998

The Senate proceeded to consider the bill (S. 1398) to extend certain contracts between the Bureau of Reclamation and irrigation water contractors in Wyoming and Nebraska that receive water from Glendo Reservoir, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Irrigation Project Contract Extension Act of 1998".

SEC. 2. EXTENSION OF CONTRACTS.

(a) IN GENERAL.—The Secretary of the Interior shall extend each of the water service or repayment contracts for the Glendo Unit of the Missouri River Basin Project identified in subsection (c) until December 31, 2000.

(b) EXTENSIONS COTERMINOUS WITH COOPERATIVE AGREEMENT.—If the cooperative agreement entitled "Cooperative Agreement for Platte River Research and other Efforts Relating to Endangered Species Habitats Along the Central Platte River, Nebraska", entered into by the Governors of the States of Wyoming, Nebraska, and Colorado and the Secretary of the Interior, is extended for a term beyond December 31, 2000, the contracts identified in subsection (c) shall be extended for the same term, but not to go beyond December 31, 2001. If the cooperative

agreement terminates prior to December 31, 2000, the contracts identified in subsection (c) shall be subject to renewal on the date that the cooperative agreement terminates.

(c) CONTRACTS.—The contracts identified in this subsection are—

(1) the contract between the United States and the New Grattan Ditch Company for water service from Glendo Reservoir (Contract No. 14-06-700-7591), dated March 7, 1974;

(2) the contract between the United States and Burbank Ditch for water service from Glendo Reservoir (Contract No. 14-06-700-6614), dated May 23, 1969;

(3) the contract between the United States and the Torrington Irrigation District for water service from Glendo Reservoir (Contract No. 14-06-700-1771), dated July 14, 1958;

(4) the contract between the United States and the Lucerne Canal and Power Company for water service from Glendo Reservoir (Contract No. 14-06-700-1740, as amended), dated June 12, 1958, and amended June 10, 1960;

(5) the contract between the United States and the Wright and Murphy Ditch Company for water service from Glendo Reservoir (Contract No. 14-06-700-1741), dated June 12, 1958;

(6) the contract between the United States and the Bridgeport Irrigation District for water service from Glendo Reservoir (Contract No. 14-06-700-8376, renumbered 6-07-70-W0126), dated July 9, 1976;

(7) the contract between the United States and the Enterprises Irrigation District for water service from Glendo Reservoir (Contract No. 14-06-700-1742), dated June 12, 1958;

(8)(A) the contract between the United States and the Mitchell Irrigation District for an increase in carryover storage capacity in Glendo Reservoir (Contract No. 14-06-700-1743, renumbered 8-07-70-W0056 Amendment No. 1), dated March 22, 1985; and

(B) the contract between the United States and the Mitchell Irrigation District for water service from Glendo Reservoir (Contract No. 14-06-700-1743, renumbered 8-07-70-W0056) dated June 12, 1958; and

(9) the contract between the United States and the Central Nebraska Public Power and Irrigation District for repayment of allocated irrigation costs of Glendo Reservoir (Contract No. 5-07-70-W0734), dated December 31, 1984.

(d) STATUTORY CONSTRUCTION.—Nothing in this section precludes the Secretary of the Interior from making an extension under subsection (a) or (b) in the form of annual extensions.

The committee amendment was agreed to.

The bill (S. 1398), as amended, was considered read the third time and passed.

FEDERAL POWER ACT EXTENSION

The bill (S. 2171) to extend the deadline under the Federal Power Act applicable to the construction of a hydroelectric project in the State of Arkansas, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 2171

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

SECTION 1. EXTENSION OF DEADLINES.

Notwithstanding the time limitations of section 13 of the Federal Power Act (16 U.S.C. 806), the Federal Energy Regulatory Commission, upon the request of the licensee for FERC Project No. 10455 (and after reasonable notice), is authorized, in accordance with the good faith, due diligence and public interest requirements of section 13 and the Commission's procedures under such section, to extend the time required for commencement of construction of the project for up to a maximum of three consecutive two-year periods. This section shall take effect for the project upon the expiration of the extension (issued by the Commission under section 13) of the period required for commencement of such project.

SOUTHERN NEVADA PUBLIC LAND MANAGEMENT ACT OF 1998

The bill (H.R. 449) to provide for the orderly disposal of certain Federal lands in Clark County, Nevada, and to provide for the acquisition of environmentally sensitive lands in the State of Nevada, was considered, ordered to a third reading, read the third time, and passed.

Mr. REID. Mr. President, Clark County has seen phenomenal growth over the past ten years, and is the fastest growing county in the nation. This influx of new residents has put great pressure on the infrastructure of the region, and also the recreational assets. While no one thing can solve all the problems associated with the burgeoning growth rate that has occurred, we can take steps to control and manage it. The Southern Nevada Public Land Management Act has a long history and can trace its genesis back to Congressman Jim Santini, author of the Santini-Burton Act. Former Congressman Jim Bilbray continued this initiative with the public lands task force, a process which Senator BRYAN and I continued. It is from these efforts that the bill before us has evolved, with the input of Congressmen GIBBONS and ENSIGN.

This bill takes important steps by providing for the orderly disposal of public lands in southern Nevada, providing for the acquisition of environmentally sensitive lands in the state, and providing a mechanism for local governments to offset the costs associated with development of disposed federal lands. The distribution of the proceeds from federal land sales will give the federal government 85% for the acquisition of environmentally sensitive lands in Nevada. The State will use its 5% share for general education programs, while the remaining 10% will benefit the Las Vegas Valley water treatment programs, water infrastructure development, parks, and trails.

Mr. President, as we approach the 21st century, we have to be cognizant of our future generations and the legacy that we will leave them. Any growth that occurs in a community must have coordinated planning and this measure will greatly assist with this process by providing for local government involvement. It allows state, county and city governments to manage the costs associated with the development of these lands by adding to the state education fund, as well as assisting with the future development of the southern Nevada water system and airport infrastructure. It will also assist us in protecting and preserving wild and scenic places for future generations, which are of value not just to the residents of Clark County, but to all taxpayers.

This bill has the bipartisan support of the Nevada Congressional delegation, enjoys broad-based support in Clark County, and support throughout the State. It means a great deal to me personally and I believe it will be of enormous benefit to the State of Nevada.

GRANITE WATERSHED ENHANCEMENT AND PROTECTION ACT OF 1998

The Senate proceeded to consider the bill (H.R. 2886) to provide for a demonstration project in the Stanislaus National Forest, California, under which a private contractor will perform resource management activities for that unit of the National Forest System, which had been reported from the Committee on Energy and Natural Resources, with an amendment on page 2 to strike line 20 and insert in lieu thereof "prescribed burns in the Granite watershed."

The Committee amendment was agreed to.

The bill was considered, ordered to a third reading, read the third time, and passed.

ROGUE RIVER NATIONAL FOREST

The Senate proceeded to consider the bill (H.R. 3796) to authorize the Secretary of Agriculture to convey the administrative site for the Rogue River National Forest and use the proceeds for the construction or improvement of offices and support building for the Rogue River National and the Bureau of Land Management, which had been reported from the Committee on Energy and Natural Resources, with an amendment on page 2, line 13 to strike "provide" and insert in lieu thereof "accept."

The Committee amendment was agreed to.

The bill was considered, ordered to a third reading, read the third time, and passed.

COASTAL HERITAGE TRAIL ROUTE

The bill (S. 1016) to amend the Elementary and Secondary Education Act of 1965 regarding charter schools, was considered, ordered to be engrossed for third reading, read the third time, and passed; as follows:

S. 1016

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

SECTION 1. AUTHORIZATION OF APPROPRIATIONS.

Section 6 of Public Law 100-515 (16 U.S.C. 1244 note) is amended—

(1) in subsection (b)(1), by striking "$1,000,000" and inserting "$4,000,000"; and

(2) in subsection (c), by striking "five" and inserting "10".

LOWER EAST SIDE TENEMENT NATIONAL HISTORIC SITE ACT OF 1997

The bill (S. 1408) to establish the Lower East Side Tenement National Historic Site, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1408

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 "Lower East Side Tenement National Historic Site Act of 1997".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1)(A) immigration, and the resulting diversity of cultural influences, is a key factor in defining the identity of the United States; and

(B) many United States citizens trace their ancestry to persons born in nations other than the United States;

(2) the latter part of the 19th century and the early part of the 20th century marked a period in which the volume of immigrants coming to the United States far exceeded that of any time prior to or since that period;

(3) no single identifiable neighborhood in the United States absorbed a comparable number of immigrants than the Lower East Side neighborhood of Manhattan in New York City;

(4) the Lower East Side Tenement at 97 Orchard Street in New York City is an outstanding survivor of the vast number of humble buildings that housed immigrants to New York City during the greatest wave of immigration in American history;

(5) the Lower East Side Tenement is owned and operated as a museum by the Lower East Side Tenement Museum;

(6) the Lower East Side Tenement Museum is dedicated to interpreting immigrant life within a neighborhood long associated with the immigrant experience in the United States, New York City's Lower East Side, and its importance to United States history; and

(7)(A) the Director of the National Park Service found the Lower East Side Tenement at 97 Orchard Street to be nationally significant; and

(B) the Secretary of the Interior declared the Lower East Side Tenement a National Historic Landmark on April 19, 1994; and

(C) the Director of the National Park Service, through a special resource study, found the Lower East Side Tenement suitable and feasible for inclusion in the National Park System.

(b) PURPOSES.—The purposes of this Act are—

(1) to ensure the preservation, maintenance, and interpretation of this site and to interpret at the site the themes of immigration, tenement life in the latter half of the 19th century and the first half of the 20th century, the housing reform movement, and tenement architecture in the United States;

(2) to ensure continued interpretation of the nationally significant immigrant phenomenon associated with New York City's Lower East Side and the Lower East Side's role in the history of immigration to the United States; and

(3) to enhance the interpretation of the Castle Clinton, Ellis Island, and Statue of Liberty National Monuments.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) HISTORIC SITE.—The term "historic site" means the Lower East Side Tenement found at 97 Orchard Street on Manhattan Island in City of New York, State of New York, and designated as a national historic site by section 4.

(2) MUSEUM.—The term "Museum" means the Lower East Side Tenement Museum, a nonprofit organization established in City of New York, State of New York, which owns and operates the tenement building at 97 Orchard Street and manages other properties in the vicinity of 97 Orchard Street as administrative and program support facilities for 97 Orchard Street.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 4. ESTABLISHMENT OF HISTORIC SITE.

(a) IN GENERAL.—To further the purposes of this Act and the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (16 U.S.C. 461 et seq.), the Lower East Side Tenement at 97 Orchard Street, in the City of New York, State of New York, is designated a national historic site.

(b) COORDINATION WITH NATIONAL PARK SYSTEM.—

(1) AFFILIATED SITE.—The historic site shall be an affiliated site of the National Park System.

(2) COORDINATION.—The Secretary, in consultation with the Museum, shall coordinate the operation and interpretation of the historic site with the Statue of Liberty National Monument, Ellis Island National Monument, and Castle Clinton National Monument. The historic site's story and interpretation of the immigrant experience in the United States is directly related to the themes and purposes of these National Monuments.

(c) OWNERSHIP.—The historic site shall continue to be owned, operated, and managed by the Museum.

SEC. 5. MANAGEMENT OF THE SITE.

(a) COOPERATIVE AGREEMENT.—The Secretary may enter into a cooperative agreement with the Museum to ensure the marking, interpretation, and preservation of the national historic site designated by section 4(a).

(b) TECHNICAL AND FINANCIAL ASSISTANCE.—The Secretary may provide technical and financial assistance to the Museum to mark, interpret, and preserve the historic site, including making preservation-related capital improvements and repairs.

(c) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—The Secretary, in consultation with the Museum, shall develop a general management plan for the historic site that defines the role and responsibility of the Secretary with regard to the interpretation and the preservation of the historic site.

(2) INTEGRATION WITH NATIONAL MONUMENTS.—The plan shall outline how interpretation and programming for the historic site shall be integrated and coordinated with the Statue of Liberty National Monument, Ellis Island National Monument, and Castle Clinton National Monument to enhance the story of the historic site and these National Monuments.

(3) COMPLETION.—The plan shall be completed not later than 2 years after the date of enactment of this Act.

(d) LIMITED ROLE OF SECRETARY.—Nothing in this Act authorizes the Secretary to acquire the property at 97 Orchard Street or to assume overall financial responsibility for the operation, maintenance, or management of the historic site.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

FORT DAVIS NATIONAL HISTORIC SITE

The bill (S. 1990) to authorize expansion of Fort Davis National Historic Site in Fort Davis, Texas, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1990

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

SECTION 1. EXPANSION OF FORT DAVIS NATIONAL HISTORIC SITE, FORT DAVIS, TEXAS.

The first section of the Act entitled "An Act authorizing the establishment of a national historic site at Fort Davis, Jeff Davis County, Texas", approved September 8, 1961 (75 Stat. 488; 16 U.S.C. 461 note), is amended by striking "not to exceed four hundred and sixty acres" and inserting "not to exceed 476 acres".

CENTRAL HIGH SCHOOL NATIONAL HISTORIC SITE

The Senate proceeded to consider the bill (S. 2232) to establish the Little Rock Central High School National Historic Site in the State of Arkansas, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds that—

(1) the 1954 U.S. Supreme Court decision of Brown v. Board of Education, which mandated an end to the segregation of public schools, was one of the most significant Court decisions in the history of the United States;

(2) the admission of nine African-American students, known as the "Little Rock Nine", to Little Rock's Central High School as a result of the Brown decision, was the most prominent national example of the implementation of the Brown decision, and served as a catalyst for the integration of other, previously segregated public schools in the United States;

(3) 1997 marked the 70th anniversary of the construction of Central High School, which has been named by the American Institute of Architects as "the most beautiful high school building in America";

(4) Central High School was included on the National Register of Historic Places in 1977 and

designated by the Secretary of the Interior as a National Historic Landmark in 1982 in recognition of its national significance in the development of the Civil Rights movement in the United States; and

(5) the designation of Little Rock Central High School as a unit of the National Park System will recognize the significant role the school played in the desegregation of public schools in the South and will interpret for future generations the events associated with early desegregation of southern schools.

(b) PURPOSE.—The purpose of this Act is to preserve, protect, and interpret for the benefit, education, and inspiration of present and future generations, Central High School in Little Rock, Arkansas, and its role in the integration of public schools and the development of the Civil Rights movement in the United States.

SEC. 2. ESTABLISHMENT OF CENTRAL HIGH SCHOOL NATIONAL HISTORIC SITE.

(a) ESTABLISHMENT.—The Little Rock Central High School National Historic Site in the State of Arkansas (hereinafter referred to as the "historic site") is hereby established as a unit of the National Park System. The historic site shall consist of lands and interests therein comprising the Central High School campus and adjacent properties in Little Rock, Arkansas, as generally depicted on a map entitled "Proposed Little Rock Central High School National Historic Site", numbered LIRO–20,000 and dated July, 1998. Such map shall be on file and available for public inspection in the appropriate offices of the National Park Service.

(b) ADMINISTRATION OF HISTORIC SITE.—The Secretary of the Interior (hereinafter referred to as the "Secretary") shall administer the historic site in accordance with this Act. Only those lands under the direct jurisdiction of the Secretary shall be administered in accordance with the provisions of law generally applicable to units of the National Park System including the Act of August 25, 1916 (16 U.S.C. 1, 2–4) and the Act of August 21, 1935 (16 U.S.C. 461–467). Nothing in this Act shall affect the authority of the Little Rock School District to administer Little Rock Central High School nor shall this Act affect the authorities of the City of Little Rock in the neighborhood surrounding the school.

(c) COOPERATIVE AGREEMENTS.—(1) The Secretary may enter into cooperative agreements with appropriate public and private agencies, organizations, and institutions (including, but not limited to, the State of Arkansas, the City of Little Rock, the Little Rock School District, Central High Museum, Inc., Central High Neighborhood, Inc., or the University of Arkansas) in furtherance of the purposes of this Act.

(2) The Secretary shall coordinate visitor interpretation of the historic site with the Little Rock School District and the Central High School Museum, Inc.

(d) GENERAL MANAGEMENT PLAN.—Within three years after the date funds are made available, the Secretary shall prepare a general management plan for the historic site. The plan shall be prepared in consultation and coordination with the Little Rock School District, the City of Little Rock, Central High Museum, Inc., and with other appropriate organizations and agencies. The plan shall identify specific roles and responsibilities for the National Park Service in administering the historic site, and shall identify lands or property, if any, that might be necessary for the National Park Service to acquire in order to carry out its responsibilities. The plan shall also identify the roles and responsibilities of other entities in administering the historic site and its programs. The plan shall include a management framework that ensures the administration of the historic site does not interfere with the continuing use of Central High School as an educational institution.

(e) ACQUISITION OF PROPERTY.—The Secretary is authorized to acquire by purchase with donated or appropriated funds by exchange, or donation the lands and interested therein located within the boundaries of the historic site: Provided, That the Secretary may only acquire lands or interests therein within the consent of the owner thereof: Provided further, That lands or interests therein owned by the State of Arkansas or a political subdivision thereof, may only be acquired by donation or exchange.

SEC. 3. DESEGREGATION IN PUBLIC EDUCATION THEME STUDY.

(a) THEME STUDY.—Within two years after the date funds are made available, the Secretary shall prepare and transmit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a National Historic Landmark Theme Study (hereinafter referred to as the "theme study") on the history of desegregation in public education. The purpose of the theme study shall be to identify sites, districts, buildings, structures, and landscapes that best illustrate or commemorate key events or decisions in the historical movement to provide for racial desegregation in public education. On the basis of the theme study, the Secretary shall identify possible new national historic landmarks appropriate to this theme and prepare a list in order of importance or merit of the most appropriate sites for national historic landmark designation.

(b) OPPORTUNITIES FOR EDUCATION AND RESEARCH.—The theme study shall identify appropriate means to establish linkages between sites identified in subsection (a) and between those sites and the Central High School National Historic Site established in section 2, and with other existing units of the National Park System to maximize opportunities for public education and scholarly research on desegregation in public education. The theme study also shall recommend opportunities for cooperative arrangements with State and local governments, educational institutions, local historical organizations, and other appropriate entities to preserve and interpret key sites in the history of desegregation in public education.

(c) COOPERATIVE AGREEMENTS.—The Secretary may enter into cooperative agreements with one or more educational institutions, public history organizations, or civil rights organizations knowledgeable about desegregation in public education to prepare the theme study and to ensure that the theme study meets scholarly standards.

(d) THEME STUDY COORDINATION WITH GENERAL MANAGEMENT PLAN.—The theme study shall be prepared as part of the preparation and development of the general management plan for the Little Rock Central High School National Historic Site established in section 2.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out this Act.

The Committee amendment was agreed to.

The bill (S. 2232), as amended, was considered read the third time and passed.

LAND AND WATER CONSERVATION FUND ACT AMENDMENTS

The Senate proceeded to consider the bill (S. 1333) to amend the Land and Water Conservation Fund Act of 1965 to allow national park units that cannot charge entrance or admission fee to retain other fees and charges, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. USE OF CERTAIN RECREATIONAL FEES.

Section 4(i)(1) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a(i)(1)) is amended by adding at the end the following:

"(C) UNITS AT WHICH ENTRANCE FEES OR ADMISSIONS FEES CANNOT BE COLLECTED.—

"(i) WITHHOLDING OF AMOUNTS.—Notwithstanding subparagraph (A), section 315(c) of section 101(c) of the Omnibus Consolidated Recessions and Appropriations Act of 1996 (16 U.S.C. 460l–6a note; Public Law 104–134), or section 107 of the Department of the Interior and Related Agencies Appropriations Act, 1998 (16 U.S.C. 460l–6a note; Public Law 105–83), the Secretary of the Interior shall withhold from the special account under subparagraph (A) 100 percent of the fees and charges collected in connection with any unit of the National Park System at which entrance fees or admission fees cannot be collected by reason of deed restrictions.

"(ii) USE OF AMOUNTS.—Amounts withheld under clause (i) shall be retained by the Secretary and shall be available, without further Act of appropriation, for expenditure by the Secretary for the unit with respect to which the amounts were collected for the purposes of enhancing the quality of the visitor experience, protection of resources, repair and maintenance, interpretation, signage, habitat or facility enhancement, resource preservation, annual operation (including fee collection), maintenance, and law enforcement."

The Committee amendment was agreed to.

The bill (S. 1333), as amended, was considered read the third time and passed.

DELAWARE AND LEHIGH NATIONAL HERITAGE CORRIDOR ACT AMENDMENTS OF 1998

The Senate proceeded to consider the bill (S. 1665) to reauthorize the Delaware and Lehigh Navigation Canal National Heritage Corridor Act, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

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

S. 1665

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 "Delaware and Lehigh National Heritage Corridor Act Amendments of 1998".

SEC. 2. NAME CHANGE.

The Delaware and Lehigh Navigation Canal National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4552) is amended by striking "Delaware and Lehigh Navigation Canal National Heritage Corridor" each place it appears (except section 4(a)) and inserting "Delaware and Lehigh National Heritage Corridor".

SEC. 3. PURPOSE.

Section 3(b) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100–692; 102 Stat. 4552) is amended—

(1) by inserting after "subdivisions" the following: "in enhancing economic development within the context of preservation and"; and

(2) by striking "and surrounding the Delaware and Lehigh Navigation Canal in the Commonwealth" and inserting "the Corridor".

SEC. 4. CORRIDOR COMMISSION.

(a) MEMBERSHIP.—Section 5(b) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4553) is amended—

(1) in the matter preceding paragraph (1), by striking "appointed not later than 6 months after the date of enactment of this Act";

(2) by striking paragraph (2) and inserting the following:

[''(2) 3 individuals appointed by the Secretary from among individuals recommended by the Governor, of whom—]

''(2) 3 individuals appointed by the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 1 shall represent the Pennsylvania Department of Conservation and Natural Resources;

''(B) 1 shall represent the Pennsylvania Department of Community and Economic Development; and

''(C) 1 shall represent the Pennsylvania Historical and Museum Commission.'';

(3) in paragraph (3), by striking "the Secretary, after receiving recommendations from the Governor, of whom" and all that follows through "Delaware Canal region" and inserting the follow-

[ing: "the Secretary from among individuals recommended by the Governor, of whom—]

ing: ''the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 1 shall represent a city, 1 shall represent a borough, and 1 shall represent a township; and

''(B) 1 shall represent each of the 5 counties of Luzerne, Carbon, Lehigh, Northampton, and Bucks in Pennsylvania''; and

(4) in paragraph (4)—

(A) by striking "8 individuals" and inserting "9 individuals"; and

(B) by striking "the Secretary, after receiving recommendations from the Governor, who shall have" and all that follows through "Canal region. A vacancy" and inserting the [following: "the Secretary from among individuals recommended by the Governor, of whom—]

following, ''the Secretary upon consideration of individuals recommended by the governor, of whom—

''(A) 3 shall represent the northern region of the Corridor;

''(B) 3 shall represent the middle region of the Corridor; and

''(C) 3 shall represent the southern region of the Corridor.

A vacancy''.

(b) TERMS.—Section 5 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4553) is amended by striking subsection (c) and inserting the following:

''(c) TERMS.—The following provisions shall apply to a member of the Commission appointed under paragraph (3) or (4) of subsection (b):

''(1) LENGTH OF TERM.—The member shall serve for a term of 3 years.

''(2) CARRYOVER.—The member shall serve until a successor is appointed by the Secretary.

''(3) REPLACEMENT.—If the member resigns or is unable to serve due to incapacity or death, the Secretary shall appoint, not later than 60 days after receiving a nomination of the appointment from the Governor, a new member to serve for the remainder of the term.

''(4) TERM LIMITS.—A member may serve for not more than 2 full terms starting after the date of enactment of this paragraph.''.

[(c) CONFIRMATION.—Section 5 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4553) is amended by adding at the end the following:

[''(h) CONFIRMATION.—The Secretary shall accept or reject an appointment under paragraph (3) or (4) of subsection (b) not later than 60 days after receiving a nomination of the appointment from the Governor.''.]

SEC. 5. POWERS OF THE COMMISSION.

(a) CONVEYANCE OF REAL ESTATE.—Section 7(g)(3) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4555) is amended in the first sentence by inserting "or nonprofit organization" after "appropriate public agency".

(b) COOPERATIVE AGREEMENTS.—Section 7(h) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4555) is amended—

(1) in the first sentence, by inserting "any nonprofit organization," after "subdivision of the Commonwealth,"; and

(2) in the second sentence, by inserting "such nonprofit organization," after "such political subdivision,".

[(c) GRANTS AND LOANS.—Section 7 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4554) is amended—

[(1) by redesignating subsection (i) as subsection (j); and

[(2) by inserting after subsection (h) the following:

[''(i) GRANTS AND LOANS.—The Commission may administer any grant or loan from amounts—

[''(1) appropriated to the Commission for the purpose of providing a grant or loan; or

[''(2) donated or otherwise made available to the Commission for the purpose of providing a grant or loan.''.]

SEC. 6. DUTIES OF THE COMMISSION.

Section 8(b) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4556) is amended in the matter preceding paragraph (1) by inserting ", cultural, natural, recreational, and scenic" after "interpret the historic".

SEC. 7. TERMINATION OF THE COMMISSION.

Section 9(a) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4556) is amended by striking "5 years after the date of enactment of this Act" and inserting "10 years after the date of enactment of the Delaware and Lehigh National Heritage Corridor Act Amendments of 1997".

SEC. 8. DUTIES OF OTHER FEDERAL ENTITIES.

Section 11 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4557) is amended in the matter preceding paragraph (1) by striking "the flow of the Canal or the natural" and [inserting "the historic, cultural, natural, recreational, or scenic".]

inserting ''directly affecting the purposes of the Corridor''.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) COMMISSION.—Section 12(a) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4558) is amended by striking "$350,000" and inserting "$650,000".

(b) MANAGEMENT ACTION PLAN.—Section 12 of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4558) is amended by adding at the end the following:

''(c) MANAGEMENT ACTION PLAN.—

''(1) IN GENERAL.—To implement the management action plan created by the Commission, there is authorized to be appropriated $1,000,000 for each of fiscal years 1998 through 2007.

''(2) LIMITATION ON EXPENDITURES.—Amounts made available under paragraph (1) shall not exceed 50 percent of the costs of implementing the management action plan.''.

SEC. 10. LOCAL AUTHORITY AND PRIVATE PROPERTY.

The Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4552) is amended—

(1) by redesignating section 13 as section 14; and

(2) by inserting after section 12 the following:

''SEC. 13. LOCAL AUTHORITY AND PRIVATE PROPERTY.

''The Commission shall not interfere with—

''(1) the private property rights of any person; or

''(2) any local zoning ordinance or land use plan of the Commonwealth of Pennsylvania or any political subdivision of Pennsylvania.''.

SEC. 11. DUTIES OF THE SECRETARY.

Section 10(d) of the Delaware and Lehigh National Heritage Corridor Act of 1988 (Public Law 100-692; 102 Stat. 4557) is amended by striking the subsection and inserting—

''(d) TECHNICAL ASSISTANCE AND GRANTS.—The Secretary, upon request of the Commission, is authorized to provide grants and technical assistance to the Commission or units of government, nonprofit organizations, and other persons, for development and implementation of the Plan.''.

The Committee amendment was agreed to

The bill (S. 1665), as amended, was read the third time and passed.

HAWAII VOLCANOES NATIONAL PARK ADJUSTMENT ACT OF 1998

The bill (S. 2129) to eliminate restrictions on the acquisition of certain land contiguous to Hawaii Volcanoes National Park, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 2129

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 "Hawaii Volcanoes National Park Adjustment Act of 1998".

SEC. 2. HAWAII VOLCANOES NATIONAL PARK.

The first section of the Act of June 20, 1938 (52 Stat. 781, chapter 530; 16 U.S.C. 391b), is amended by inserting before the period at the end the following: ", except for the land depicted on the map entitled 'NPS-PAC 1997HW', which may be purchased with donated or appropriated funds.''.

SUDBURY, ASSABET, AND CONCORD WILD AND SCENIC RIVERS ACT

The Senate proceeded to consider the bill (S. 469) to designate a portion of the Sudbury, Assabet, and Concord Rivers as a component of the National Wild and Scenic Rivers System, which had been reported from the Committee on Energy and Natural Resources, with an amendment; as follows:

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

S. 469

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 "Sudbury, Assabet, and Concord Wild and Scenic Rivers Act".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Title VII of Public Law 101-628—

(A) designated segments of the Sudbury, Assabet, and Concord Rivers in the Commonwealth of Massachusetts, totaling 29 river miles, for study and potential addition to the National Wild and Scenic Rivers System; and

(B) directed the Secretary of the Interior to establish the Sudbury, Assabet, and Concord River Study Committee to advise the Secretary of the Interior in conducting the study and the consideration of management alternatives should the river be included in the National Wild and Scenic Rivers System.

(2) The study determined the following river segments are eligible for inclusion in the National Wild and Scenic Rivers System based on their free-flowing condition and outstanding scenic, recreation, wildlife, cultural, and historic values:

(A) The 16.6-mile segment of the Sudbury River beginning at the Danforth Street Bridge in the town of Framingham, to its confluence with the Assabet River.

(B) The 4.4-mile segment of the Assabet River from 1,000 feet downstream from the Damon Mill Dam in the town of Concord to the confluence with the Sudbury River at Egg Rock in Concord.

(C) The 8-mile segment of the Concord River from Egg Rock at the confluence of the Sudbury and Assabet Rivers to the Route 3 bridge in the town of Billerica.

(3) The towns that directly abut the segments, including Framingham, Sudbury, Wayland, Lincoln, Concord, Bedford, Carlisle, and Billerica, Massachusetts, have each demonstrated their desire for National Wild and Scenic River Designation through town meeting votes endorsing designation.

(4) During the study, the Study Committee and the National Park Service prepared a comprehensive management plan for the segment, entitled "Sudbury, Assabet and Concord Wild and Scenic River Study, River Conservation Plan", dated March 16, 1995, which establishes objectives, standards, and action programs that will ensure long-term protection of the rivers' outstanding values and compatible management of their land and water resources.

(5) The Study Committee voted unanimously on February 23, 1995, to recommend that the Congress include these segments in the National Wild and Scenic Rivers System for management in accordance with the River Conservation Plan.

SEC. 3. DESIGNATION.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following new paragraph:

["( ) SUDBURY, ASSABET, AND CONCORD RIVERS, MASSACHUSETTS.—The 29 miles of river segments in Massachusetts consisting of the Sudbury River from the Danforth Street Bridge in Framingham downstream to its confluence with the Assabet River at Egg Rock; the Assabet River from a point 1,000 feet downstream of the Damondale Dam in Concord to its confluence with the Sudbury River at Egg Rock; and the Concord River from its origin at Egg Rock in Concord downstream to the Route 3 bridge in Billerica (in this paragraph referred to as the 'segments'), as scenic and recreational river segments. The segments shall be administered by the Secretary of the Interior in cooperation with the SUASCO River Stewardship**]**

"( ) SUDBURY, ASSABET AND CONCORD RIVERS, MASSACHUSETTS.—The 29 miles of river segments in Massachusetts, as follows—

"(A) the 14.9-mile segment of the Sudbury River beginning at the Danforth Street Bridge in the town of Framingham, downstream to the Route 2 Bridge in Concord, as a scenic river;

"(B) the 1.7-mile segment of the Sudbury River from the Route 2 Bridge downstream to its confluence with the Assabet River at Egg Rock, as a recreational river;

"(C) the 4.4-mile segment of the Assabet River beginning 1,000 feet downstream from the Damon Mill Dam in the town of Concord, to its confluence with the Sudbury River at Egg Rock in Concord; as a recreational river; and

"(D) the 8-mile segment of the Concord River from Egg Rock at the confluence of the Sudbury and Assabet Rivers downstream to the Route 3 Bridge in the town of Billerica, as a recreational river.

The segments shall be administered by the Secretary of the Interior in cooperation with the SUASCO River Stewardship Council provided for in the plan through cooperative agreements under section 10(e) between the Secretary and the Commonwealth of Massachusetts and its relevant political subdivisions (including the towns of Framingham, Wayland, Sudbury, Lincoln, Concord, Carlisle, Bedford, and Billerica). The segments shall be managed in accordance with the plan entitled 'Sudbury, Assabet and Concord Wild and Scenic River Study, River Conservation Plan' dated March 16, 1995. The plan is deemed to satisfy the requirement for a comprehensive management plan under section 3(d).".

SEC. 4. MANAGEMENT.

(a) FEDERAL ROLE.—(1) The Director of the National Park Service or his or her designee shall represent the Secretary in the implementation of the Plan and the provisions of this Act and the Wild and Scenic Rivers Act with respect to each of the segments designated by section 3, including the review of proposed federally assisted water resources projects that could have a direct and adverse effect on the values for which the segment is established, as authorized under section 7(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1278(a)).

(2) Pursuant to sections 10(e) and section 11(b)(1) of the Wild and Scenic Rivers Act (16 U.S.C. 1281(e), 1282(b)(1)), the Director shall offer to enter into cooperative agreements with the Commonwealth of Massachusetts, its relevant political subdivisions, the Sudbury Valley Trustees, and the Organization for the Assabet River. Such cooperative agreements shall be consistent with the Plan and may include provisions for financial or other assistance from the United States to facilitate the long-term protection, conservation, and enhancement of each of the segments designated by section 3 of this Act.

(3) The Director may provide technical assistance, staff support, and funding to assist in the implementation of the Plan, except that the total cost to the Federal Government of activities to implement the Plan may not exceed $100,000 each fiscal year.

(4) Notwithstanding section 10(c) of the Wild and Scenic Rivers Act (16 U.S.C. 1281(c)), any portion of a segment not already within the National Park System shall not under this Act—

(A) become a part of the National Park System;

(B) be managed by the National Park Service; or

(C) be subject to regulations which govern the National Park System.

(b) WATER RESOURCES PROJECTS.—(1) In determining whether a proposed water resources project would have a direct and adverse effect on the values for which the segments designated under section 3 were included in the National Wild and Scenic Rivers System, the Secretary shall specifically consider the extent to which the project is consistent with the Plan.

(2) The Plan, including the detailed Water Resources Study incorporated by reference therein and such additional analysis as may be incorporated in the future, shall serve as the primary source of information regarding the flows needed to maintain instream resources and potential compatibility between resource protection and possible additional water withdrawals.

(c) LAND MANAGEMENT.—(1) The zoning bylaws of the towns in Framingham, Sudbury, Wayland, Lincoln, Concord, Carlisle, Bedford, and Billerica, Massachusetts, as in effect on the date of enactment of this Act, are deemed to satisfy the standards and requirements under section 6(c) of the Wild and Scenic rivers Act (16 U.S.C. 1277(c)). For the purpose of that section, the towns are deemed to be "villages" and the provisions of that section which prohibit Federal acquisition of lands through condemnation shall apply.

(2) The United States Government shall not acquire by any means title to land, easements, or other interests in land along the segments designated under section 3 or their tributaries for the purposes of designation of the segments under section 3. Nothing in this Act shall prohibit Federal acquisition of interests in land along those segments or tributaries under other laws for other purposes.

SEC. 5. DEFINITIONS.

In this Act:

(1) DIRECTOR.—The term "Director" means the Director of the National Park Service.

(2) PLAN.—The term "Plan" means the plan prepared by the Study Committee and the National Park Service entitled "Sudbury, Assabet and Concord Wild and Scenic River Study, River Conservation Plan" and dated March 16, 1995.

(3) STUDY COMMITTEE.—The term "Study Committee" means the Sudbury, Assabet, and Concord River Study Committee established by the Secretary of the Interior under title VII of Public Law 101-628.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Secretary of the Interior to carry out this Act not to exceed $100,000 for each fiscal year.

The committee amendment was agreed to.

The bill (S. 469), as amended, was considered read the third time and passed.

GRANT-KOHRS RANCH NATIONAL HISTORIC SITE

The bill (S. 2272) to amend the boundaries of Grant-Kohrs Ranch National Historic Site in the State of Montana, was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 2272

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 "Grant-Kohrs Ranch National Historic Site Boundary Adjustment Act of 1998".

SEC. 2. ADDITIONS TO GRANT-KOHRS RANCH NATIONAL HISTORIC SITE.

The Act entitled "An Act to authorize the establishment of the Grant-Kohrs Ranch National Historic Site in the State of Montana, and for other purposes", approved August 25, 1972 (86 Stat. 632), is amended by striking the last sentence in the first section and inserting: "The boundary of the National Historic Site shall be as generally described on a map entitled, "Boundary Map, Grant-Kohrs Ranch National Historic Site", numbered 80030-B, and dated January, 1998, which shall be on file and available for public inspection in the local and Washington, District of Columbia, offices of the National Park Service, Department of the Interior.".

WEIR FARM NATIONAL HISTORIC SITE

The Senate proceeded to consider the bill (S. 1718) to amend the Weir Farm National Historic Site Establishment Act of 1990 to authorize the acquisition of additional acreage for the historic site to permit the development of visitor and administrative facilities and to authorize the appropriation of additional amounts for the acquisition of real and personal property, which had been reported from the Committee on Energy and Natural Resources, with an amendment; as follows:

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

S. 1718

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

SECTION 1. WEIR FARM NATIONAL HISTORIC SITE, CONNECTICUT.

(a) ACQUISITION OF LAND FOR VISITOR AND ADMINISTRATIVE FACILITIES.—Section 4 of the Weir Farm National Historic Site Establishment Act of 1990 (16 U.S.C. 461 note; Public Law 101-485; 104 Stat. 1171) is amended by adding at the end the following:

"(d) ACQUISITION OF LAND FOR VISITOR AND ADMINISTRATIVE FACILITIES; LIMITATIONS.—

"(1) ACQUISITION.—

"(A) IN GENERAL.—To preserve and maintain the historic setting and character of the historic site, the Secretary may acquire not more than 15 additional acres for the development of visitor and administrative facilities for the historic site.

"(B) PROXIMITY.—The property acquired under this subsection shall be contiguous to or in close proximity to the property described in subsection (b).

"(C) MANAGEMENT.—The acquired property shall be included within the boundary of the historic site and shall be managed and maintained as part of the historic site.

["(2) DEVELOPMENT.—

["(A) IN GENERAL.—The Secretary shall keep development of the property acquired under paragraph (1) to a minimum so that the character of the acquired property will be similar to the natural and undeveloped landscape of the property described in subsection (b).

["(B) PARKING AREA.—Any parking area for the resulting visitor and administrative facility shall not exceed 30 spaces.

["(C) SALES.—Items sold in the visitor facilities—

["(i) shall be limited to educational and interpretive materials related to the purpose of the historic site; and

["(ii) shall not include food.**]**

"(2) DEVELOPMENT.—The Secretary shall keep development of the property acquired under paragraph (1) to a minimum so that the character of the acquired property will be similar to the natural and undeveloped landscape of the property described in subsection (b).

"(3) AGREEMENTS.—Prior to and as a prerequisite to any development of visitor and administrative facilities on the property acquired under paragraph (1), the Secretary shall enter into 1 or more agreements with the appropriate zoning authority of the town of Ridgefield, Connecticut, and the town of Wilton, Connecticut, for the purposes of—

"(A) developing the parking, visitor, and administrative facilities for the historic site; and

"(B) managing bus traffic to the historic site and limiting parking for large tour buses to an offsite location.".

(b) INCREASE IN MAXIMUM ACQUISITION AUTHORITY.—Section 7 of the Weir Farm National Historic Site Act of 1990 (16 U.S.C. 461 note; Public Law 101-485; 104 Stat. 1173) is amended by striking "$1,500,000" and inserting "$4,000,000".

The committee amendment was agreed to.

The bill (S. 1718), as amended, was considered read the third time and passed.

ARCHES NATIONAL PARK EXPANSION ACT OF 1998

The Senate proceeded to consider the bill (S. 2106) to expand the boundaries of Arches National Park, Utah, to include portions of certain drainages are under the jurisdiction of the Bureau of Land Management, and to include a portion of Fish Seep Draw owned by the State of Utah, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment; as follows:

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

S. 2106

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 "Arches National Park Expansion Act of 1998".

SEC. 2. EXPANSION OF ARCHES NATIONAL PARK, UTAH.

(a) BOUNDARY EXPANSION.—The first section of Public Law 92-155 (16 U.S.C. 272) is amended—

(1) by striking "That (a) subject to" and inserting the following:

"SECTION 1. ESTABLISHMENT OF PARK.

"(a) IN GENERAL.—

"(1) INITIAL BOUNDARIES.—Subject to"; and

(2) by striking "Such map" and inserting the following:

"(2) EXPANDED BOUNDARIES.—Effective on the date of enactment of this paragraph, the boundary of the park shall include the area consisting of approximately 3,140 acres and known as the 'Lost Spring Canyon Addition', as depicted on the map entitled 'Boundary Map, Arches National Park, Lost Spring Canyon Addition', numbered 138/60,000-B, and dated April 1997.

"(3) MAPS.—The maps described in paragraphs (1) and (2)".

(b) INCLUSION OF LAND IN PARK.—Section 2 of Public Law 92-155 (16 U.S.C. 272a) is amended—

(1) by striking "SEC. 2. The Secretary" and inserting the following:

"SEC. 2. ACQUISITION OF PROPERTY.

"(a) IN GENERAL.—The Secretary"; and

(2) by adding at the end the following:

"(b) LOST SPRING CANYON ADDITION.—As soon as practicable after the date of enactment of this subsection, the Secretary shall transfer jurisdiction over the Federal land contained in the Lost Spring Canyon Addition from the Bureau of Land Management to the National Park Service.".

(c) LIVESTOCK GRAZING.—Section 3 of Public Law 92-155 (16 U.S.C. 272b) is amended—

(1) by striking "SEC. 3. Where" and inserting the following:

"SEC. 3. LIVESTOCK GRAZING.

"(a) IN GENERAL.—In a case in which"; and

(2) by adding at the end the following:

"(b) LOST SPRING CANYON ADDITION.—

"(1) CONTINUATION OF GRAZING LEASES, PERMITS, AND LICENSES.—In the case of any grazing lease, permit, or license with respect to land in the Lost Spring Canyon Addition that was issued before the date of enactment of this subsection, the Secretary shall, subject to periodic renewal, continue the grazing lease, permit, or license for a period equal to the lifetime of the holder of the grazing lease, permit, or license as of that date plus the lifetime of any direct descendants of the holder born before that date.

"(2) RETIREMENT.—A grazing lease, permit, or license described in paragraph (1) shall be permanently retired at the end of the period described in paragraph (1).

"(3) PERIODIC RENEWAL.—Until the expiration of the period described in paragraph (1), the holder (or descendant of the holder) of a grazing lease, permit, or license shall be entitled to renew the lease, permit, or license periodically, subject to such limitations, conditions, or regulations as the Secretary may prescribe.

"(4) SALE.—A grazing lease, permit, or license described in paragraph (1) may be sold during the period described in paragraph (1) only on the condition that the purchaser shall, immediately upon acquisition, permanently retire the lease, permit, or license.

"(5) TAYLOR GRAZING ACT.—Nothing in this subsection affects other provisions concerning leases, permits, or licenses under the Act of June 28, 1934 (commonly known as the 'Taylor Grazing Act') (48 Stat. 1269, chapter 865; 43 U.S.C. 315 et seq.).

"(6) ADMINISTRATION.—Any portion of a grazing lease, permit, or license with respect to land in the Lost Spring Canyon Addition shall be administered by the National Park Service.".

(d) WITHDRAWAL FROM MINERAL ENTRY AND LEASING; PIPELINE MANAGEMENT.—Section 5 of Public Law 92–155 (16 U.S.C. 272d) is amended—

[(1) by striking "SEC. 5. (a) The National Park Service" and inserting the following:

["SEC. 5. ADMINISTRATION, PROTECTION, AND DEVELOPMENT.

["(a) IN GENERAL.—The Director of the National Park Service"; and]

(1) by striking subsection (a) and inserting the following:

"(a) IN GENERAL.—The Secretary shall administer, protect and develop the park in accordance with the provisions of the law generally applicable to units of the National Park System, including the Act entitled 'An Act to establish a National Park Service, and for other purposes', approved August 25, 1916 (39 Stat. 535)"; and

(2) by striking subsection (b) and inserting the following:

"(b) LOST SPRING CANYON ADDITION.—

"(1) WITHDRAWAL.—Subject to valid existing rights, all Federal land in the Lost Spring Canyon Addition is appropriated and withdrawn from entry, location, selection, leasing, or other disposition under the public land laws (including the mineral leasing laws).

"(2) EFFECT.—The inclusion of the Lost Spring Canyon Addition in the park shall not affect the operation or maintenance by the Northwest Pipeline Corporation (or its successors or assigns) of the natural gas pipeline and related facilities located in the Lost Spring Canyon Addition on the date of enactment of this paragraph.".

(e) EFFECT ON SCHOOL TRUST LAND.—

(1) FINDINGS.—Congress finds that—

(A) a parcel of State school trust land, more specifically described as section 16, township 23 south, range 22 east, of the Salt Lake base and meridian, is partially contained within the Lost Spring Canyon Addition included within the boundaries of Arches National Park by the amendment by subsection (a);

(B) the parcel was originally granted to the State of Utah for the purpose of generating revenue for the public schools through the development of natural and other resources located on the parcel; and

(C) it is in the interest of the State of Utah and the United States for the parcel to be exchanged for Federal land of equivalent value outside the Lost Spring Canyon Addition to permit Federal management of all lands within the Lost Spring Canyon Addition.

(2) LAND EXCHANGE.—Public Law 92–155 (16 U.S.C. 272 et seq.) is amended by adding at the end the following:

"SEC. 8. LAND EXCHANGE INVOLVING SCHOOL TRUST LAND.

"(a) EXCHANGE REQUIREMENT.—

"(1) IN GENERAL.—If, not later than 1 year after the date of enactment of this section, and in accordance with this section, the State of Utah offers to transfer all right, title, and interest of the State in and to the school trust land described in subsection (b)(1) to the United States, the Secretary—

"(A) shall accept the offer on behalf of the United States; and

"(B) not later than 180 days after the date of acceptance, shall convey to the State of Utah all right, title, and interest of the United States in and to the land described in subsection (b)(2).

"(2) SIMULTANEOUS CONVEYANCES.—Title to the school trust land shall be conveyed at the same time as conveyance of title to the Federal lands by the Secretary.

"(3) VALID EXISTING RIGHTS.—The land exchange under this section shall be subject to valid existing rights, and each party shall succeed to the rights and obligations of the other party with respect to any lease, right-of-way, or permit encumbering the exchanged land.

"(b) DESCRIPTION OF PARCELS.—

"(1) STATE CONVEYANCE.—The school trust land to be conveyed by the State of Utah under subsection (a) is section 16, Township 23 South, Range 22 East of the Salt Lake base and meridian.

"(2) FEDERAL CONVEYANCE.—The Federal land to be conveyed by the Secretary consists of approximately 639 acres, described as lots 1 through 12 located in the S½N½ and the N½N½N½S½ of section 1, Township 25 South, Range 18 East, Salt Lake base and meridian.

"(3) EQUIVALENT VALUE.—The Federal land described in paragraph (2) shall be considered to be of equivalent value to that of the school trust land described in paragraph (1).

"(c) MANAGEMENT BY STATE.—

"(1) IN GENERAL.—At least 60 days before undertaking or permitting any surface disturbing activities to occur on land acquired by the State of Utah under this section, the State shall consult with the Utah State Office of the Bureau of Land Management concerning the extent and impact of such activities on Federal land and resources and conduct, in a manner consistent with Federal law, inventory, mitigation, and management activities in connection with any archaeological, paleontological, and cultural resources located on the acquired lands.

"(2) PRESERVATION OF EXISTING USES.—To the extent that it is consistent with applicable law governing the use and disposition of State school trust land, the State shall preserve existing grazing, recreational, and wildlife uses of the acquired lands in existence on the date of enactment of this section.

"(3) ACTIVITIES AUTHORIZED BY MANAGEMENT PLAN.—Nothing in this subsection precludes the State of Utah from authorizing or undertaking a surface or mineral activity that is authorized by a land management plan for the acquired land.

"(d) IMPLEMENTATION.—Administrative actions necessary to implement the land exchange under this section shall be completed not later than 180 days after the date of enactment of this section.".

The committee amendment was agreed to. The bill (S. 2106), as amended was considered, read the third time an passed.

GLACIER BAY NATIONAL PARK BOUNDARY ADJUSTMENT ACT OF 1998

The bill (H.R. 3903) to provide for an exchange of lands located near Gustavus, Alaska, and for other purposes. was considered, ordered to a third reading, read the third time, and passed.

GALLATIN LAND CONSOLIDATION ACT OF 1998

The bill (H.R. 3381) to direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co. and other entities, was considered read the third time, and passed.

UNANIMOUS CONSENT AGREEMENT—H.R. 2186 AND S. 1719

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the following bills, en bloc: Calendar No. 564, H.R. 2186 and Calendar No. 572, S. 1719.

I ask unanimous consent that amendment No. 3680, to H.R. 2186 and amendment No. 3681 to S. 1719 be considered agreed to the appropriate bills, en bloc. I further ask consent that any committee amendments be agreed to as necessary, the bills be read the third time and passed, any title amendments be agreed to, and the motions to reconsider be laid upon the table, any statements relating to the measures appear at this point in the RECORD, and the preceding all occur en bloc.

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

NATIONAL HISTORIC TRAILS INTERPRETIVE CENTER

The Senate proceeded to consider the bill (H.R. 2186) to authorize the Secretary of the Interior to provide assistance to the National Historic Trails Interpretive Center in Casper, Wyoming.

The amendment (No. 3680) was agreed to, as follows:

AMENDMENT NO. 3680

(Purpose: To delete concession provisions)

On page 6, beginning on line 2 strike "and, subject to the availability of appropriations," and insert "and".

On page 6 line 12 strike "subject to appropriations,".

On page 6 strike section [e] in its entirety and renumber the remaining sections accordingly.

The bill (H.R. 2186), as amended, was passed.

GALLATIN LAND CONSOLIDATION ACT OF 1998

The Senate proceeded to consider the bill (S. 1719) to direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co., which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Gallatin Land Consolidation Act of 1998".

SEC. 2. FINDINGS.

Congress finds that—

(1) the land north of Yellowstone National Park possesses outstanding natural characteristics and wildlife habitats that make the land a valuable addition to the National Forest System;

(2) it is in the interest of the United States to establish a logical and effective ownership pattern for the Gallatin National Forest, reducing long-term costs for taxpayers and increasing and improving public access to the forest;

(3) it is in the interest of the United States for the Secretary of Agriculture to enter into an Option Agreement for the acquisition of land owned by Big Sky Lumber Co. to accomplish the purposes of this Act;

(4) other private property owners are willing to enter into exchanges that further improve the ownership pattern of the Gallatin National Forest; and

(5) BSL, acting in good faith, has shouldered many aspects of the financial burden of the appraisal and subsequent option and exchange process.

SEC. 3. DEFINITIONS.

In this Act:

(1) BLM LAND.—The term "BLM land" means approximately 2,000 acres of Bureau of Land Management land (including all appurtenances to the land) that is proposed to be acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(2) BSL.—The term "BSL" means Big Sky Lumber Co., an Oregon joint venture, and its successors and assigns, and any other entities having a property interest in the BSL land.

(3) BSL LAND.—The term "BSL land" means approximately 54,000 acres of land (including all appurtenances to the land except as provided in section 4(e)(1)(D)(i)) owned by BSL that is proposed to be acquired by the Secretary of Agriculture, as depicted in Exhibit A to the Option Agreement.

(4) EASTSIDE NATIONAL FORESTS.—The term "Eastside National Forests" means national forests east of the Continental Divide in the State of Montana, including the Beaver Head National Forest, Deer Lodge National Forest, Helena National Forest, Custer National Forest, and Lewis and Clark National Forest.

(5) NATIONAL FOREST SYSTEM LAND.—The term "National Forest System land" means approximately 29,000 acres of land (including all appurtenances to the land) owned by the United States in the Gallatin National Forest, Flathead National Forest, Deer Lodge National Forest, Helena National Forest, Lolo National Forest, and Lewis and Clark National Forest that is proposed to be acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(6) OPTION AGREEMENT.—The term "Option Agreement" means—

(A) the document signed by BSL, dated July 29, 1998 and entitled "Option Agreement for the Acquisition of Big Sky Lumber Co. Lands Pursuant to the Gallatin Range Consolidation and Protection Act of 1993";

(B) the exhibits and maps attached to the document described in subparagraph (A); and

(C) an exchange agreement to be entered into between the Secretary and BSL and made part of the document described in subparagraph (A).

(7) SECRETARY.—The "Secretary" means the Secretary of Agriculture.

SEC. 4. GALLATIN LAND CONSOLIDATION COMPLETION.

(a) IN GENERAL.—Notwithstanding any other provision of law, and subject to the terms and conditions of the Option Agreement—

(1) if BSL offers title acceptable to the Secretary to the BSL land—

(A) the Secretary shall accept a warranty deed to the BSL land and a quit claim deed to agreed to mineral interests in the BSL land;

(B) the Secretary shall convey to BSL, subject to valid existing rights and to other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary and BSL, fee title to the National Forest System land; and

(C) the Secretary of the Interior shall convey to BSL, by patent or otherwise, subject to valid existing rights and other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary of the Interior and BSL, fee title to the BLM land;

(2) if BSL places title in escrow acceptable to the Secretary to 11½ sections of the BSL land in the Taylor Fork area as set forth in the Option Agreement—

(A) the Secretary shall place Federal land in the Bangtail and Doe Creek areas of the Gallatin National Forest, as identified in the Option Agreement, in escrow pending conveyance to the Secretary of the Taylor Fork land, as identified in the Option Agreement in escrow;

(B) the Secretary, subject to the availability of appropriations, shall purchase 7½ sections of BSL land in the Taylor Fork area held in escrow and identified in the Option Agreement at a purchase price of $4,150,000 plus interest at a rate acceptable to the Secretary; and

(C) the Secretary shall acquire the 4 Taylor Fork sections identified in the Option Agreement remaining in escrow, and any of the 6 sections referred to in subparagraph (B) for which appropriations are not available, by providing BSL with timber sale receipts from timber sales on the Gallatin National Forest and other eastside national forests in the State of Montana in accordance with subsection (c); and

(3)(A) as appropriated funds or timber sale receipts are received by BSL—

(i) the deeds to an equivalent value of BSL Taylor Fork land held in escrow shall be released and conveyed to the Secretary; and

(ii) the escrow of deeds to an equivalent value of Federal land shall be released to the Secretary in accordance with the terms of the Option Agreement; or

(B) if appropriated funds or timber sale receipts are not provided to BSL as provided in the Option Agreement, BSL shall be entitled to receive patents and deeds to an equivalent value of the Federal land held in escrow.

(b) VALUATION.—

(1) IN GENERAL.—The property and other assets exchanged or conveyed by BSL and the United States under subsection (a) shall be approximately equal in value, as determined by the Secretary.

(2) DIFFERENCE IN VALUE.—To the extent that the property and other assets exchanged or conveyed by BSL or the United States under subsection (a) are not approximately equal in value, as determined by the Secretary, the values shall be equalized in accordance with methods identified in the Option Agreement.

(c) TIMBER SALE PROGRAM.—

(1) IN GENERAL.—The Secretary shall implement a timber sale program, according to the terms and conditions identified in the Option Agreement and subject to compliance with applicable environmental laws, judicial decisions, and acts beyond the control of the Secretary, to generate sufficient timber receipts to purchase the portions of the BSL land in Taylor Fork identified in the Option Agreement.

(2) IMPLEMENTATION.—In implementing the timber sale program—

(A) the Secretary shall provide BSL with a proposed annual schedule of timber sales;

(B) as set forth in the Option Agreement, receipts generated from the timber sale program shall be deposited by the Secretary in a special account established by the Secretary and paid by the Secretary to BSL;

(C) receipts from the Gallatin National Forest shall not be subject to the Act of May 23, 1908 (16 U.S.C. 500); and

(D) the Secretary shall fund the timber sale program at levels determined by the Secretary to be commensurate with the preparation and administration of the identified timber sale program.

(d) RIGHTS-OF-WAY.—As specified in the Option Agreement—

(1) the Secretary, under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), shall convey to BSL such easements in or other rights-of-way over National Forest System land for access to the land acquired by BSL under this Act for all lawful purposes; and

(2) BSL shall convey to the United States such easements in or other rights-of-way over land owned by BSL for all lawful purposes, as may be agreed to by the Secretary and BSL.

(e) QUALITY OF TITLE.—

(1) DETERMINATION.—The Secretary shall review the title for the BSL land described in subsection (a) and, within 45 days after receipt of all applicable title documents from BSL, determine whether—

(A) the applicable title standards for Federal land acquisition have been satisfied and the quality of the title is otherwise acceptable to the Secretary of Agriculture;

(B) all draft conveyances and closing documents have been received and approved;

(C) a current title commitment verifying compliance with applicable title standards has been issued to the Secretary; and

(D) the title includes both the surface and subsurface estates without reservation or exception (except as specifically provided in this Act), including—

(i) minerals, mineral rights, and mineral interests (including severed oil and gas surface rights), subject to and excepting other outstanding or reserved oil and gas rights;

(ii) timber, timber rights, and timber interests (except those reserved subject to section 251.14 of title 36, Code of Federal Regulations, by BSL and agreed to by the Secretary);

(iii) water, water rights, ditch, and ditch rights;

(iv) geothermal rights; and

(v) any other interest in the property.

(2) CONVEYANCE OF TITLE.—

(A) IN GENERAL.—If the quality of title does not meet Federal standards or is otherwise determined to be unacceptable to the Secretary of Agriculture, the Secretary shall advise BSL regarding corrective actions necessary to make an affirmative determination under paragraph (1).

(B) TITLE TO SUBSURFACE ESTATE.—Title to the subsurface estate shall be conveyed by BSL to the Secretary in the same form and content as that estate is received by BSL from Burlington Resources Oil & Gas Company Inc. and Glacier Park Company.

(f) TIMING OF IMPLEMENTATION.—

(1) LAND-FOR-LAND EXCHANGE.—The Secretary shall accept the conveyance of land described in subsection (a) not later than 45 days after the Secretary has made an affirmative determination of quality of title.

(2) LAND-FOR-TIMBER SALE RECEIPT EXCHANGE.—As provided in subsection (c) and the Option Agreement, the Secretary shall make timber receipts described in subsection (a)(3) available not later than December 31 of the fifth full calendar year that begins after the date of enactment of this Act.

(3) PURCHASE.—The Secretary shall complete the purchase of BSL land under subsection (a)(4) not later than 30 days after the date on which appropriated funds are made available and an affirmative determination of quality of title is made with respect to the BSL land.

SEC. 5. OTHER FACILITATED EXCHANGES.

(a) AUTHORIZED EXCHANGES.—

(1) IN GENERAL.—The Secretary shall enter into the following land exchanges if the landowners are willing:

(A) Wapiti land exchange, as outlined in the documents entitled "Non-Federal Lands in Facilitated Exchanges" and "Federal Lands in Facilitated Exchanges" and dated July 1998.

(B) Eightmile/West Pine land exchange as outlined in the documents entitled "Non-Federal Lands in Facilitated Exchanges" and "Federal Lands in Facilitated Exchanges" and dated July 1998.

(2) EQUAL VALUE.—Before entering into an exchange under paragraph (1), the Secretary shall determine that the parcels of land to be exchanged are of approximately equal value, based on an appraisal.

(b) SECTION 1 OF THE TAYLOR FORK LAND.—

(1) IN GENERAL.—The Secretary is encouraged to pursue a land exchange with the owner of section 1 of the Taylor Fork land after completing a full public process and an appraisal.

(2) REPORT.—The Secretary shall report to Congress on the implementation of paragraph (1) not later than 180 days after the date of enactment of this Act.

SEC. 6. GENERAL PROVISIONS.

(a) MINOR CORRECTIONS.—

(1) IN GENERAL.—The Option Agreement shall be subject to such minor corrections and supplemental provisions as may be agreed to by the Secretary and BSL.

(2) NOTIFICATION.—The Secretary shall notify the Committee on Energy and Natural Resources of the Senate, the Committee on Resources of the House of Representatives, and each member of the Montana congressional delegation of any changes made under this subsection.

(3) BOUNDARY ADJUSTMENT.—

(A) IN GENERAL.—The boundary of the Gallatin National Forest is adjusted in the Wineglass and North Bridger area, as described on maps dated July 1998, upon completion of the conveyances.

(B) NO LIMITATION.—Nothing in this subsection limits the authority of the Secretary to adjust the boundary pursuant to section 11 of the Act of March 1, 1911 (commonly known as the "Weeks Act") (16 U.S.C. 521).

(C) ALLOCATION OF LAND AND WATER CONSERVATION FUND MONEYS.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), boundaries of the Gallatin National Forest shall be considered to be the boundaries of the National Forest as of January 1, 1965.

(b) PUBLIC AVAILABILITY.—The Option Agreement—

(1) shall be on file and available for public inspection in the office of the Supervisor of the Gallatin National Forest; and

(2) shall be filed with the county clerk of each of Gallatin County, Park County, Madison County, Granite County, Broadwater County, Meagher County, Flathead County, and Missoula County, Montana.

(c) COMPLIANCE WITH OPTION AGREEMENT.—The Secretary, the Secretary of the Interior, and BSL shall comply with the terms and conditions of the Option Agreement except to the extent that any provision of the Option Agreement conflicts with this Act.

(d) CONVEYANCE OF TIMBER.—After completion of the land-for-land exchange under section 4(a)(1), the Secretary shall convey to BSL 1,000,000 board feet of timber from roaded land in the Gallatin National Forest, which—

(1) shall be treated as reserved timber under section 251.14 of title 36, Code of Federal Regulations; and

(2) shall not be considered as part of the appraisal value of land exchanged under this Act.

(e) STATUS OF LAND.—All land conveyed to the United States under this Act shall be added to and administered as part of the Gallatin National Forest and Deerlodge National Forest, as appropriate, in accordance with the Act of March 1, 1911 (5 U.S.C. 515 et seq.), and other laws (including regulations) pertaining to the National Forest System.

(f) MANAGEMENT.—

(1) PUBLIC PROCESS.—Not later than 30 days after the date of completion of the land-for-land exchange under section 4(f)(1), the Secretary shall initiate a public process to amend the Gallatin National Forest Plan and the Deerlodge National Forest Plan to integrate the acquired land into the plans.

(2) PROCESS TIME.—The amendment process under paragraph (1) shall be completed as soon as practicable, and in no event later than 540 days after the date on which the amendment process is initiated.

(3) LIMITATION.—An amended management plan shall not permit surface occupancy on the acquired land for access to reserved or outstanding oil and gas rights or for exploration or development of oil and gas.

(4) INTERIM MANAGEMENT.—Pending completion of the forest plan amendment process under paragraph (1), the Secretary shall—

(A) manage the acquired land under the standards and guidelines in the applicable land and resource management plans for adjacent land managed by the Forest Service; and

(B) maintain all existing public access to the acquired land.

(g) RESTORATION.—

(1) IN GENERAL.—The Secretary shall implement a restoration program including reforestation and watershed enhancements to bring the acquired land and surrounding national forest land into compliance with Forest Service standards and guidelines.

(2) STATE AND LOCAL CONSERVATION CORPS.—In implementing the restoration program, the Secretary shall, when practicable, use partnerships with State and local conservation corps, including the Montana Conservation Corps, under the Public Lands Corps Act of 1993 (16 U.S.C. 1721 et seq.).

(h) IMPLEMENTATION.—The Secretary of Agriculture shall ensure that sufficient funds are made available to the Gallatin National Forest to carry out this Act.

(i) REVOCATIONS.—Notwithstanding any other provision of law, any public orders withdrawing lands identified in the Option Agreement from all forms of appropriation under the public land laws are revoked upon conveyance of the lands by the Secretary.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

FEDERAL LANDS IN FACILITATED EXCHANGES

EIGHTMILE/WEST PINE (WILSON)
(Gallatin NF)

Parcel & map #	Legal description	County	Ranger district	Acres
	T5S, R8E, Sec 6, Lots 1–7, S½NE¼, SE¼NW¼, E½SW¼, SE¼	Park	Livingston	643.62
	Total			643.62

WAPITI (KELSEY)
(Gallatin NF)

Parcel & map #	Legal description	County	Ranger district	Acres
1	T9S, R4E, Sec 9, SW¼SW¼	Gallatin	Hebgen Lake	40
2	T9S, R4E, Sec 7, Lot 3 (portion S. of T. Fork Rd.) Lot 4, SW¼SW¼, E½SE¼SW¼.	Gallatin	Hebgen Lake	*77
3	T9S, R3E, Sec 12, SE¼NE¼NW¼, NW¼SE¼, S½SE¼	Gallatin	Hebgen Lake	130
	Total			*247
	Total Federal (NFS) lands in facilitated exchanges			*891

** Acres approximate—Survey needed.*

NON-FEDERAL LANDS IN FACILITATED EXCHANGES

EIGHTMILE/WEST PINE (WILSON)
(Gallatin NF)

Parcel & map #	Legal description	County	Acres
	T4S, R8E, Sec 7, all	Park	640.00
	Total		640.00

WAPITI (KELSEY)
(Gallatin NF)

Parcel & map #	Legal description	County	Acres
	T9S, R3E, Sec 25, S½	Gallatin	320.00
	Total		320.00
	Total non-Federal lands in facilitated exchanges		*960
	Total BSL and other non-Federal lands		*55,097

* Approximate.

Amend the title so as to read: "To direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co. and other entities.".

The amendment (No. 3681) was agreed to.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

The committee amendment, as amended, was agreed to.

The bill (S. 1719), as amended, was passed, as follows:

S. 1719

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 "Gallatin Land Consolidation Act of 1998".

SEC. 2. FINDINGS.

Congress finds that—

(1) the land north of Yellowstone National Park possesses outstanding natural characteristics and wildlife habitats that make the land a valuable addition to the National Forest System;

(2) it is in the interest of the United States to establish a logical and effective ownership pattern for the Gallatin National Forest, reducing long-term costs for taxpayers and increasing and improving public access to the forest;

(3) it is in the interest of the United States for the Secretary of Agriculture to enter into an Option Agreement for the acquisition of land owned by Big Sky Lumber Co. to accomplish the purposes of this Act; and

(4) other private property owners are willing to enter into exchanges that further improve the ownership pattern of the Gallatin National Forest.

SEC. 3. DEFINITIONS.

In this Act:

(1) BLM LAND.—The term "BLM land" means approximately 2,000 acres of Bureau of Land Management land (including all appurtenances to the land) that is proposed to be acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(2) BSL.—The term "BSL" means Big Sky Lumber Co., an Oregon joint venture, and its successors and assigns, and any other entities having a property interest in the BSL land.

(3) BSL LAND.—The term "BSL land" means approximately 54,000 acres of land (including all appurtenances to the land except as provided in section 4(e)(1)(D)(i)) owned by BSL that is proposed to be acquired by the Secretary of Agriculture, as depicted in Exhibit A to the Option Agreement.

(4) EASTSIDE NATIONAL FORESTS.—The term "Eastside National Forests" means national forests east of the Continental Divide in the State of Montana, including the Beaverhead National Forest, Deerlodge National Forest, Helena National Forest, Custer National Forest, and Lewis and Clark National Forest.

(5) NATIONAL FOREST SYSTEM LAND.—The term "National Forest System land" means approximately 29,000 acres of land (including all appurtenances to the land) owned by the United States in the Gallatin National Forest, Flathead National Forest, Deerlodge National Forest, Helena National Forest, Lolo National Forest, and Lewis and Clark National Forest that is proposed to be acquired by BSL, as depicted in Exhibit B to the Option Agreement.

(6) OPTION AGREEMENT.—The term "Option Agreement" means—

(A) the document signed by BSL, dated July 29, 1998 and entitled "Option Agreement for the Acquisition of Big Sky Lumber Co. Lands Pursuant to the Gallatin Range Consolidation and Protection Act of 1993";

(B) the exhibits and maps attached to the document described in subparagraph (A); and

(C) an exchange agreement to be entered into between the Secretary and BSL and made part of the document described in subparagraph (A).

(7) SECRETARY.—The "Secretary" means the Secretary of Agriculture.

SEC. 4. GALLATIN LAND CONSOLIDATION COMPLETION.

(a) IN GENERAL.—Notwithstanding any other provision of law, and subject to the terms and conditions of the Option Agreement—

(1) if BSL offers title acceptable to the Secretary to the BSL land—

(A) the Secretary shall accept a warranty deed to the BSL land and a quit claim deed to agreed to mineral interests in the BSL land;

(B) the Secretary shall convey to BSL, subject to valid existing rights and to other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary and BSL, fee title to the National Forest System land; and

(C) the Secretary of the Interior shall convey to BSL, by patent or otherwise, subject to valid existing rights and other terms, conditions, reservations, and exceptions as may be agreed to by the Secretary of the Interior and BSL, fee title to the BLM land;

(2) if BSL places title in escrow acceptable to the Secretary to 11½ sections of the BSL land in the Taylor Fork area as set forth in the Option Agreement—

(A) the Secretary shall place Federal land in the Bangtail and Doe Creek areas of the Gallatin National Forest, as identified in the Option Agreement, in escrow pending conveyance to the Secretary of the Taylor Fork land, as identified in the Option Agreement in escrow;

(B) the Secretary, subject to the availability of funds, shall purchase 7½ sections of BSL land in the Taylor Fork area held in escrow and identified in the Option Agreement at a purchase price of $4,150,000; and

(C) the Secretary shall acquire the 4 Taylor Fork sections identified in the Option Agreement remaining in escrow, and any of the 6 sections referred to in subparagraph (B) for which funds are not available, by providing BSL with timber sale receipts from timber sales on the Gallatin National Forest and other eastside national forests in the State of Montana in accordance with subsection (c); and

(3)(A) as funds or timber sale receipts are received by BSL—

(i) the deeds to an equivalent value of BSL Taylor Fork land held in escrow shall be released and conveyed to the Secretary; and

(ii) the escrow of deeds to an equivalent value of Federal land shall be released to the Secretary in accordance with the terms of the Option Agreement; or

(B) if funds or timber sale receipts are not provided to BSL as provided in the Option Agreement, BSL shall be entitled to receive patents and deeds to an equivalent value of the Federal land held in escrow.

(b) VALUATION.—

(1) IN GENERAL.—The property and other assets exchanged or conveyed by BSL and the United States under subsection (a) shall be approximately equal in value, as determined by the Secretary.

(2) DIFFERENCE IN VALUE.—To the extent that the property and other assets exchanged or conveyed by BSL or the United States under subsection (a) are not approximately equal in value, as determined by the Secretary, the values shall be equalized in accordance with methods identified in the Option Agreement.

(c) TIMBER SALE PROGRAM.—

(1) IN GENERAL.—The Secretary shall implement a timber sale program, according to the terms and conditions identified in the Option Agreement and subject to compliance with applicable environmental laws (including regulations), judicial decisions, memoranda of understanding, small business set-aside rules, and acts beyond the control of the Secretary, to generate sufficient timber receipts to purchase the portions of the BSL land in Taylor Fork identified in the Option Agreement.

(2) IMPLEMENTATION.—In implementing the timber sale program—

(A) the Secretary shall provide BSL with a proposed annual schedule of timber sales;

(B) as set forth in the Option Agreement, receipts generated from the timber sale program shall be deposited by the Secretary in a special account established by the Secretary and paid by the Secretary to BSL;

(C) receipts from the Gallatin National Forest shall not be subject to the Act of May 23, 1908 (16 U.S.C. 500); and

(D) the Secretary shall fund the timber sale program at levels determined by the Secretary to be commensurate with the preparation and administration of the identified timber sale program.

(d) RIGHTS-OF-WAY.—As specified in the Option Agreement—

(1) the Secretary, under the authority of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), shall convey to BSL such easements in or other rights-of-way over National Forest System land for access to the land acquired by BSL under this Act for all lawful purposes; and

(2) BSL shall convey to the United States such easements in or other rights-of-way over land owned by BSL for all lawful purposes, as may be agreed to by the Secretary and BSL.

(e) QUALITY OF TITLE.—

(1) DETERMINATION.—The Secretary shall review the title for the BSL land described in subsection (a) and, within 45 days after receipt of all applicable title documents from BSL, determine whether—

(A) the applicable title standards for Federal land acquisition have been satisfied and the quality of the title is otherwise acceptable to the Secretary of Agriculture;

(B) all draft conveyances and closing documents have been received and approved;

(C) a current title commitment verifying compliance with applicable title standards has been issued to the Secretary; and

(D) the title includes both the surface and subsurface estates without reservation or exception (except as specifically provided in this Act), including—

(i) minerals, mineral rights, and mineral interests (including severed oil and gas surface rights), subject to and excepting other outstanding or reserved oil and gas rights;

(ii) timber, timber rights, and timber interests (except those reserved subject to section 251.14 of title 36, Code of Federal Regulations, by BSL and agreed to by the Secretary);

(iii) water, water rights, ditch, and ditch rights;

(iv) geothermal rights; and

(v) any other interest in the property.

(2) CONVEYANCE OF TITLE.—

(A) IN GENERAL.—If the quality of title does not meet Federal standards or is otherwise determined to be unacceptable to the Secretary of Agriculture, the Secretary shall advise BSL regarding corrective actions necessary to make an affirmative determination under paragraph (1).

(B) TITLE TO SUBSURFACE ESTATE.—Title to the subsurface estate shall be conveyed by BSL to the Secretary in the same form and content as that estate is received by BSL from Burlington Resources Oil & Gas Company Inc. and Glacier Park Company.

(f) TIMING OF IMPLEMENTATION.—

(1) LAND-FOR-LAND EXCHANGE.—The Secretary shall accept the conveyance of land described in subsection (a) not later than 45 days after the Secretary has made an affirmative determination of quality of title.

(2) LAND-FOR-TIMBER SALE RECEIPT EXCHANGE.—As provided in subsection (c) and the Option Agreement, the Secretary shall make timber receipts described in subsection (a)(3) available not later than December 31 of the fifth full calendar year that begins after the date of enactment of this Act.

(3) PURCHASE.—The Secretary shall complete the purchase of BSL land under subsection (a)(3)(B) not later than 30 days after the date on which appropriated funds are made available and an affirmative determination of quality of title is made with respect to the BSL land.

SEC. 5. OTHER FACILITATED EXCHANGES.

(a) AUTHORIZED EXCHANGES.—

(1) IN GENERAL.—The Secretary shall enter into the following land exchanges if the landowners are willing:

(A) Wapiti land exchange, as outlined in the documents entitled "Non-Federal Lands in Facilitated Exchanges" and "Federal Lands in Facilitated Exchanges" and dated July 1998.

(B) Eightmile/West Pine land exchange as outlined in the documents entitled "Non-Federal Lands in Facilitated Exchanges" and "Federal Lands in Facilitated Exchanges" and dated July 1998.

(2) EQUAL VALUE.—Before entering into an exchange under paragraph (1), the Secretary shall determine that the parcels of land to be exchanged are of approximately equal value, based on an appraisal.

(b) SECTION 1 OF THE TAYLOR FORK LAND.—

(1) IN GENERAL.—The Secretary is encouraged to pursue a land exchange with the owner of section 1 of the Taylor Fork land after completing a full public process and an appraisal.

(2) REPORT.—The Secretary shall report to Congress on the implementation of paragraph (1) not later than 180 days after the date of enactment of this Act.

SEC. 6. GENERAL PROVISIONS.

(a) MINOR CORRECTIONS.—

(1) IN GENERAL.—The Option Agreement shall be subject to such minor corrections and supplemental provisions as may be agreed to by the Secretary and BSL.

(2) NOTIFICATION.—The Secretary shall notify the Committee on Energy and Natural Resources of the Senate, the Committee on Resources of the House of Representatives, and each member of the Montana congressional delegation of any changes made under this subsection.

(3) BOUNDARY ADJUSTMENT.—

(A) IN GENERAL.—The boundary of the Gallatin National Forest is adjusted in the Wineglass and North Bridger area, as described on maps dated July 1998, upon completion of the conveyances.

(B) NO LIMITATION.—Nothing in this subsection limits the authority of the Secretary to adjust the boundary pursuant to section 11 of the Act of March 1, 1911 (commonly known as the "Weeks Act") (16 U.S.C. 521).

(C) ALLOCATION OF LAND AND WATER CONSERVATION FUND MONEYS.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460*l*–9), boundaries of the Gallatin National Forest shall be considered to be the boundaries of the National Forest as of January 1, 1965.

(b) PUBLIC AVAILABILITY.—The Option Agreement—

(1) shall be on file and available for public inspection in the office of the Supervisor of the Gallatin National Forest; and

(2) shall be filed with the county clerk of each of Gallatin County, Park County, Madison County, Granite County, Broadwater County, Meagher County, Flathead County, and Missoula County, Montana.

(c) COMPLIANCE WITH OPTION AGREEMENT.—The Secretary, the Secretary of the Interior, and BSL shall comply with the terms and conditions of the Option Agreement except to the extent that any provision of the Option Agreement conflicts with this Act.

(d) STATUS OF LAND.—All land conveyed to the United States under this Act shall be added to and administered as part of the Gallatin National Forest and Deerlodge National Forest, as appropriate, in accordance with the Act of March 1, 1911 (5 U.S.C. 515 et seq.), and other laws (including regulations) pertaining to the National Forest System.

(e) MANAGEMENT.—

(1) PUBLIC PROCESS.—Not later than 30 days after the date of completion of the land-for-land exchange under section 4(f)(1), the Secretary shall initiate a public process to amend the Gallatin National Forest Plan and the Deerlodge National Forest Plan to integrate the acquired land into the plans.

(2) PROCESS TIME.—The amendment process under paragraph (1) shall be completed as soon as practicable, and in no event later than 540 days after the date on which the amendment process is initiated.

(3) LIMITATION.—An amended management plan shall not permit surface occupancy on the acquired land for access to reserved or outstanding oil and gas rights or for exploration or development of oil and gas.

(4) INTERIM MANAGEMENT.—Pending completion of the forest plan amendment process under paragraph (1), the Secretary shall—

(A) manage the acquired land under the standards and guidelines in the applicable land and resource management plans for adjacent land managed by the Forest Service; and

(B) maintain all existing public access to the acquired land.

(f) RESTORATION.—

(1) IN GENERAL.—The Secretary shall implement a restoration program including reforestation and watershed enhancements to bring the acquired land and surrounding national forest land into compliance with Forest Service standards and guidelines.

(2) STATE AND LOCAL CONSERVATION CORPS.—In implementing the restoration program, the Secretary shall, when practicable, use partnerships with State and local conservation corps, including the Montana Conservation Corps, under the Public Lands Corps Act of 1993 (16 U.S.C. 1721 et seq.).

(g) IMPLEMENTATION.—The Secretary of Agriculture shall ensure that sufficient funds are made available to the Gallatin National Forest to carry out this Act.

(i) REVOCATIONS.—Notwithstanding any other provision of law, any public orders withdrawing lands identified in the Option Agreement from all forms of appropriation under the public land laws are revoked upon conveyance of the lands by the Secretary.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The title was amended so as to read: "To direct the Secretary of Agriculture and the Secretary of the Interior to exchange land and other assets with Big Sky Lumber Co. and other entities.".

GALLATIN LAND CONSOLIDATION ACT OF 1998

Mr. BAUCUS. Mr. President, I am delighted that the Senate has taken up and passed S. 1719 and H.R. 3381, the Gallatin Land Consolidation Act of 1998. S. 1719, a bill that I have sponsored and that my good colleague Senator BURNS has cosponsored, is identical to H.R. 3381, a bill sponsored by Montana Congressman RICK HILL that has already passed the House. These bills complete the Gallatin Land Exchange process—an effort that began almost ten years ago.

In 1993, I had the pleasure of sponsoring the Gallatin Land Consolidation and Protection Act that completed phase 1 of this exchange. Like S. 1719, that bill was co-sponsored by Senator BURNS. The House companion in that case was carried by my good friend and

colleague, former Representative Pat Williams from Montana.

Together, these bills represent a bipartisan effort where members from both sides of the aisle have worked in a cooperative spirit for the good of Montana. And these bills represent a broad community consensus in Montana about the needs of the Gallatin area for today and for tomorrow.

Mr. President, let me tell you why these bills are good for Montana and good for America. In the early 1990s when we first began this process, the federal government owned every other section of land in the Gallatin Range. As people in the area were fond of saying, you could play checkers from Bozeman, Montana to the Yellowstone border.

And while this pattern might be good for checkers, it was bad for just about every other purpose. The Forest Service could not manage this unwieldy land ownership pattern. Imagine the frustration of trying to manage every other section of land for elk habitat as houses and subdivisions spring up in the middle of your forest. And this pattern kept the public from even being able to access their public lands.

Mr. President, this pattern may have made sense when it was created as part of the railroad land grants over a hundred years ago, but it does not make sense today.

And that is why I am pleased that we have put our backs into this effort and, after ten years, are finally poised to complete this project. The pending legislation is supported by Montanans from all walks of life. Hunters and fishermen support the exchange because it will protect important habitat for elk and moose and will protect important fisheries. Conservationists support the exchange because it protects important grizzly bear habitat in the Taylor Fork. Loggers support the exchange because it will help deliver trees to the local mill in Livingston, Montana. And local homeowners, from the Taylor Fork to Bridger Canyon, all have endorsed this exchange.

This consensus did not just happen. It was the result of a lot of hard work. I met personally with representatives from each of these groups and walked the lands involved in this exchange. I heard the concerns of Mike Liebleson from the Bridger Canyon Property Owners Association and I heard the concerns from George and Patricia Leffingwell. And we addressed their concerns. And we addressed the concerns of Montana small mills represented by the Independent Forest Products Association. And we met the concerns of the Greater Yellowstone Coalition, The Wilderness Society and other local conservation organizations. And last, but certainly not least, we worked closely with the Forest Service and the Administration to try to make sure that this bill reflected their needs.

Throughout this process, the private party to this exchange, Big Sky Lumber Company, has acted in good faith. They have made numerous unilateral concessions to increase the environmental benefits of this exchange and to address public concerns. Their attorney, Joe Sabol, has been instrumental in pulling this package together. Without his efforts and those of Bob Dennee, Lands Specialist for the Gallatin National Forest, and Kurt Alt, Wildlife Biologist for the Montana Department of Fish, Wildlife and Parks, none of this would have been possible.

Mr. President, this has been a community effort. And, as a result, it reflects a community consensus. This is the way that we should resolve issues in the West.

STAR PRINT—REPORT TO ACCOMPANY S. 1719

Mr. HAGEL. Mr. President, I ask unanimous consent that the report to accompany S. 1719 be star printed with the changes that are at the desk.

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

GREAT LAKES FISH AND WILDLIFE RESTORATION ACT OF 1998

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 599, H.R. 1481.

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

The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 1481) to amend the Great Lakes Fish and Wildlife Restoration Act of 1990 to provide for implementation of recommendations of the United States Fish and Wildlife Service contained in the Great Lakes Fishery Resources Restoration Study.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

• Mr. GLENN. Mr. President, I would like to thank my colleagues for taking the time today to consider this legislation which is so important to my region.

I introduced The Great Lakes Fish and Wildlife Restoration Act GLFWRA of 1997 as S. 659 in the Senate in April of 1997, in coordination with the introduction of the companion bill, H.R. 1481, in the House by Congressman STEVE LATOURETTE. It's been a long process, but one in which bipartisan and bicameral cooperation at every step of the process served to create a better and stronger bill to serve the needs of the Great Lakes region.

The Great Lakes Fish and Wildlife Restoration Act has eight Senate sponsors, including myself, and twenty-eight of our colleagues on the House are also cosponsors. This bill represents the consensus of a diverse collaboration of tribal, state, federal and international agencies with jurisdiction over the management of fish and wildlife resources of the Great Lakes. The bill also has received favorable review and broad support of organizations throughout the Great Lakes region for the approach it takes toward restoration of the ecological integrity of the Great Lakes ecosystem.

The primary purpose of the Great Lakes Fish and Wildlife Restoration Act is to implement proposals that address recommendations put forth by the Great Lakes Fishery Resources Restoration Study. To this end, the Act reauthorizes the existing Great Lakes Coordination and Great Lakes Fishery Resources Offices. The bill also sets up a proposal review committee under the guidance of the existing Council of Lake Committees to review grant proposals and identify projects of the highest priority for the restoration of the fish and wildlife resources of the Great Lakes Basin. The Act encourages, supports, and coordinates Federal and non-federal cooperative habitat restoration and natural resource management programs in the Great Lakes Basin.

The Great Lakes Fish and Wildlife Restoration Act represents a new generation of environmental legislation, one that recognizes the complexity and inter-relatedness of ecosystems. This act seeks to address natural resource management in a comprehensive and conscientious manner by building partnerships among the Great Lakes states, U.S. and Canadian governments, and native American Tribes. Through regional cooperation, I believe we can address the environmental and economic concerns of the Great Lakes Basin and continue on the road towards the recovery of this precious natural and national resource. By passing this legislation, we in the Congress will be taking the right next step toward responsible stewardship of the Great Lakes as we venture into the new millennium.

This fall, as I look back on the earth from space, I will be sure to look down on the Great Lakes. I know that they will be a cleaner, safer place for both humans and wildlife to live than they were at the time of my last flight because of the efforts we have made over the past decades. With the passage of this legislation, I will also be sure that they will continue to become even cleaner, safer places where fish and wildlife communities, and the human communities who enjoy them can continue to prosper.

Mr. LEVIN. I would like to ask the distinguished sponsor of the Senate bill if he could comment on whether or not the bill, H.R. 1481, is intended to provide Indian Tribes in the Great Lakes

region with any fish and wildlife management authority beyond that contained in existing treaty provisions and as recognized by Federal courts.

Mr. GLENN. The bill's provision appointing tribal representatives to the committee created by the bill is not intended to expand their existing authorities.

Mr. ABRAHAM. Would the Senator from Ohio provide a further clarification that the Senate intends that the committee created in the bill will provide its recommendations under the guidance and direction of the Council of Lake Committees of the Great Lakes Fishery Commission?

Mr. GLENN. The Senator from Michigan is correct. That is the intent.

Mr. LEVIN. I thank the Senator from Ohio for his assistance and, as an original cosponsor of S. 659, I applaud his efforts to move this important legislation expeditiously.•

Mr. HAGEL. Mr. President, I ask unanimous consent that the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 1481) was considered read the third time, and passed.

COASTAL BARRIER RESOURCES SYSTEM MAP CORRECTION

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 660, S. 2469.

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

The clerk will report.

A bill (S. 2469) to direct the Secretary of the Interior to make technical corrections to a map relating to the Coastal Barrier Resources System.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with amendments, as follows:

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

S. 2469

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

[SECTION 1. FINDINGS AND PURPOSE.

[(a) FINDINGS.—Congress finds that—**]**

[(1) Coastal Barrier Resources System unit FL–35P was designated under the Coastal Barrier Improvement Act of 1990 (Public Law 101–591) to include Florida State conservation land within the Coastal Barrier Resources System;

[(2) unit FL–35P is an "otherwise protected area", a designation that was intended to include land held for conservation purposes;

[(3) the boundary of unit FL–35P runs through a portion of the Ocean Reef Harbor Course South development, which was in existence on the date of enactment of the 1990 Act;

[(4) at the time unit FL–35P was designated, 9 residences were located in the portion of the development that was included within the boundaries of the unit;

[(5) the 11.7 acres comprising that portion are not held for conservation purposes, and are not an inholding within conservation land;

[(6) the United States Fish and Wildlife Service has received certificates of occupancy and corresponding plat maps from Monroe County, Florida, verifying that a portion of unit FL–35P was developed, and accordingly that the portion referred to in paragraph (5) was mistakenly included in the Coastal Barrier Resources System; and

[(7) modification of the boundary of unit FL–35P to exclude the 11.7-acre parcel referred to in paragraph (5) would constitute a valid technical correction.

[(b) PURPOSE.—The purpose of this Act is to make a technical correction to unit FL–35P of the Coastal Barrier Resources System to exclude from the unit the 11.7-acre parcel of developed property that was mistakenly included in the unit.

[SEC. 2. CORRECTIONS TO MAP.]

SECTION 1. CORRECTIONS TO MAP.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in sub-**[**section (b) as are necessary to ensure that depictions of areas on the map are consistent with the depictions of areas appearing on the map entitled "Amendments to the Coastal Barrier Resources System", dated August 31, 1998, and on file with the Secretary.**]** *section (b) as are necessary to exclude—*

(1) the lots that, as of the date of enactment of this Act, are located on Harbor Island Drive and Baker Road; and

(2) the adjacent body of water;

within the Ocean Reef Harbor Course South development.

(b) MAP DESCRIBED.—The map described in this subsection is the map that—

(1) is included in a set of maps entitled "Coastal Barrier Resources System", dated October 24, 1990; and

(2) relates to unit FL–35P of the Coastal Barrier Resources System.

Mr. HAGEL. Mr. President, I ask unanimous consent that the committee amendments be agreed to, the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriated place in the RECORD.

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

The committee amendments were agreed to.

The bill (S. 2469), as amended, was considered read the third time, and passed, as follows:

S. 2469

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

SECTION 1. CORRECTIONS TO MAP.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in subsection (b) as are necessary to exclude—

(1) the lots that, as of the date of enactment of this Act, are located on Harbor Island Drive and Baker Road; and

(2) the adjacent body of water;

within the Ocean Reef Harbor Course South development.

(b) MAP DESCRIBED.—The map described in this subsection is the map that—

(1) is included in a set of maps entitled "Coastal Barrier Resources System", dated October 24, 1990; and

(2) relates to unit FL–35P of the Coastal Barrier Resources System.

COASTAL BARRIER RESOURCES SYSTEM MAP CORRECTION

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 661, S. 2470.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2470) to direct the Secretary of the Interior to make technical corrections to a map relating to the Coastal Barrier Resources System.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. CORRECTION OF MAP.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in subsection (b) as are necessary to exclude Pumpkin Key from the Coastal Barrier Resources System.

(b) MAP DESCRIBED.—The map described in this subsection is the map that—

(1) is included in a set of maps entitled "Coastal Barrier Resources System", dated October 24, 1990; and

(2) relates to unit FL–35 of the Coastal Barrier Resources System.

Mr. HAGEL. Mr. President, I ask unanimous consent that the Committee substitute be agreed to, the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The committee amendment was agreed to.

The bill (S. 2470), as amended, as considered read the third time, and passed.

COASTAL BARRIER RESOURCES SYSTEM MAP CORRECTION-UNIT SC–03, SOUTH CAROLINA

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 662, S. 2474.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2474) to direct the Secretary of the Interior to make corrections to certain maps relating to the Coastal Barrier Resources System.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with an amendment, as follows:

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

S. 2474

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

SECTION 1. CORRECTIONS TO COASTAL BARRIER RESOURCES SYSTEM MAPS.

(a) UNIT SC–03.–

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in paragraph (2) as are necessary to ensure that depictions of areas on the map are consistent with the depictions of areas appearing on the map entitled "Amendments to the Coastal Barrier Resources System", dated May 15, 1997, and on file with the **[**Committee on Resources of the House of Representatives**]** *Secretary of the Interior.*

(2) MAP.—The map described in this paragraph is the map that—

(A) is included in the set of maps entitled "Coastal Barrier Resources System" and dated October 24, 1990; and

(B) relates to unit SC–03 of the Coastal Barrier Resources System.

Mr. HAGEL. Mr. President, I ask unanimous consent that the committee amendment be agreed to, the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The committee amendment was agreed to.

The bill (S. 2474), as amended, was considered read the third time, and passed, as follows:

S. 2474

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

SECTION 1. CORRECTIONS TO COASTAL BARRIER RESOURCES SYSTEM MAPS.

(a) UNIT SC–03.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in paragraph (2) as are necessary to ensure that depictions of areas on that map are consistent with the depictions of areas appearing on the map entitled "Amendments to the Coastal Barrier Resources System", dated May 15, 1997, and on file with the Secretary of the Interior.

(2) MAP.—The map described in this paragraph is the map that—

(A) is included in the set of maps entitled "Coastal Barrier Resources System" and dated October 24, 1990; and

(B) relates to unit SC–03 of the Coastal Barrier Resources System.

COASTAL BARRIER RESOURCES SYSTEM MAP CORRECTIONS

Mr. HAGEL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 659, S. 2351.

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

The clerk will report.

A bill (S. 2351) to direct the Secretary of the Interior to make corrections to a map relating to the Coastal Barrier Resources System.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with an amendment, as follows:

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

S. 2351

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

SECTION 1. CORRECTIONS TO MAP.

[(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in subsection (b) as are necessary to move on that map the northeastern boundary of the otherwise protected area (as defined in section 12 of the Coastal Barrier Improvement Act of 1990 (16 U.S.C. 3503 note; Public Law 101–591)) to the Cape Henlopen State Park boundary to the extent necessary to exclude from the otherwise protected area the adjacent property owned, as of the date of enactment of this Act, by the Barcroft Company and Cape Shores Associates (which are privately held corporations under the law of the State of Delaware).**]**

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in subsection (b) as are necessary to move on that map the boundary of the otherwise protected area (as defined in section 12 of the Coastal Barrier Improvement Act of 1990 (16 U.S.C. 3503 note; Public Law 101–591)) to the Cape Henlopen State Park boundary to the extent necessary—

(1) to exclude from the otherwise protected area the adjacent property leased, as of the date of enactment of this Act, by the Barcroft Company and Cape Shores Associates (which are privately held corporations under the law of the State of Delaware); and

(2) to include in the otherwise protected area the northwestern corner of Cape Henlopen State Park seaward of the Lewes and Rehoboth Canal.

(b) MAP DESCRIBED.—The map described in this subsection is the map that is included in a set of maps entitled "Coastal Barrier Resources System", dated October 24, 1990, as revised October 15, 1992, and that relates to the unit of the Coastal Barrier Resources System entitled "Cape Henlopen Unit DE–03P".

Mr. HAGEL. Mr. President, I ask unanimous consent that the committee amendment be agreed to, the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The committee amendment was agreed to.

The bill (S. 2351), as amended, was considered read the third time, and passed, as follows:

S. 2351

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

SECTION 1. CORRECTIONS TO MAP.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of the Interior shall make such corrections to the map described in subsection (b) as are necessary to move on that map the boundary of the otherwise protected area (as defined in section 12 of the Coastal Barrier Improvement Act of 1990 (16 U.S.C. 3503 note; Public Law 101–591)) to the Cape Henlopen State Park boundary to the extent necessary—

(1) to exclude from the otherwise protected area the adjacent property leased, as of the date of enactment of this Act, by the Barcroft Company and Cape Shores Associates (which are privately held corporations under the law of the State of Delaware); and

(2) to include in the otherwise protected area the northwestern corner of Cape Henlopen State Park seaward of the Lewes and Rehoboth Canal.

(b) MAP DESCRIBED.—The map described in this subsection is the map that is included in a set of maps entitled "Coastal Barrier Resources System", dated October 24, 1990, as revised October 15, 1992, and that relates to the unit of the Coastal Barrier Resources System entitled "Cape Henlopen Unit DE–03P".

ORDERS FOR MONDAY, OCTOBER 5, 1998

Mr. HAGEL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 11 a.m on Monday, October 5. I further ask that the time for the two leaders be reserved.

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

Mr. HAGEL. I further ask unanimous consent that there then be a period for the transaction of morning business until 2 p.m., with Senators permitted to speak for up to 10 minutes each, with the following exceptions: Senator MACK, 15 minutes; Senator ASHCROFT in control of 1 hour between 11 a.m. and 12 noon; Senator BAUCUS in control of the time between 1 and 2 p.m.

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

PROGRAM

Mr. HAGEL. Mr. President, for the information of all Senators, on Monday

the Senate will convene at 11 a.m. and begin a period of morning business until 2 p.m. Following morning business, it will be the leader's intention to begin consideration of the Agriculture appropriations conference report under a short time agreement. The Senate may also resume consideration of S. 442, the Internet tax bill.

At 5:30 p.m., under a previous order, the Senate will proceed to a vote on the motion to invoke cloture on the motion to proceed to H.R. 10, the financial services modernization bill. Further votes could occur following the cloture vote in relation to the motion to proceed, and if consent is granted, votes on or in relation to the agriculture conference report, the Internet tax bill, or any other legislative or executive items cleared for action.

Members are reminded that a cloture petition was filed today on the Internet tax bill. That vote will occur on Tuesday. Therefore, Members have until 1 p.m. on Monday to file first-degree amendments.

ORDER FOR RECESS

Mr. HAGEL. Mr. President, if there is no further business to come before the Senate, I ask that the Senate now stand in recess under the previous order, following the remarks of Senators AKAKA and SESSIONS.

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

Mr. HAGEL. I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii, Mr. AKAKA.

HELP OUR STUDENTS LEARN

Mr. AKAKA. Mr. President, yesterday I stood with the President and several of my Democratic colleagues to call on the Republican leadership to focus their attention on the children of America. Millions of American children in schools across the United States are being denied the basic education foundation they need to succeed.

In Hawaii, thousands of children waited with anticipation for the new school year. Parents took their children to buy school supplies, new clothes, and other back-to-school preparations. However, many of these students entered or returned to schools that are so inadequate that they cannot receive a quality education. Our children are being asked to learn in environments that are not conducive to learning, and may even be dangerous. But still, these young, bright-eyed, captivated children go day-after-day to schools seeking to learn the wonders of the world.

Mr. President, Congress has the moral responsibility to ensure that we provide our children access to quality education. President Clinton recently called on Congress to enact several education initiatives that will improve education facilities, ensure that the education curriculum challenges and engages our students, and provide teachers and administrators the resources they need to teach and support our children.

These proposals work together to strengthen our nation's schools. First, we need to build and modernize our nation's schools. We continue to demand that our workforce compete in the demanding high technology marketplace, yet we educate children in schools that do not have access to the information superhighway, let alone the physical capabilities to support the demand for access. Many of Hawaii's schools were built over 50 years ago, before schools required a computer in every classroom. For example, I recently received a e-mail from a concerned parent whose child attends Hickam Elementary School. The parents had decided to hold a teachers' breakfast for the faculty at the school. They turned on the air conditioning in the office and the library and blew the fuses—the electrical wiring was unable to handle the demand for the increased energy required by the air conditioners. If the wiring cannot support air conditioners, how can it support the computers and the air conditioners needed to cool the rooms which house the computers? Although Hawaii is facing economic problems, we are not facing these problems alone. Every day 14 million students attend schools that need extensive repair and replacement, like Hickam Elementary School. Almost 60 percent of America's schools reported at least one major building feature in disrepair.

As we continue to rely on technological advances to improve education for our children, schools need to be capable of supporting these increasing demands. Hickam is not the only school in Hawaii experiencing this hardship; many schools in Hawaii face this problem. Administrators must choose whether to cool the library so that children can read and learn, or turn on the computers in their labs. This should not be. We need to assist schools in making the investments to improve existing facilities or allow them to build new facilities to meet the growing technological demands. We must commit ourselves to ensuring that our children are able to learn in a comfortable and safe environment. That is why I support efforts to rebuild, modernize, and reduce overcrowding in more than 5,000 public schools through Federal support that would pay the interest on nearly $22 billion in bonds to help improve the schools across the country, including Hawaii.

But a new school loaded with technology gizmos is not enough. Ensuring access to such advancements does not guarantee success. We must also invest in our teachers. We chide teachers for being unqualified, but we fail to provide them the support needed to succeed. We lament the teacher shortage, but fail to provide the resources to recruit quality individuals. And, we have a growing problem with teacher retention, yet we fail to give teachers the respect they deserve and acknowledge that teaching is a very complex and difficult profession.

As my colleagues know, before I came to Congress, I was a teacher. I taught elementary, intermediate, and high school students in Hawaii. I know, firsthand, the difficulties teachers face each day in their classroom. Fortunately, I taught during a time when teachers were respected and appreciated. Today, however, we take teachers for granted. We expect them to be teachers, counselors, and sometimes, even part-time parents. We fail to recognize the importance these individuals have in shaping the nature of our nation's future leaders. I am not sure when this terrible decline began, but I know that it must stop. We must raise our respect for teachers and realize that they are not the source of our education problems, nor are they the only ones that can improve our current situation.

We have a responsibility to provide the resources needed to allow our nation's teachers to succeed. We need to increase funding for teacher development programs such as technology teacher training, which helps teachers learn to use technology effectively to improve classroom instruction and enhance student learning. We need to help communities hire 100,000 new qualified teachers to allow schools to reduce there class sizes. We need to reduce the number of out-of-field teachers, particularly for new teachers who are more often assigned to teach subjects outside of their field of training and often do not have the support and mentoring to assist in their development. The First Lady said, "it takes a village to raise a child." I believe that, but I also believe that it takes a village to teach a child. Teachers, parents, administrators, and communities as a whole must be committed to ensuring that our children are provided the assistance they need to obtain a quality education.

Children are wonderful, forthright, and open individuals, particularly when they are young. It is always a treat for me to meet with young students, they often have a very truthful and direct way of putting things into perspective. Just three weeks ago, I participated in a satellite conference with third grade students from Queen Liliuokalani Elementary School and high school students from Radford and Kaimuki High Schools. The high school students are participants in E-school, a virtual school which provides on-line and satellite distance learning opportunities to students and teachers. Hawaii's Department of Education is a

national leader in the virtual school concept. Leveraging federal funding through the Technology Literacy Fund and the Technology Challenge Grants, Hawaii students are able to learn and receive over 21 high school credit courses for on-line classes. Yet, even with these wonderful achievements in Hawaii, more needs to be done. The students who participated shared with me their concerns over the lack of more capable computers, the need for greater security for the system, and the desire for more teachers who are able to use the system. Students want to learn, it is our responsibility to ensure that they have the resources available to help them achieve their goals.

We know that children learn better in small classes, particularly in the early childhood years, study after study has proven that class size makes a difference in the achievements of our children. President Clinton has requested $12 billion over 7 years to reduce the class size in grades 1 to 3. As a former teacher, I strongly believe that the proposal would significantly advance the educational achievements of our students. The average class size in the United States for grades 1 to 3 is 23. In Hawaii, the average class size for kindergarten through third grade is 21.9. How can we expect our children to be able to learn when one teacher is required to teach 21 five- to eight-year-olds. I challenge my colleagues to spend a day, just one day, at a elementary school in their State to experience firsthand the challenges in getting 21 five through eight-year-olds to pay attention to you.

Our responsibility should not stop with the school bell. As many as 5 million children are home alone after school each week. Hawaii was fortunate to have the first state-wide after-school care program. This innovative program began in 1990 under the leadership of Governor Benjamin Cayetano while he was the Lieutenant Governor. Hawaii's A-Plus program provides after-school activities to eligible students in grades K through 6. The program provides supervised enrichment and physical development activities at 171 public schools. It is available to eligible children and fees are based on a sliding scale from $6 to $55 per month.

However, many of our children in other states are not as fortunate. Only one-third of the schools in low-income neighborhood and half the schools in affluent areas offer after-school programs. Full funding for the 21st Century Community Learning Centers program would provide 400,000 children in the United States access to safe learning centers, similar to those provided in Hawaii.

First-rate facilities, quality teachers, students ready and willing to learn are important ingredients needed to ensure success for our children, but that success also needs to be based on high academic standards. We must set significant academic standards for our students to ensure that they will be able to compete in the growing global economy. We should increase funding for Goals 2000 to assist states in raising and setting academic standards that challenge and motivate students. We need to expand funding for Title I to provide the means for disadvantaged communities to develop and maintain high academic standards.

Mr. President, our schools are in disrepair, our classrooms are overcrowded, our teachers are overburdened, our children need our help now. We have a responsibility and a moral obligation to provide modern, safe facilities, reduce class sizes, provide the support for children outside of the classrooms, and support and help recruit and retain well-qualified teachers. I urge my Senate colleagues to make a concerted effort to address this vital national problem. The implications of ignoring or delaying our obligation may have ramifications that may not be so easily corrected.

Our nation's children are depending upon us to make the sacrifice and do what needs to be done. We must stand up and meet this challenge, if we do not, we will have failed our nation's children—our nation's future.

THE INTERNATIONAL RELIGIOUS FREEDOM ACT

Mr. AKAKA. Mr. President, I wish to associate myself with the remarks delivered earlier this afternoon by my friend, the senior Senator from Oklahoma (Mr. NICKLES) regarding the International Religious Freedom Act. I commend him and Senator LIEBERMAN for their leadership in advancing this legislation. I congratulate their willingness to work with the Administration and all interested parties to craft legislation that is inclusive, that preserves many options for the President, yet is strong and effective in addressing religious persecution around the world. The revisions suggested and accepted in the spirit of compromise have not weakened the core purpose or value of this legislation.

This is one of the most important pieces of foreign relations legislation this Congress will consider during this session. It proposes action against religious persecution worldwide, and establishes a structure by which the United States can more effectively investigate, monitor, and address serious violations of religious freedom, an internationally recognized human right, as well as an issue of concern to all people of faith.

The International Religious Freedom Act is a necessary step to ensure that religious persecution will not be tolerated in our conduct of foreign policy. S. 1868 seeks to promote religious freedom by establishing an Ambassador-at-Large for Religious Liberty, a Special Advisor within the White House on Religious Persecution, and a bipartisan Commission on International Religious Liberty. It also provides the President with an array of options, including economic sanctions, which he can use to respond to countries that engage in or condone religious persecution. The measure in no way constricts or mandates the conduct of American foreign policy.

This is not a Republican bill or a Democratic bill, a conservative or liberal proposal, or an effort to protect or promote any one faith. It is supported by the Episcopal Church, the Christian Coalition, the Anti-Defamation League (ADL), Catholic organizations, and other religious and human rights associations across the country. Indeed, it is an ecumenical effort supported by a bipartisan group in Congress, and it enjoys wide support among all people of faith and supporters of human rights. This is why I was honored to join Senator NICKLES, LIEBERMAN, SPECTER, and COATS, Congressmen WOLF and CLEMENT, and a diverse coalition of religious leaders this morning to urge Congressional action on the International Religious Freedom Act before adjournment.

As a longtime supporter of human rights, the defense of the right to religious freedom is as significant as IMF funding and our ongoing efforts to deal with the international financial crisis. Sadly, many of the conflicts we are witnessing today have religious intolerance at their core. It is my strong belief that if we in the United States, our allies in other nations and people of faith around the world speak out about religious liberty and call attention to religious persecution, and bring positive forces to bear in defense of religious freedom, we can advance understanding and respect for this basic human right and prevent religious intolerance from festering and exploding into conflict and violence.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from Alabama.

THE QUESTION OF IMPEACHMENT

Mr. SESSIONS. Mr. President, I had the opportunity a few moments ago to hear the distinguished Senator from Delaware talk about his views and his analysis and his historical perspective from his extensive research on the question of impeachment. I found it instructive, full of much good insight and food for thought, and I agreed with the vast majority of it.

We ought to be respectful and responsive as we go through this process. It may be that it will never even get to this body. I certainly don't hear many Senators making speeches about it. We

don't have any hearings going on in this body concerning impeachment. It is solely a decision to be made by the House first, and only then would we begin to focus on it. And I think that is the way it should be.

So far as I can tell, our attention in this body, the U.S. Senate, has in fact been on appropriations bills and other legislation that is important for the American people, and I am glad that is what has been happening.

I agree that the founders were concerned about the abuse of the impeachment process, and well they should be. They were wise people. They knew there were dangers and they discussed whether or not to have impeachment. But the important thing is they did adopt an impeachment process and they set it forth in the Constitution with good clarity, and it requires a majority vote in the House to impeach and a two-thirds vote of the sitting Members of the U.S. Senate, with the Chief Justice of the Supreme Court presiding, I assume in the President's chair. He would preside and manage the action on the floor. It would be a controlled environment with the case being presented by managers from the House following the historical rules of procedure. I believe impeachment proceedings would be handled in a dignified and proper manner. Certainly, that process is part of our Constitution and it is something we ought not to treat lightly.

Now, as to the question of politics, I, and I think every Member of this body, would be careful and very diligent to ensure that any decision they made concerning such a momentous subject as impeachment would be made on the law, on the facts, and on what is fair and just.

I do not believe politics will control this process, but, of course, to get the 67 votes, the necessary two-thirds, a substantial number of Democrats would have to vote for conviction before such an event could occur. So I think the framers thought it out carefully, and they have done a very good job in planning it out.

I hope that we do not talk politics in such a way that we create a political situation. I know the House is dealing with procedure: Some want to do it this way; some want to do it that way and some want to do it another way. Often these are legitimate debates. Who knows precisely how some of these procedural steps should be accomplished? Now, if every time you lose a vote you say it is politics and accuse the other side of politics, the charge of playing politics can be thrown back on the person making the accusation.

I think both groups—the people who are supporting the President and want to see him succeed, and those who are politically opposed to him—both need to be careful to ensure that what they do is fair and is perceived as creating a positive environment, as was done by Senator Howard Baker during Watergate. He didn't always agree with everyone, but he conducted himself in a way that brought respect to the system.

I think both parties, the Republican and the Democratic Parties, and Members of the House and Senate need to be careful about how we conduct ourselves and avoid politics and try to decide these matters on what is right and fair and just.

I don't know what others might say, but I was a Federal prosecutor. I had the opportunity over the years to be before grand juries hundreds of times. Perhaps, I have presented a thousand cases to a grand jury. I have seen people testify and tell the truth at great pain to themselves.

I would agree with Senator BIDEN that it just may be that as a matter of law, we are not in this body compelled to any conclusion because the President may have committed perjury. At the same time, I want us to not denigrate, not to too lightly respect the obligation of every citizen, when they are called in a civil case or a criminal case and placed under oath, to tell the truth, because when we do not have truth-telling in the judicial system, then the whole legal system is corrupted and can be undermined. That is so fundamental.

I have seen witnesses sweat drops of blood, but they told the truth. A businessman lately told me: "I had to give a deposition and it never occurred to me I was not required to tell the truth."

A few years ago, I had occasion to prosecute a young police officer who was, basically, I think the driver for the chief of police, a controversial chief of police, in my hometown. I liked him. He was an aggressive young African-American officer and made some good community-based changes. There were people with different views about things, and the young officer made some statements that were not true, and a lawsuit was filed. He testified in that lawsuit and later admitted what he said was not true.

It caused a big controversy in town, and in the newspapers. The people were upset, they didn't know whether the chief deserved to be kept in office or not. Finally, we found out it wasn't true. I was U.S. attorney then. We returned an indictment against that young officer for perjury in a civil case because he abused the legal system. He corrupted the legal system and caused great public damage and turmoil in the community.

I don't know what the standards are here. I don't expect to be prejudging what ought to occur in this body. But I want to say, as someone who has spent 15 years, really 17 years as a prosecutor, as someone who has been in court all my life professionally, and having seen these kinds of cases, I am telling you, we don't ever want to get in a situation in this country where we treat lightly the act of testifying falsely in a court of law. I mean that very sincerely and from my heart.

The President of the United States takes an oath to faithfully execute the duties of the Office of President, and one of those duties is to faithfully "take care that the laws of the United States be faithfully executed".

I think the Senator from Delaware has given us much insight and much food for thought. He said these are stark and momentous decisions, and they are. But at the same time, he said something else that was just right. He quoted his father saying, "This country is so big, so strong, so solid; we can handle an awful lot." I really believe that.

The process is set out in the Constitution and, as the Senator from Delaware said, this is not a constitutional crisis. Some way, we will get through it. If we follow what the Constitution says, if we let the House do its duty, and if they vote impeachment, it will come over here; if they don't vote impeachment, it won't come over here. It is set out clearly in the Constitution. I don't think there will be any doubt about the procedure to follow. I am much comforted, as I have studied the Constitution in that regard, that there won't be much confusion or doubt about how this process ought to be handled.

I thank the Senator from Delaware for his comments. They are insightful and important. All of us need to begin to think about this. I don't think we are required to be mute and not say anything about what is obviously taking place around us, never expressing an opinion about anything relating to this matter. This is not that kind of process. I think we ought to be careful and respectful and, above all, fair and just as we do this process.

TRITIUM PRODUCTION PROVISION IN THE STROM THURMOND NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. SESSIONS. Mr. President, on another subject, and the primary purpose of my being here this afternoon is to talk about the issue of tritium. It was a much debated issue in the Armed Services Committee bill.

I thank the chairman of the Senate Armed Services Committee, Senator STROM THURMOND, for his outstanding leadership, his commitment to this country and his dedication to America. He, at age 40, volunteered to fight—he was a judge—he forced his way into World War II, went off to Europe and volunteered on D-Day not just to land, he volunteered to get in one of the glider planes that they pulled up and let go and flew over the enemy lines and landed who knows where, in Belgium or

somewhere near, to form commando groups to assist in the invasion effort.

Senator THURMOND recounted, when they asked him how rough the landing was, "Well, I'll just say you didn't have to open the door, you could just walk out the side of the plane." It is kind of hard to land one of those things in hedgerows and who knows what else when they are coming down. He served his country.

I asked him, "What happened after the surrender of Germany? Were you there all the way to the surrender, STROM?"

He said, "Yes," he was there until the day of the surrender, and then he was put on a train and sent to the Pacific, but Japan surrendered before he reached the battlefront in the Pacific.

He is a true patriot and has done an outstanding job on this entire defense bill—the Strom Thurmond National Defense Authorization Act. I do appreciate his willingness to work with us as we endeavored to reach a compromise on the question of tritium.

There was a colloquy on the floor of this body yesterday between Senator WARNER, Senator KYL and Senator ROBERT SMITH. Due to Hurricane Georges ravaging my hometown of Mobile, AL, I was not able to be here. But I appreciate Senator WARNER's expressed concern for the people of our State during that colloquy. I would like to make a few comments, since I was not able to be here at that time.

First and foremost, tritium is an essential element for maintaining the safety, security and reliability of a national nuclear weapons stockpile. Without it, as Senator JON KYL alluded to yesterday, we place our ability to meet our stockpile needs under the START I treaty, by 2005, in a precarious situation.

Therefore, regardless of how passionate we may become in debating the merits of the options on this issue, let there be no doubt that the core of this discussion lies in the U.S. national interests. And we cannot compromise that issue. We cannot compromise the national security interests of the United States.

For the last several years, the Department of Energy has been pursuing a dual-track strategy in considering two technologies for tritium production: One is a commercial light water reactor and the other a proton accelerator. I firmly believe it was premature for the House of Representatives to engage in a political effort that would have eliminated one of those options; that is, the commercial light water reactor option.

I personally believe that the commercial light water reactor option would be the most cost-effective and is the most proven way to produce tritium. So, we will have that debate coming up next year. We will go into some detail about it.

But beyond my own personal belief in the commercial light water reactor option, I continue to be committed to the support of the role that the experts at the Department of Energy and the Department of Defense must have to select the best option. We have had a process that has been going on for 2 years to have them analyze the options and make a selection. I believe they are better suited to deal with these technological questions than are Members of the House and the Senate.

So I worked hard, along with Senator SHELBY and Congressman ROBERT ADERHOLT and BOB RILEY and BUD CRAMER, and other Senate and House colleagues with the Senate Armed Services Committee and the House National Security Committee on this issue.

We did what we could to raise the issue. We let everyone who would listen know we were making a mistake to allow the politics of the moment rule the day. The amendment to eliminate the commerical light water reactor option was never debated in the House, but was attached to a large defense bill, and boom, passed. There was no discussion or debate on a measure that interrupted and abrogated the almost 2 years of study on tritium production by the Department of Energy.

There has been a lot of discussion about it. We concluded, according to recent CBO studies—that the accelerator option would cost between $4 billion and $13 billion more than the commercial light water reactor. That is a lot of money. We do not have $4, $5, $6, $7 billion or more to waste on that process.

So we have not had the final decision. The Department of Energy is analyzing it. They need to be allowed to complete their analysis. And that is what I believe was achieved in this bill. The process was allowed to continue. It was delayed somewhat, but I do not think it was delayed too long. But the Department of Energy will make its decision. And next year I suppose we will make our decision in this body, and then in the other body, as to how tritium should be produced and in what process.

So I am pleased that we have reached this accord. Senator LOTT stated yesterday that "we cannot afford to delay this program." I cannot agree more. And I hope this message is understood as we go forward to reaching a final solution on the production of tritium, an essential component for our nuclear arsenal.

In June, I entered a number of letters in the CONGRESSIONAL RECORD on this issue. We had letters from the Secretary of Defense, Secretary Cohen, and from the then Secretary of Energy, Secretary Peña, and the White House—all expressing grave concern about a political decision on a scientific, technical and defense issue. And Senator CARL LEVIN, my good friend from Michigan, was very strong in resisting this effort that had begun in the House of Representatives. So we now find ourselves on the right path again.

Secretary Richardson needs to move forward deliberately and aggressively in selecting the proper option. The Department's implementation plan must be submitted early next year and should be carefully considered by this body, thoroughly debated and swiftly acted upon.

The majority leader, TRENT LOTT, and others have indicated they will be thoroughly engaged in the debate when it comes. This is the next and logical step in the tritium story. Its outcome will provide a roadmap to a future guarantee for our Nation's security. I plan to be engaged in that important debate. I encourage my colleagues to do so as well.

I thank the Chair.

NATIONAL SALVAGE MOTOR VEHICLE CONSUMER PROTECTION ACT OF 1998

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 495, S. 852.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 852) to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Salvage Motor Vehicle Consumer Protection Act of 1997".

SEC. 2. MOTOR VEHICLE TITLING AND DISCLOSURE REQUIREMENTS.

(a) AMENDMENT TO TITLE 49, UNITED STATES CODE.—Subtitle VI of title 49, United States Code, is amended by inserting a new chapter at the end:

"CHAPTER 333—AUTOMOBILE SAFETY AND TITLE DISCLOSURE REQUIREMENTS

"Sec.
"33301. Definitions.
"33302. Passenger motor vehicle titling.
"33303. Disclosure and label requirements on transfer of rebuilt salvage vehicles.
"33304. Report on funding.
"33305. Effect on State law.
"33306. Civil and criminal penalties.
"33307. Actions by States.

"§ 33301. Definitions

"(a) DEFINITIONS.—For the purposes of this chapter:

"(1) PASSENGER MOTOR VEHICLE.—The term 'passenger motor vehicle' shall have the same meaning given such term by section 32101(10), except, notwithstanding section 32101(9), it shall include a multipurpose passenger vehicle (constructed on a truck chassis or with special features for occasional off-road operation), or a truck, other than a truck referred to in section 32101(10)(B), when that vehicle or truck is rated by the manufacturer of such vehicle or truck at not more than 10,000 pounds gross vehicle weight, and except further, it shall only include a vehicle manufactured primarily for use on public streets, roads, and highways.

"(2) SALVAGE VEHICLE.—The term 'salvage vehicle' means any passenger motor vehicle, other than a flood vehicle or a nonrepairable vehicle, which—

"(A) is a late model vehicle which has been wrecked, destroyed, or damaged, to the extent that the total cost of repairs to rebuild or reconstruct the passenger motor vehicle to its condition immediately before it was wrecked, destroyed, or damaged, and for legal operation on the roads or highways, exceeds 80 percent of the retail value of the passenger motor vehicle;

"(B) is a late model vehicle which has been wrecked, destroyed, or damaged, and to which an insurance company acquires ownership pursuant to a damage settlement (except in the case of a settlement in connection with a recovered stolen vehicle, unless such vehicle sustained damage sufficient to meet the damage threshold prescribed by subparagraph (A)); or

"(C) the owner wishes to voluntarily designate as a salvage vehicle by obtaining a salvage title, without regard to the level of damage, age, or value of such vehicle or any other factor, except that such designation by the owner shall not impose on the insurer of the passenger motor vehicle or on an insurer processing a claim made by or on behalf of the owner of the passenger motor vehicle any obligation or liability.

"(3) SALVAGE TITLE.—The term 'salvage title' means a passenger motor vehicle ownership document issued by the State to the owner of a salvage vehicle. A salvage title shall be conspicuously labeled with the word 'salvage' across the front.

"(4) REBUILT SALVAGE VEHICLE.—The term 'rebuilt salvage vehicle' means—

"(A) any passenger motor vehicle which was previously issued a salvage title, has passed State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, has passed the State safety inspection in those States requiring a safety inspection pursuant to section 33302(b)(8), has been issued a certificate indicating that the passenger motor vehicle has passed the required safety inspection in those States requiring such a safety inspection pursuant to section 33302(b)(8), and has a decal stating 'Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' affixed to the driver's door jamb; or

"(B) any passenger motor vehicle which was previously issued a salvage title, has passed a State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, and has, affixed to the driver's door jamb, a decal stating 'Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria' in those States not requiring a safety inspection pursuant to section 33302(b)(8).

"(5) REBUILT SALVAGE TITLE.—The term 'rebuilt salvage title' means the passenger motor vehicle ownership document issued by the State to the owner of a rebuilt salvage vehicle. A rebuilt salvage title shall be conspicuously labeled either with the words 'Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' or 'Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria,' as appropriate, across the front.

"(6) NONREPAIRABLE VEHICLE.—The term 'nonrepairable vehicle' means any passenger motor vehicle, other than a flood vehicle, which is incapable of safe operation for use on roads or highways and which has no resale value except as a source of parts or scrap only or which the owner irreversibly designates as a source of parts or scrap. Such passenger motor vehicle shall be issued a nonrepairable vehicle certificate and shall never again be titled or registered.

"(7) NONREPAIRABLE VEHICLE CERTIFICATE.—The term 'nonrepairable vehicle certificate' means a passenger motor vehicle ownership document issued by the State to the owner of a nonrepairable vehicle. A nonrepairable vehicle certificate shall be conspicuously labeled with the word 'Nonrepairable' across the front.

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(9) LATE MODEL VEHICLE.—The term 'Late Model Vehicle' means any passenger motor vehicle which—

"(A) has a manufacturer's model year designation of or later than the year in which the vehicle was wrecked, destroyed, or damaged, or any of the six preceding years; or

"(B) has a retail value of more than $7,500.

The Secretary shall adjust such retail value on an annual basis in accordance with changes in the consumer price index.

"(10) RETAIL VALUE.—The term 'retail value' means the actual cash value, fair market value, or retail value of a passenger motor vehicle as—

"(A) set forth in a current edition of any nationally recognized compilation (to include automated databases) of retail values; or

"(B) determined pursuant to a market survey of comparable vehicles with regard to condition and equipment.

"(11) COST OF REPAIRS.—The term 'cost of repairs' means the estimated retail cost of parts needed to repair the vehicle or, if the vehicle has been repaired, the actual retail cost of the parts used in the repair, and the cost of labor computed by using the hourly labor rate and time allocations that are reasonable and customary in the automobile repair industry in the community where the repairs are to be performed.

"(12) FLOOD VEHICLE.—The term 'flood vehicle' means any passenger motor vehicle that—

"(A) has been acquired by an insurance company as part of a damage settlement due to water damage; or

"(B) has been submerged in water to the point that rising water has reached over the door sill, has entered the passenger or trunk compartment, and has exposed any electrical, computerized, or mechanical component to water, except—

"(i) where a passenger motor vehicle which, pursuant to an inspection conducted by an insurance adjuster or estimator, a motor vehicle repairer or motor vehicle dealer in accordance with inspection guidelines or procedures established by the Secretary or the State, is determined to have no electrical, computerized or mechanical components which were damaged by water; or,

"(ii) where a passenger motor vehicle which, pursuant to an inspection conducted by an insurance adjuster or estimator, a motor vehicle repairer or motor vehicle dealer in accordance with inspection guidelines or procedures established by the Secretary or the State, is determined to have one or more electrical, computerized or mechanical components which were damaged by water and where all such damaged components have been repaired or replaced.

Disclosure that a vehicle is a flood vehicle must be made at the time of transfer of ownership and the brand 'Flood' shall be conspicuously marked on all subsequent titles for the vehicle. No inspection shall be required unless the owner or insurer of the passenger motor vehicle is seeking to avoid a brand of 'Flood' pursuant to subparagraph (B). Disclosing a passenger motor vehicle's status as a flood vehicle or conducting an inspection pursuant to subparagraph (B) shall not impose on any person any liability for damage to (except in the case of damage caused by the inspector at the time of the inspection) or reduced value of a passenger motor vehicle.

"(b) CONSTRUCTION.—The definitions set forth in subsection (a) shall only apply to vehicles in a State which are wrecked, destroyed, or otherwise damaged on or after the date on which such State complies with the requirements of this chapter and the rule promulgated pursuant to section 33302(b).

"§ 33302. Passenger motor vehicle titling

"(a) CARRY-FORWARD OF INFORMATION ON A NEWLY ISSUED TITLE WHERE THE PREVIOUS TITLE FOR THE VEHICLE WAS NOT ISSUED PURSUANT TO NEW NATIONALLY UNIFORM STANDARDS.—For any passenger motor vehicle, the ownership of which is transferred on or after the date that is 1 year from the date of the enactment of this chapter, each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of this chapter, in licensing such vehicle for use, shall disclose in writing on the certificate of title whenever records readily accessible to the State indicate that the passenger motor vehicle was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', 'nonrepairable', 'reconstructed', 'rebuilt', or any other symbol or word of like kind, or that it has been damaged by flood.

"(b) NATIONALLY UNIFORM TITLE STANDARDS AND CONTROL METHODS.—Not later than 18 months after the date of the enactment of this chapter, the Secretary shall by rule require each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of this chapter, in licensing any passenger motor vehicle where ownership of such passenger motor vehicle is transferred more than 2 years after publication of such final rule, to apply uniform standards, procedures, and methods for the issuance and control of titles for motor vehicles and for information to be contained on such titles. Such titling standards, control procedures, methods, and information shall include the following requirements:

"(1) A State shall conspicuously indicate on the face of the title or certificate for a passenger motor vehicle, as applicable, if the passenger motor vehicle is a salvage vehicle, a nonrepairable vehicle, a rebuilt salvage vehicle, or a flood vehicle.

"(2) Such information concerning a passenger motor vehicle's status shall be conveyed on any subsequent title, including a duplicate or replacement title, for the passenger motor vehicle issued by the original titling State or any other State.

"(3) The title documents, the certificates, and decals required by section 33301(4), and the issuing system shall meet security standards minimizing the opportunities for fraud.

"(4) The certificate of title shall include the passenger motor vehicle make, model, body type, year, odometer disclosure, and vehicle identification number.

"(5) The title documents shall maintain a uniform layout, to be established in consultation with the States or an organization representing them.

"(6) A passenger motor vehicle designated as nonrepairable shall be issued a nonrepairable vehicle certificate and shall not be retitled.

"(7) No rebuilt salvage title shall be issued to a salvage vehicle unless, after the salvage vehicle is repaired or rebuilt, it complies with the requirements for a rebuilt salvage vehicle pursuant to section 33301(4). Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. Any such anti-theft inspection program shall include the following:

"(A) A requirement that the owner of any passenger motor vehicle submitting such vehicle for an anti-theft inspection provide a completed document identifying the vehicle's damage prior to being repaired, a list of replacement parts used to repair the vehicle, and proof of ownership of such replacement parts, as may be evidenced by bills of sale, invoices, or, if such documents are not available, other proof of ownership for the replacement parts. The owner shall also include an affirmation that the information in the declaration is complete and accurate and that, to the knowledge of the declarant, no stolen parts were used during the rebuilding.

"(B) A requirement to inspect the passenger motor vehicle or any major part or any major replacement part required to be marked under section 33102 for signs of such mark or vehicle identification number being illegally altered, defaced, or falsified. Any such passenger motor vehicle or any such part having a mark or vehicle identification number that has been illegally altered, defaced, or falsified, and that cannot be identified as having been legally obtained (through bills of sale, invoices, or other ownership documentation), shall be contraband and subject to seizure. The Secretary, in consultation with the Attorney General, shall, as part of the rule required by this section, establish procedures for dealing with those parts whose mark or vehicle identification number is normally removed during industry accepted remanufacturing or rebuilding practices, which parts shall be deemed identified for purposes of this section if they bear a conspicuous mark of a type, and applied in such a manner, as designated by the Secretary, indicating that they have been rebuilt or remanufactured. With respect to any vehicle part, the Secretary's rule, as required by this section, shall acknowledge that a mark or vehicle identification number on such part may be legally removed or altered as provided for in section 511 of title 18, United States Code, and shall direct inspectors to adopt such procedures as may be necessary to prevent the seizure of a part from which the mark or vehicle identification number has been legally removed or altered.

"(8) Any safety inspection for a rebuilt salvage vehicle performed pursuant to this chapter shall be performed in accordance with nationally uniform safety inspection criteria established by the Secretary. A State may determine whether to conduct such safety inspection itself, contract with one or more third parties, or permit self-inspection by a person licensed by such State in an automotive-related business, all subject to criteria promulgated by the Secretary hereunder. Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. A State requiring such safety inspection may require the payment of a fee for the privilege of such inspection or the processing thereof.

"(9) No duplicate or replacement title shall be issued unless the word 'duplicate' is clearly marked on the face thereof and unless the procedures for such issuance are substantially consistent with Recommendation three of the Motor Vehicle Titling, Registration and Salvage Advisory Committee.

"(10) A State shall employ the following titling and control methods:

"(A) If an insurance company is not involved in a damage settlement involving a salvage vehicle or a nonrepairable vehicle, the passenger motor vehicle owner shall apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable, before the passenger motor vehicle is repaired or the ownership of the passenger motor vehicle is transferred, but in any event within 30 days after the passenger motor vehicle is damaged.

"(B) If an insurance company, pursuant to a damage settlement, acquires ownership of a passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company or salvage facility or other agent on its behalf shall apply for a salvage title or nonrepairable vehicle certificate within 30 days after the title is properly assigned by the owner to the insurance company and delivered to the insurance company or salvage facility or other agent on its behalf with all liens released.

"(C) If an insurance company does not assume ownership of an insured's or claimant's passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the insurance company shall notify the owner of the owner's obligation to apply for a salvage title or nonrepairable vehicle certificate for the passenger motor vehicle and notify the State passenger motor vehicle titling office that a salvage title or nonrepairable vehicle certificate should be issued for the vehicle, except to the extent such notification is prohibited by State insurance law.

"(D) If a leased passenger motor vehicle incurs damage requiring the vehicle to be titled as a salvage vehicle or nonrepairable vehicle, the lessor shall apply for a salvage title or nonrepairable vehicle certificate within 21 days after being notified by the lessee that the vehicle has been so damaged, except when an insurance company, pursuant to a damage settlement, acquires ownership of the vehicle. The lessee of such vehicle shall inform the lessor that the leased vehicle has been so damaged within 30 days after the occurrence of the damage.

"(E) Any person acquiring ownership of a damaged passenger motor vehicle that meets the definition of a salvage or nonrepairable vehicle for which a salvage title or nonrepairable vehicle certificate has not been issued, shall apply for a salvage title or nonrepairable vehicle certificate, whichever is applicable. This application shall be made before the vehicle is further transferred, but in any event, within 30 days after ownership is acquired. The requirements of this subparagraph shall not apply to any scrap metal processor which acquires a passenger motor vehicle for the sole purpose of processing it into prepared grades of scrap and which so processes such vehicle.

"(F) State records shall note when a nonrepairable vehicle certificate is issued. No State shall issue a nonrepairable vehicle certificate after 2 transfers of ownership.

"(G) When a passenger motor vehicle has been flattened, baled, or shredded, whichever comes first, the title or nonrepairable vehicle certificate for the vehicle shall be surrendered to the State within 30 days. If the second transferee on a nonrepairable vehicle certificate is unequipped to flatten, bale, or shred the vehicle, such transferee shall, at the time of final disposal of the vehicle, use the services of a professional automotive recycler or professional scrap processor who is hereby authorized to flatten, bale, or shred the vehicle and to effect the surrender of the nonrepairable vehicle certificate to the State on behalf of such second transferee. State records shall be updated to indicate the destruction of such vehicle and no further ownership transactions for the vehicle will be permitted. If different than the State of origin of the title or nonrepairable vehicle certificate, the State of surrender shall notify the State of origin of the surrender of the title or nonrepairable vehicle certificate and of the destruction of such vehicle.

"(H) When a salvage title is issued, the State records shall so note. No State shall permit the retitling for registration purposes or issuance of a rebuilt salvage title for a passenger motor vehicle with a salvage title without a certificate of inspection, which complies with the security and guideline standards established by the Secretary pursuant to paragraphs (3), (7), and (8), as applicable, indicating that the vehicle has passed the inspections required by the State. This subparagraph does not preclude the issuance of a new salvage title for a salvage vehicle after a transfer of ownership.

"(I) After a passenger motor vehicle titled with a salvage title has passed the inspections required by the State, the inspection official will affix the secure decal required pursuant to section 33301(4) to the driver's door jamb of the vehicle and issue to the owner of the vehicle a certificate indicating that the passenger motor vehicle has passed the inspections required by the State. The decal shall comply with the permanency requirements established by the Secretary.

"(J) The owner of a passenger motor vehicle titled with a salvage title may obtain a rebuilt salvage title or vehicle registration, or both, by presenting to the State the salvage title, properly assigned, if applicable, along with the certificate that the vehicle has passed the inspections required by the State. With such proper documentation and upon request, a rebuilt salvage title or registration, or both, shall be issued to the owner. When a rebuilt salvage title is issued, the State records shall so note.

"(11) A seller of a passenger motor vehicle that becomes a flood vehicle shall, at or prior to the time of transfer of ownership, give the buyer a written notice that the vehicle has been damaged by flood, provided such person has actual knowledge that such vehicle has been damaged by flood. At the time of the next title application for the vehicle, disclosure of the flood status shall be provided to the applicable State with the properly assigned title and the word 'Flood' shall be conspicuously labeled across the front of the new title.

"(12) In the case of a leased passenger motor vehicle, the lessee, within 15 days of the occurrence of the event that caused the vehicle to become a flood vehicle, shall give the lessor written disclosure that the vehicle is a flood vehicle.

"(13) Ownership of a passenger motor vehicle may be transferred on a salvage title, however, a passenger motor vehicle for which a salvage title has been issued shall not be registered for use on the roads or highways unless it has been issued a rebuilt salvage title.

"(14) Ownership of a passenger motor vehicle may be transferred on a rebuilt salvage title, and a passenger motor vehicle for which a rebuilt salvage title has been issued may be registered for use on the roads and highways.

"(15) Ownership of a passenger motor vehicle may only be transferred 2 times on a nonrepairable vehicle certificate. A passenger motor vehicle for which a nonrepairable vehicle certificate has been issued can never be titled or registered for use on roads or highways.

"(c) CONSUMER NOTICE IN NONCOMPLIANT STATES.—Any State receiving, either directly or indirectly, funds appropriated under section 30503(c) of this title after the date of enactment of this chapter and not complying with the requirements of subsections (a) and (b) of this section, shall conspicuously print the following notice on all titles or ownership certificates issued for passenger motor vehicles in such State until such time as such State is in compliance with the requirements of subsections (a) and (b) of this section: 'NOTICE: This State does not conform to the uniform Federal requirements of the

National Salvage Motor Vehicle Consumer Protection Act of 1997.'.

"§ 33303. Disclosure and label requirements on transfer of rebuilt salvage vehicles

"(a) WRITTEN DISCLOSURE REQUIREMENTS.—

"(1) GENERAL RULE.—Under regulations prescribed by the Secretary of Transportation, a person transferring ownership of a rebuilt salvage vehicle shall give the transferee a written disclosure that the vehicle is a rebuilt salvage vehicle when such person has actual knowledge of the status of such vehicle.

"(2) FALSE STATEMENT.—A person making a written disclosure required by a regulation prescribed under paragraph (1) of this subsection may not make a false statement in the disclosure.

"(3) COMPLETENESS.—A person acquiring a rebuilt salvage vehicle for resale may accept a disclosure under paragraph (1) only if it is complete.

"(4) REGULATIONS.—The regulations prescribed by the Secretary shall provide the way in which information is disclosed and retained under paragraph (1).

"(b) LABEL REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary shall by regulation require that a label be affixed to the windshield or window of a rebuilt salvage vehicle before its first sale at retail containing such information regarding that vehicle as the Secretary may require. The label shall be affixed by the individual who conducts the applicable State antitheft inspection in a participating State.

"(2) REMOVAL, ALTERATION, OR ILLEGIBILITY OF REQUIRED LABEL.—No person shall willfully remove, alter, or render illegible any label required by paragraph (1) affixed to a rebuilt salvage vehicle before the vehicle is delivered to the actual custody and possession of the first retail purchaser.

"(c) LIMITATION.—The requirements of subsections (a) and (b) shall only apply to a transfer of ownership of a rebuilt salvage vehicle where such transfer occurs in a State which, at the time of the transfer, is complying with subsections (a) and (b) of section 33302.

"§ 33304. Report on funding

"The Secretary shall, contemporaneously with the issuance of a final rule pursuant to section 33302(b), report to appropriate committees of Congress whether the costs to the States of compliance with such rule can be met by user fees for issuance of titles, issuance of registrations, issuance of duplicate titles, inspection of rebuilt vehicles, or for the State services, or by earmarking any moneys collected through law enforcement action to enforce requirements established by such rule.

"§ 33305. Effect on State law

"(a) IN GENERAL.—Unless a State is in compliance with subsection (c) of section 33302, effective on the date the rule promulgated pursuant to section 33302 becomes effective, the provisions of this chapter shall preempt all State laws in States receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of this chapter, to the extent they are inconsistent with the provisions of this chapter or the rule promulgated pursuant to section 33302, which—

"(1) set forth the form of the passenger motor vehicle title;

"(2) define, in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any term defined in section 33301 or the terms 'salvage', 'nonrepairable', or 'flood', or apply any of those terms to any passenger motor vehicle (but not to a passenger motor vehicle part or part assembly separate from a passenger motor vehicle); or

"(3) set forth titling, recordkeeping, anti-theft inspection, or control procedures in connection with any salvage vehicle, rebuilt salvage vehicle, nonrepairable vehicle, or flood vehicle.

The requirements described in paragraph (3) shall not be construed to affect any State consumer law actions that may be available to residents of the State for violations of this chapter.

"(b) CONSTRUCTION.—Additional disclosures of a passenger motor vehicle's title status or history, in addition to the terms defined in section 33301, shall not be deemed inconsistent with the provisions of this chapter. Such disclosures shall include disclosures made on a certificate of title. When used in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any definition of a term defined in section 33301 which is different than the definition in that section or any use of any term listed in subsection (a), but not defined in section 33301, shall be deemed inconsistent with the provisions of this chapter. Nothing in this chapter shall preclude a State from disclosing on a rebuilt salvage title that a rebuilt salvage vehicle has passed a State safety inspection which differed from the nationally uniform criteria to be promulgated pursuant to section 33302(b)(8).

"§ 33306. Civil and criminal penalties

"(a) PROHIBITED ACTS.—It shall be unlawful for any person knowingly and willfully to—

"(1) make or cause to be made any false statement on an application for a title (or duplicate title) for a passenger motor vehicle or any disclosure made pursuant to section 33303;

"(2) fail to apply for a salvage title when such an application is required;

"(3) alter, forge, or counterfeit a certificate of title (or an assignment thereof), a nonrepairable vehicle certificate, a certificate verifying an anti-theft inspection or an anti-theft and safety inspection, a decal affixed to a passenger motor vehicle pursuant to section 33302(b)(10)(I), or any disclosure made pursuant to section 33303;

"(4) falsify the results of, or provide false information in the course of, an inspection conducted pursuant to section 33302(b)(7) or (8);

"(5) offer to sell any salvage vehicle or nonrepairable vehicle as a rebuilt salvage vehicle;

"(6) fail to make any disclosure required by section 33303, except when the person lacks actual knowledge of the status of the rebuilt salvage vehicle;

"(7) violate a regulation prescribed under this chapter; or

"(8) conspire to commit any of the acts enumerated in paragraph (1), (2), (3), (4), (5), (6), or (7).

"(b) CIVIL PENALTY.—Any person who commits an unlawful act as provided in subsection (a) of this section shall be fined a civil penalty of up to $2,000 per offense. A separate violation occurs for each passenger motor vehicle involved in the violation.

"(c) CRIMINAL PENALTY.—Any person who commits an unlawful act as provided in subsection (a) of this section shall be fined up to $50,000 or sentenced to up to 3 years imprisonment or both, per offense.

"§ 33307. Actions by States

"(a) IN GENERAL.—Whenever an attorney general of any State has reason to believe that the interests of the residents of that State have been or are being threatened or adversely affected because any person has violated or is violating section 33302 or 33303, the State, as parens patriae, may bring a civil action on behalf of its residents in an appropriate district court of the United States or the appropriate State court to enjoin such violation or to enforce the civil penalties under section 33306 or enforce the criminal penalties under section 33306.

"(b) NOTICE.—The State shall serve prior written notice of any civil or criminal action under subsection (a) or (e)(2) upon the Attorney General and provide the Attorney General with a copy of its complaint, except that if it is not feasible for the State to provide such prior notice, the State shall serve such notice immediately upon instituting such action. Upon receiving a notice respecting a civil or criminal action, the Attorney General shall have the right—

"(1) to intervene in such action;

"(2) upon so intervening, to be heard on all matters arising therein; and

"(3) to file petitions for appeal.

"(c) CONSTRUCTION.—For purposes of bringing any civil or criminal action under subsection (a), nothing in this Act shall prevent an attorney general from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(d) VENUE; SERVICE OF PROCESS.—Any civil or criminal action brought under subsection (a) in a district court of the United States may be brought in the district in which the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28, United States Code. Process in such an action may be served in any district in which the defendant is an inhabitant or in which the defendant may be found.

"(e) ACTIONS BY STATE OFFICIALS.—

"(1) Nothing contained in this section shall prohibit an attorney general of a State or other authorized State official from proceeding in State court on the basis of an alleged violation of any civil or criminal statute of such State.

"(2) In addition to actions brought by an attorney general of a State under subsection (a), such an action may be brought by officers of such State who are authorized by the State to bring actions in such State on behalf of its residents.".

(b) CONFORMING AMENDMENT.—The table of chapters for part C at the beginning of subtitle VI of title 49, United States Code, is amended by inserting at the end the following new item:

"333. Automobile safety and title disclosure requirements ..... 33301".

SEC. 3. AMENDMENTS TO CHAPTER 305.

(a) DEFINITIONS.—

(1) Amend section 30501(4) of title 49, United States Code, to read as follows:

"(4) 'nonrepairable vehicle', 'salvage vehicle', and 'rebuilt salvage vehicle' have the same meanings given those terms in section 33301 of this title.".

(2) Amend section 30501(5) of title 49, United States Code, by striking "junk automobiles" and inserting "nonrepairable vehicles".

(3) Amend section 30501(8) by striking "salvage automobiles" and inserting "salvage vehicles".

(4) Strike paragraph (7) of section 30501 of title 49, United States Code, and renumber the succeeding sections accordingly.

(b) NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM.—

(1) Amend section 30502(d)(3) of title 49, United States Code, to read as follows:

"(3) whether an automobile known to be titled in a particular State is or has been a nonrepairable vehicle, a rebuilt salvage vehicle, or a salvage vehicle;".

(2) Amend section 30502(d)(5) of title 49, United States Code, to read as follows:

"(5) whether an automobile bearing a known vehicle identification number has been reported as a nonrepairable vehicle, a rebuilt salvage vehicle, or a salvage vehicle under section 30504 of this title.".

(c) STATE PARTICIPATION.—Amend section 30503 of title 49, United States Code, to read as follows:

§ 30503. State participation

"(a) STATE INFORMATION.—Each State receiving funds appropriated under subsection (c) shall make titling information maintained by that State available for use in operating the National Motor Vehicle Title Information System established or designated under section 30502 of this title.

"(b) VERIFICATION CHECKS.—Each State receiving funds appropriated under subsection (c) shall establish a practice of performing an instant title verification check before issuing a certificate of title to an individual or entity claiming to have purchased an automobile from an individual or entity in another State. The check shall consist of—

"(1) communicating to the operator—

"(A) the vehicle identification number of the automobile for which the certificate of title is sought;

"(B) the name of the State that issued the most recent certificate of title for the automobile; and

"(C) the name of the individual or entity to whom the certificate of title was issued; and

"(2) giving the operator an opportunity to communicate to the participating State the results of a search of the information.

"(c) GRANTS TO STATES.—

"(1) In cooperation with the States and not later than January 1, 1994, the Attorney General shall—

"(A) conduct a review of systems used by the States to compile and maintain information about the titling of automobiles; and

"(B) determine for each State the cost of making titling information maintained by that State available to the operator to meet the requirements of section 30502(d) of this title.

"(2) The Attorney General may make reasonable and necessary grants to participating States to be used in making titling information maintained by those States available to the operator.

"(d) REPORT TO CONGRESS.—Not later than October 1, 1998, the Attorney General shall report to Congress on which States have met the requirements of this section. If a State has not met the requirements, the Attorney General shall describe the impediments that have resulted in the State's failure to meet the requirements.".

(d) REPORTING REQUIREMENTS.—Section 30504 of title 49, United States Code, is amended by striking "junk automobiles or salvage automobiles" every place it appears and inserting "nonrepairable vehicles, rebuilt salvage vehicles, or salvage vehicles".

AMENDMENT NO. 3683

(Purpose: To establish a uniform system for titling and registering vehicles that are salvaged, irreparably damaged, or rebuilt)

Mr. SESSIONS. Mr. President, Senator GORTON has a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS], for Mr. GORTON, proposes an amendment numbered 3683.

Mr. SESSIONS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

AMENDMENT NO. 3684 TO AMENDMENT NO. 3683

(Purpose: To modify certain terms to clarify that certain Federal laws requiring labeling and titling of salvage vehicles do not preempt more stringent State laws)

Mr. SESSIONS. Mr. President, Senators LEVIN and FEINSTEIN have an amendment to the amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] for Mr. LEVIN, for himself, Mrs. FEINSTEIN and Mr. BRYAN, proposes an amendment numbered 3684 to amendment No. 3683.

Mr. SESSIONS. I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 2, before line 1, strike the item relating to section 33303 and insert the following:

"33303. Disclosure and label requirements on transfer of rebuilt Federal salvage vehicles.

On page 2, lines 17 and 18, strike "SALVAGE VEHICLE.—The term 'salvage vehicle'" and insert "FEDERAL SALVAGE VEHICLE.—The term 'Federal salvage vehicle'".

On page 4, line 10, strike "SALVAGE TITLE.—The term 'salvage title'" and insert "FEDERAL SALVAGE TITLE.—The term 'Federal salvage title'".

On page 4, lines 15 and 16, strike "REBUILT SALVAGE VEHICLE.—The term 'rebuilt salvage vehicle'" and insert "FEDERAL REBUILT SALVAGE VEHICLE.—The term 'Federal rebuilt salvage vehicle'".

On page 5, line 4, strike "Rebuilt" and insert "Federal Rebuilt".

On page 5, line 14, strike "Rebuilt" and insert "Federal Rebuilt".

On page 5, beginning on line 19, strike "REBUILT SALVAGE TITLE.—The term 'rebuilt salvage title'" and insert "FEDERAL REBUILT SALVAGE TITLE.—The term 'Federal rebuilt salvage title'".

On page 5, line 22, strike "rebuilt salvage" and insert "Federal rebuilt salvage".

On page 5, line 22, strike "a rebuilt salvage" and insert "a Federal rebuilt salvage".

On page 5, lines 24 and 25, strike "Rebuilt Salvage" each place that term appears and insert "Federal Rebuilt Salvage".

On page 6, lines 4 and 5, strike "NONREPAIRABLE VEHICLE.—The term 'nonrepairable vehicle'" and insert "FEDERAL NONREPAIRABLE VEHICLE.—The term 'Federal nonrepairable vehicle'".

On page 6, line 11, strike "nonrepairable" and insert "Federal nonrepairable".

On page 6, lines 14 and 15, strike "NONREPAIRABLE VEHICLE CERTIFICATE.—The term 'nonrepairable vehicle certificate'" and insert "FEDERAL NONREPAIRABLE VEHICLE CERTIFICATE.—The term 'Federal nonrepairable vehicle certificate'".

On page 6, lines 17 through 18, strike "nonrepairable" and insert "Federal nonrepairable.

On page 6, line 18, strike "nonrepairable" and insert "Federal nonrepairable".

On page 6, line 19, strike "word" and insert "words".

On page 6, lines 19 and 20, strike "Nonrepairable" and insert "Federal nonrepairable".

On page 8, line 3, strike "FLOOD VEHICLE.—" and insert "FEDERAL FLOOD VEHICLE.—".

On page 9, line 8, strike "FLOOD" and insert "FEDERAL FLOOD".

On page 9, line 11, strike "Flood" and insert "Federal Flood".

On page 22, strike lines 20 and 21 and insert the following:

"§ 33303. Disclosure and label requirements on transfer of Federal rebuilt salvage vehicles"

On page 21, line 2, strike "word" and insert "words".

On page 21, line 2, strike "Flood" and insert "Federal Flood".

Strike "salvage" and insert "Federal salvage" on the following pages and in or beginning on the following lines:

(1) Page 3, line 15.
(2) Page 4, lines 12, 13, 14, and 18.
(3) Page 5, line 9.
(4) Page 11, line 14.
(5) Page 15, lines 17, 18, and 20.
(6) Page 16, lines 7, 11, 16, 19, and 22.
(7) Page 17, lines 5, 6, 18, 19, and 21.
(8) Page 19, lines 8, 11, 12, 19, and 22.
(9) Page 20, line 10.
(10) Page 21, lines 10 and 11.
(11) Page 25, lines 15 and 22.
(12) Page 27, line 15.
(13) Page 28, line 4.
(14) Page 31, lines 11 and 19.
(15) Page 32, line 12.
(16) Page 34, line 17.

Strike "flood" and insert "Federal flood" on the following pages and in or beginning on the following lines:

(1) Page 6, line 6.
(2) Page 9, line 14.
(3) Page 11, line 15.
(4) Page 21, line 8.
(5) Page 25, lines 16 and 23.

Strike "rebuilt salvage" and insert "Federal rebuilt salvage" on the following pages and in or beginning on the following lines:

(1) Page 5, line 22 (each place it appears).
(2) Page 11, lines 14 and 15.
(3) Page 12, line 14.
(4) Page 14, line 18.
(5) Page 20, lines 8 through 9, 16, and 14.
(6) Page 21, lines 16 and 17.
(7) Page 22, line 25.
(8) Page 23, lines 3, 11, and 20.
(9) Page 24, lines 4 and 9.
(10) Page 25, line 22.
(11) Page 27, line 4.
(12) Page 28, line 5.
(13) Page 31, line 12.
(14) Page 32, lines 5 and 11.
(15) Page 34, line 16.

Strike "nonrepairable" and insert "Federal nonrepairable" on the following pages and in or beginning on the following lines:

(1) Page 11, line 14.
(2) Page 12, line 9.
(3) Page 15, lines 18 and 20.
(4) Page 16, lines 5, 8, 17, 20, and 23.
(5) Page 17, lines 5, 6 through 7, 18, 19, and 21.
(6) Page 18, lines 8, 12, 15, and 22.
(7) Page 19, lines 3 and 6.
(8) Page 21, lines 21 and 23.
(9) Page 25, lines 15 through 16.
(10) Page 25, lines 22 through 23.
(11) Page 27, line 18.
(12) Page 28, lines 4 and 5.
(13) Page 31, lines 11 and 15 through 16.
(14) Page 32, lines 4 and 11.
(15) Page 34, line 16.

On page 10, line 20, strike "title." and insert "title, or that the vehicle was a 'Federal salvage vehicle', 'Federal rebuilt salvage vehicle', 'Federal flood vehicle', or 'Federal nonrepairable vehicle'.".

On page 11, line 15, strike "vehicle." and insert "vehicle, or if records readily available to the State indicate that the passenger motor vehicle was previously issued a title that bore any word or symbol referred to in subsection (a).".

On page 27, between lines 7 and 8, insert the following:

"(d) STATUTORY CONSTRUCTION.—Except as specifically provided in this chapter, nothing in this chapter is intended to affect any State law—

"(1) relating to the inspection or titling of, disclosure, or other action concerning salvage, rebuilt salvage, flood, or nonrepairable motor vehicles; or

"(2) that provides for more stringent protection of a purchaser of a used motor vehicle.

On page 32, strike lines 1 through 12 and insert the following:

(1) Section 30502(d)(3) of title 49, United States Code, is amended to read as follows:

"(3) whether an automobile known to be titled in a particular State—

"(A) is or has been a Federal nonrepairable vehicle, a Federal rebuilt salvage vehicle, or a Federal salvage vehicle; or

"(B) was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', or any other symbol or word of like kind, or that the vehicle has been damaged by flood.".

(2) Section 30502(d)(5) of title 49, United States Code, is amended to read as follows:

"(5) whether—

"(A) an automobile bearing a known vehicle identification number has been reported as a Federal nonrepairable vehicle, a Federal rebuilt salvage vehicle, or a Federal salvage vehicle under section 30504 of this title; or

"(B) the vehicle was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', or any other symbol or word of like kind, or that the vehicle has been damaged by flood.".

Mr. SESSIONS. Mr. President, I ask unanimous consent that the amendments be agreed to.

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

The amendments (No. 3684 and No. 3683, as amended) were agreed to.

Mr. LEVIN. Mr. President, I am pleased Senators LOTT and GORTON have accepted my amendment to the substitute to S. 852, the National Salvage Motor Vehicle Consumer Protection Act of 1998. Senators FEINSTEIN and BRYAN have joined me in offering this amendment which will remedy concerns that the substitute bill would have preempted state laws that provide greater consumer protection with regard to the titling of salvage vehicles.

My colleagues may have heard from the state attorneys general about their opposition to the state preemption impact of the substitute bill. Mr. President, I have worked with the state attorneys general to address their concern. Simply put, my amendment will allow states with higher standards to keep them.

S. 852 without my amendment would establish national titling standards that act as a ceiling rather than a floor because, except for a few narrow exceptions, the legislation would have preempted existing tougher state standards for when a vehicle must be declared salvage, rebuilt salvage, non-repairable or flood damaged.

For example, Michigan has a stronger consumer protection standard for when a vehicle must be declared "non-repairable" which would be preempted by S. 852. In Michigan, if a vehicle is damaged 91 percent or more of its value, its title must be branded "scrap" or non-repairable.

S. 852 defines non-repairable as a vehicle which has no resale value except as a source of parts or scrap and it excludes flood vehicles. That is considered a weaker and more subjective definition than Michigan's, but under the substitute to S. 852 without my amendment, Michigan must accept the lower or weaker national standard.

In addition, Michigan's salvage definition includes motorcycles, motor homes, and flood vehicles and S. 852 exempts them. Again, the substitute legislation would force Michigan to abide by a standard that excludes these types of vehicles. My amendment would allow Michigan to retain these provisions of its vehicle titling code.

To avoid the preemption of state laws providing greater vehicle titling protection to consumers, my amendment would establish a national or federal standard for when a vehicle's title must be branded with the term "salvage", "rebuilt salvage", "non-repairable", and "flood" damaged. Under my amendment, the federally required standard would become a floor because no state opting in would be allowed to have a lower standard. However, my amendment would allow states that choose to provide more protection to consumers to retain or enact standards that may be considered more stringent.

Therefore, under the substitute, with my amendment, consumers would be protected against unscrupulous people who take the title of a vehicle that has been in a wreck to a state with lower standards in order to give the vehicle a clean title to hide the fact that it was damaged. There will now be a national standard that each participating state will have to meet. But it will be a national floor rather than a ceiling because states can retain or enact tougher standards if they so wish. Establishing a federal standard leaves state salvage law intact and not preempted.

I view this legislation, as amended, as a big step forward in protecting the consumer from the unscrupulous practice known as "title washing" because it gives us a relatively high national standard that did not previously exist. At the same time, it is not watering down any state standard that may be even more protective of the consumer than the federal standard established by this legislation.

I would have preferred that the federal standard contain a tougher measurement for when a damaged vehicle would be declared "salvage". However, the majority of states that have a percentage based salvage definition use the 75% number contained in this legislation and it is appropriate we go with the definition of the majority of states.

This legislation, as amended, does not preempt state law and the national standard that it sets is where the majority of states are, in terms of the percentage used in the definition of "salvage" vehicle.

Mr. President, few would dispute the need to stop the current practice of selling rebuilt wrecks to unsuspecting buyers. The objective of this legislation is to make it more difficult for the unscrupulous seller to conceal the fact that a vehicle has been in an accident by transferring the vehicle's title in a state with lower standards then where the vehicle is ultimately sold. This legislation, as amended, accomplishes this objective and with my amendment, it represents important consumer protection.

Mrs. FEINSTEIN. Mr. President, I rise in support of the Salvage Motor Vehicle legislation as it has been amended by the Levin/Feinstein amendment.

The sale of rebuilt vehicles that have been wrecked in accidents has become a major national problem. According to the National Association of Independent Insurers, about 2.5 million vehicles are involved in accidents so severe that they are declared a total loss. Yet, more than a million of these vehicles are rebuilt and put back on the road.

In many cases, "totaled" cars are sold at auction, refurbished to conceal prior damage, and resold to consumers without disclosure of the previous condition of the car. The structural integrity of these vehicles has been so severely weakened that the potential for serious injury in an accident is greatly increased.

This bill seeks to address the problem by requiring vehicle owners to disclose that the car has been salvaged if it has sustained damage valued at more than 75% of its retail value. The problem with this approach is that it sets a ceiling rather than a floor for consumer protection. States who may already have stronger definitions of salvage vehicles would be preempted.

The amendment that I have offered with the senior Senator from Michigan will eliminate this flaw in the bill. Our amendment says specifically that nothing in this bill will effect a state law that provides more stringent consumer protection relating to the inspection, titling or any other action dealing with salvage vehicles. We believe that this is the best possible outcome. A minimum level of consumer protection will be set at the federal level, but the bill now authorizes states to provide greater or more comprehensive protection if they wish.

Protection for consumers in my state of California will be greatly enhanced by the Levin/Feinstein amendment. California law does not set a percentage value for salvage vehicles. Instead it says that a vehicle is salvaged when the owners determines that repairing the vehicle is "uneconomical". Our amendment will allow California to maintain that definition as well as states with other protections. California law is also more comprehensive in terms of what vehicles are covered. California's law covers all vehicles including large trucks, motorcycles, and motor homes which would not be covered under the federal law.

I believe we now have a good bill. By setting a federal level of consumer protection that is a floor rather than a ceiling, we will achieve the goal of protecting consumers from fraud while at the same time giving states the flexibility to implement a stricter definition for salvage vehicles.

I want to thank the Senator from Michigan. Together we have crafted an amendment that will protect the residents of our states and many others. I also want to thank the Majority Leader for his willingness to work with us to improve the bill.

Mr. SESSIONS. I ask unanimous consent that the substitute amendment, as amended, be agreed to.

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

The substitute amendment, as amended, was agreed to.

Mr. SESSIONS. I ask unanimous consent that the bill be considered read a third time and passed, as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 852), as amended, was considered read the third time and passed, as follows:

S. 852

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Salvage Motor Vehicle Consumer Protection Act of 1998".

SEC. 2. MOTOR VEHICLE TITLING AND DISCLOSURE REQUIREMENTS.

(a) AMENDMENT TO TITLE 49, UNITED STATES CODE.—Subtitle VI of title 49, United States Code, is amended by inserting a new chapter at the end:

"CHAPTER 333—AUTOMOBILE SAFETY AND TITLE DISCLOSURE REQUIREMENTS

"Sec.
"33301. Definitions.
"33302. Passenger motor vehicle titling.
"33303. Disclosure and label requirements on transfer of rebuilt Federal salvage vehicles.
"33304. Report on funding.
"33305. Effect on State law.
"33306. Civil penalties.
"33307. Actions by States.

"§ 33301. Definitions

"(a) DEFINITIONS.—For the purposes of this chapter:

"(1) PASSENGER MOTOR VEHICLE.—The term 'passenger motor vehicle' has the same meaning given such term by section 32101(10), except, notwithstanding section 32101(9), it includes a multipurpose passenger vehicle (constructed on a truck chassis or with special features for occasional off-road operation), a truck, other than a truck referred to in section 32101(10)(B), and a pickup truck when that vehicle or truck is rated by the manufacturer of such vehicle or truck at not more than 10,000 pounds gross vehicle weight, and it only includes a vehicle manufactured primarily for use on public streets, roads, and highways.

"(2) FEDERAL SALVAGE VEHICLE.—The term 'Federal salvage vehicle' means any passenger motor vehicle, other than a flood vehicle or a nonrepairable vehicle, which—

"(A) is a late model vehicle which has been wrecked, destroyed, or damaged, to the extent that the total cost of repairs to rebuild or reconstruct the passenger motor vehicle to its condition immediately before it was wrecked, destroyed, or damaged, and for legal operation on the roads or highways, exceeds 75 percent of the retail value of the passenger motor vehicle;

"(B) is a late model vehicle which has been wrecked, destroyed, or damaged, and to which an insurance company acquires ownership pursuant to a damage settlement (except in the case of a settlement in connection with a recovered stolen vehicle, unless such vehicle sustained damage sufficient to meet the damage threshold prescribed by subparagraph (A)); or

"(C) the owner wishes to voluntarily designate as a Federal salvage vehicle by obtaining a salvage title, without regard to the level of damage, age, or value of such vehicle or any other factor, except that such designation by the owner shall not impose on the insurer of the passenger motor vehicle or on an insurer processing a claim made by or on behalf of the owner of the passenger motor vehicle any obligation or liability.

Notwithstanding any other provision of this chapter, a State may use the term 'older model salvage vehicle' to designate a wrecked, destroyed, or damaged vehicle that does not meet the definition of a late model vehicle in paragraph (9). If a State, as of the date of enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, has established a salvage definition at a lesser percentage than provided under subparagraph (A), then that definition shall not be considered to be inconsistent with the provisions of this chapter.

"(3) FEDERAL SALVAGE TITLE.—The term 'Federal salvage title' means a passenger motor vehicle ownership document issued by the State to the owner of a Federal salvage vehicle. A Federal salvage title shall be conspicuously labeled with the words 'Federal salvage' across the front.

"(4) FEDERAL REBUILT SALVAGE VEHICLE.—The term 'Federal rebuilt salvage vehicle' means—

"(A) any passenger motor vehicle which was previously issued a Federal salvage title, has passed State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, has passed the State safety inspection in those States requiring a safety inspection pursuant to section 33302(b)(8), has been issued a certificate indicating that the passenger motor vehicle has passed the required safety inspection in those States requiring such a safety inspection pursuant to section 33302(b)(8), and has a decal stating 'Federal Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' affixed to the driver's door jamb; or

"(B) any passenger motor vehicle which was previously issued a Federal salvage title, has passed a State anti-theft inspection, has been issued a certificate indicating that the passenger motor vehicle has passed the required anti-theft inspection, and has, affixed to the driver's door jamb, a decal stating 'Federal Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria' in those States not requiring a safety inspection pursuant to section 33302(b)(8).

"(5) FEDERAL REBUILT SALVAGE TITLE.—The term 'Federal rebuilt salvage title' means the passenger motor vehicle ownership document issued by the State to the owner of a Federal rebuilt salvage vehicle. A Federal rebuilt salvage title shall be conspicuously labeled either with the words 'Federal Rebuilt Salvage Vehicle—Anti-theft and Safety Inspections Passed' or 'Federal Rebuilt Salvage Vehicle—Anti-theft Inspection Passed/No Safety Inspection Pursuant to National Criteria', as appropriate, across the front.

"(6) FEDERAL NONREPAIRABLE VEHICLE.—The term 'Federal nonrepairable vehicle' means any passenger motor vehicle, other than a Federal flood vehicle, which is incapable of safe operation for use on roads or highways and which has no resale value except as a source of parts or scrap only or which the owner irreversibly designates as a source of parts or scrap. Such passenger motor vehicle shall be issued a Federal nonrepairable vehicle certificate and shall never again be titled or registered.

"(7) FEDERAL NONREPAIRABLE VEHICLE CERTIFICATE.—The term 'Federal nonrepairable vehicle certificate' means a passenger motor vehicle ownership document issued by the State to the owner of a Federal nonrepairable vehicle. A Federal nonrepairable vehicle certificate shall be conspicuously labeled with the words 'Federal nonrepairable' across the front.

"(8) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

"(9) LATE MODEL VEHICLE.—The term 'Late Model Vehicle' means any passenger motor vehicle which—

"(A) has a manufacturer's model year designation of or later than the year in which the vehicle was wrecked, destroyed, or damaged, or any of the six preceding years; or

"(B) has a retail value of more than $7,500.

The Secretary shall adjust such retail value on an annual basis in accordance with changes in the consumer price index.

"(10) RETAIL VALUE.—The term 'retail value' means the actual cash value, fair market value, or retail value of a passenger motor vehicle as—

"(A) set forth in a current edition of any nationally recognized compilation (to include automated databases) of retail values; or

"(B) determined pursuant to a market survey of comparable vehicles with regard to condition and equipment.

"(11) COST OF REPAIRS.—The term 'cost of repairs' means the estimated retail cost of parts needed to repair the vehicle or, if the vehicle has been repaired, the actual retail cost of the parts used in the repair, and the cost of labor computed by using the hourly labor rate and time allocations that are reasonable and customary in the automobile repair industry in the community where the repairs are to be performed.

"(12) FEDERAL FLOOD VEHICLE.—

"(A) IN GENERAL.—The term 'flood vehicle' means any passenger motor vehicle that—

"(i) has been acquired by an insurance company as part of a damage settlement due to water damage; or

"(ii) has been submerged in water to the point that rising water has reached over the door sill, has entered the passenger or trunk compartment, and has exposed any electrical, computerized, or mechanical component to water, except where a passenger motor vehicle which, pursuant to an inspection conducted by an insurance adjuster or estimator, a motor vehicle repairer or motor vehicle dealer in accordance with inspection guidelines or procedures established by the Secretary or the State, is determined—

"(I) to have no electrical, computerized or mechanical components which were damaged by water; or

"(II) to have one or more electrical, computerized or mechanical components which were damaged by water and where all such damaged components have been repaired or replaced.

"(B) INSPECTION NOT REQUIRED FOR ALL FEDERAL FLOOD VEHICLES.—No inspection under subparagraph (A) shall be required unless the owner or insurer of the passenger motor vehicle is seeking to avoid a brand of 'Federal Flood' pursuant to this chapter.

"(C) EFFECT OF DISCLOSURE.—Disclosing a passenger motor vehicle's status as a Federal flood vehicle or conducting an inspection pursuant to subparagraph (A) shall not impose on any person any liability for damage to (except in the case of damage caused by the inspector at the time of the inspection) or reduced value of a passenger motor vehicle.

"(b) CONSTRUCTION.—The definitions set forth in subsection (a) only apply to vehicles in a State which are wrecked, destroyed, or otherwise damaged on or after the date on which such State complies with the requirements of this chapter and the rule promulgated pursuant to section 33302(b).

"§ 33302. Passenger motor vehicle titling

"(a) CARRY-FORWARD OF STATE INFORMATION.—For any passenger motor vehicle, the ownership of which is transferred on or after the date that is 1 year after the date of the enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of that Act, in licensing such vehicle for use, shall disclose in writing on the certificate of title whenever records readily accessible to the State indicate that the passenger motor vehicle was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'older model salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', 'nonrepairable', 'reconstructed', 'rebuilt', or any other symbol or word of like kind, or that it has been damaged by flood, and the name of the State that issued that title, or that the vehicle was a 'Federal salvage vehicle', 'Federal rebuilt salvage vehicle', 'Federal flood vehicle', or 'Federal nonrepairable vehicle'.

"(b) NATIONALLY UNIFORM TITLE STANDARDS AND CONTROL METHODS.—Not later than 18 months after the date of the enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, the Secretary shall by rule require each State receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of that Act, in licensing any passenger motor vehicle where ownership of such passenger motor vehicle is transferred more than 2 years after publication of such final rule, to apply uniform standards, procedures, and methods for the issuance and control of titles for motor vehicles and for information to be contained on such titles. Such titling standards, control procedures, methods, and information shall include the following requirements:

"(1) A State shall conspicuously indicate on the face of the title or certificate for a passenger motor vehicle, as applicable, if the passenger motor vehicle is a Federal salvage vehicle, a Federal nonrepairable vehicle, a Federal rebuilt salvage vehicle, or a Federal flood vehicle, or if records readily available to the State indicate that the passenger motor vehicle was previously issued a title that bore any word or symbol referred to in subsection (a).

"(2) Such information concerning a passenger motor vehicle's status shall be conveyed on any subsequent title, including a duplicate or replacement title, for the passenger motor vehicle issued by the original titling State or any other State.

"(3) The title documents, the certificates, and decals required by section 33301(4), and the issuing system shall meet security standards minimizing the opportunities for fraud.

"(4) The certificate of title shall include the passenger motor vehicle make, model, body type, year, odometer disclosure, and vehicle identification number.

"(5) The title documents shall maintain a uniform layout, to be established in consultation with the States or an organization representing them.

"(6) A passenger motor vehicle designated as Federal nonrepairable shall be issued a nonrepairable vehicle certificate and shall not be retitled.

"(7) No rebuilt salvage title shall be issued to a salvage vehicle unless, after the salvage vehicle is repaired or rebuilt, it complies with the requirements for a Federal rebuilt salvage vehicle pursuant to section 33301(4). Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. Any such anti-theft inspection program shall include the following:

"(A) A requirement that the owner of any passenger motor vehicle submitting such vehicle for an anti-theft inspection provide a completed document identifying the vehicle's damage prior to being repaired, a list of replacement parts used to repair the vehicle, and proof of ownership of such replacement parts, as may be evidenced by bills of sale, invoices, or, if such documents are not available, other proof of ownership for the replacement parts. The owner shall also include an affirmation that the information in the declaration is complete and accurate and that, to the knowledge of the declarant, no stolen parts were used during the rebuilding.

"(B) A requirement to inspect the passenger motor vehicle or any major part or any major replacement part required to be marked under section 33102 for signs of such mark or vehicle identification number being illegally altered, defaced, or falsified. Any such passenger motor vehicle or any such part having a mark or vehicle identification number that has been illegally altered, defaced, or falsified, and that cannot be identified as having been legally obtained (through bills of sale, invoices, or other ownership documentation), shall be contraband and subject to seizure. The Secretary, in consultation with the Attorney General, shall, as part of the rule required by this section, establish procedures for dealing with those parts whose mark or vehicle identification number is normally removed during industry accepted remanufacturing or rebuilding practices, which parts shall be deemed identified for purposes of this section if they bear a conspicuous mark of a type, and applied in such a manner, as designated by the Secretary, indicating that they have been rebuilt or remanufactured. With respect to any vehicle part, the Secretary's rule, as required by this section, shall acknowledge that a mark or vehicle identification number on such part may be legally removed or altered as provided for in section 511 of title 18, United States Code, and shall direct inspectors to adopt such procedures as may be necessary to prevent the seizure of a part from which the mark or vehicle identification number has been legally removed or altered.

"(8) Any safety inspection for a Federal rebuilt salvage vehicle performed pursuant to this chapter shall be performed in accordance with nationally uniform safety inspection criteria established by the Secretary. A State may determine whether to conduct such safety inspection itself, contract with one or more third parties, or permit self-inspection by a person licensed by such State in an automotive-related business, all subject to criteria promulgated by the Secretary hereunder. Any State inspection program operating under this paragraph shall be subject to continuing review by and approval of the Secretary. A State requiring such safety inspection may require the payment of a fee for the privilege of such inspection or the processing thereof.

"(9) No duplicate or replacement title shall be issued unless the word 'duplicate' is clearly marked on the face thereof and unless the procedures for such issuance are substantially consistent with Recommendation three of the Motor Vehicle Titling, Registration and Salvage Advisory Committee.

"(10) A State shall employ the following titling and control methods:

"(A) If an insurance company is not involved in a damage settlement involving a Federal salvage vehicle or a Federal nonrepairable vehicle, the passenger motor vehicle owner shall apply for a Federal salvage title or Federal nonrepairable vehicle certificate, whichever is applicable, before the passenger motor vehicle is repaired or the ownership of the passenger motor vehicle is transferred, but in any event within 30 days after the passenger motor vehicle is damaged.

"(B) If an insurance company, pursuant to a damage settlement, acquires ownership of a passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a salvage vehicle or Federal nonrepairable vehicle, the insurance company or salvage facility or other agent on its behalf shall apply for a Federal salvage title or Federal nonrepairable vehicle certificate within 30 days after the title is properly assigned by the owner to the insurance company and delivered to the insurance company or Federal salvage facility or other agent on its behalf with all liens released.

"(C) If an insurance company does not assume ownership of an insured's or claimant's passenger motor vehicle that has incurred damage requiring the vehicle to be titled as a Federal salvage vehicle or Federal nonrepairable vehicle, the insurance company shall notify the owner of the owner's obligation to apply for a Federal salvage title or Federal nonrepairable vehicle certificate for the passenger motor vehicle and notify the State passenger motor vehicle titling office

that a Federal salvage title or Federal nonrepairable vehicle certificate should be issued for the vehicle, except to the extent such notification is prohibited by State insurance law.

"(D) If a leased passenger motor vehicle incurs damage requiring the vehicle to be titled as a Federal salvage vehicle or Federal nonrepairable vehicle, the lessor shall apply for a Federal salvage title or Federal nonrepairable vehicle certificate within 21 days after being notified by the lessee that the vehicle has been so damaged, except when an insurance company, pursuant to a damage settlement, acquires ownership of the vehicle. The lessee of such vehicle shall inform the lessor that the leased vehicle has been so damaged within 30 days after the occurrence of the damage.

"(E) Any person acquiring ownership of a damaged passenger motor vehicle that meets the definition of a Federal salvage or Federal nonrepairable vehicle for which a Federal salvage title or Federal nonrepairable vehicle certificate has not been issued, shall apply for a Federal salvage title or Federal nonrepairable vehicle certificate, whichever is applicable. This application shall be made before the vehicle is further transferred, but in any event, within 30 days after ownership is acquired. The requirements of this subparagraph shall not apply to any scrap metal processor which acquires a passenger motor vehicle for the sole purpose of processing it into prepared grades of scrap and which so processes such vehicle.

"(F) State records shall note when a nonrepairable vehicle certificate is issued. No State shall issue a Federal nonrepairable vehicle certificate after 2 transfers of ownership.

"(G) When a passenger motor vehicle has been flattened, baled, or shredded, whichever comes first, the title or Federal nonrepairable vehicle certificate for the vehicle shall be surrendered to the State within 30 days. If the second transferee on a Federal nonrepairable vehicle certificate is unequipped to flatten, bale, or shred the vehicle, such transferee shall, at the time of final disposal of the vehicle, use the services of a professional automotive recycler or professional scrap processor who is hereby authorized to flatten, bale, or shred the vehicle and to effect the surrender of the Federal nonrepairable vehicle certificate to the State on behalf of such second transferee. State records shall be updated to indicate the destruction of such vehicle and no further ownership transactions for the vehicle will be permitted. If different than the State of origin of the title or Federal nonrepairable vehicle certificate, the State of surrender shall notify the State of origin of the surrender of the title or Federal nonrepairable vehicle certificate and of the destruction of such vehicle.

"(H) When a Federal salvage title is issued, the State records shall so note. No State shall permit the retitling for registration purposes or issuance of a rebuilt Federal salvage title for a passenger motor vehicle with a Federal salvage title without a certificate of inspection, which complies with the security and guideline standards established by the Secretary pursuant to paragraphs (3), (7), and (8), as applicable, indicating that the vehicle has passed the inspections required by the State. This subparagraph does not preclude the issuance of a new Federal salvage title for a Federal salvage vehicle after a transfer of ownership.

"(I) After a passenger motor vehicle titled with a Federal salvage title has passed the inspections required by the State, the inspection official will affix the secure decal required pursuant to section 33301(4) to the driver's door jamb of the vehicle and issue to the owner of the vehicle a certificate indicating that the passenger motor vehicle has passed the inspections required by the State. The decal shall comply with the permanency requirements established by the Secretary.

"(J) The owner of a passenger motor vehicle titled with a salvage title may obtain a Federal rebuilt salvage title or vehicle registration, or both, by presenting to the State the Federal salvage title, properly assigned, if applicable, along with the certificate that the vehicle has passed the inspections required by the State. With such proper documentation and upon request, a Federal rebuilt salvage title or registration, or both, shall be issued to the owner. When a Federal rebuilt salvage title is issued, the State records shall so note.

"(11) A seller of a passenger motor vehicle that becomes a flood vehicle shall, prior to the time of transfer of ownership of the vehicle, give the transferee a written notice that the vehicle has been damaged by flood, provided such person has actual knowledge that such vehicle has been damaged by flood. At the time of the next title application for the vehicle, disclosure of the flood status shall be provided to the applicable State with the properly assigned title and the words 'Federal Flood' shall be conspicuously labeled across the front of the new title.

"(12) In the case of a leased passenger motor vehicle, the lessee, within 15 days of the occurrence of the event that caused the vehicle to become a flood vehicle, shall give the lessor written disclosure that the vehicle is a Federal flood vehicle.

"(13) Ownership of a passenger motor vehicle may be transferred on a Federal salvage title, however, a passenger motor vehicle for which a Federal salvage title has been issued shall not be registered for use on the roads or highways unless it has been issued a rebuilt salvage title.

"(14) Ownership of a passenger motor vehicle may be transferred on a Federal rebuilt salvage title, and a passenger motor vehicle for which a Federal rebuilt salvage title has been issued may, if permitted by State law, be registered for use on the roads and highways.

"(15) Ownership of a passenger motor vehicle may only be transferred 2 times on a Federal nonrepairable vehicle certificate. A passenger motor vehicle for which a Federal nonrepairable vehicle certificate has been issued can never be titled or registered for use on roads or highways.

"(c) CONSUMER NOTICE IN NONCOMPLIANT STATES.—Any State receiving, either directly or indirectly, funds appropriated under section 30503(c) of this title after the date of enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998 and not complying with the requirements of subsections (a) and (b) of this section, shall conspicuously print the following notice on all titles or ownership certificates issued for passenger motor vehicles in such State until such time as such State is in compliance with the requirements of subsections (a) and (b) of this section: 'NOTICE: This State does not conform to the uniform Federal requirements of the National Salvage Motor Vehicle Consumer Protection Act of 1998.'.

"(d) ELECTRONIC PROCEDURES.—A State may employ electronic procedures in lieu of paper documents whenever such electronic procedures provide the same information, function, and security otherwise required by this section.

"§ 33303. Disclosure and label requirements on transfer of Federal rebuilt salvage vehicles

"(a) WRITTEN DISCLOSURE REQUIREMENTS.—

"(1) GENERAL RULE.—Under regulations prescribed by the Secretary of Transportation, a person transferring ownership of a Federal rebuilt salvage vehicle shall, prior to the time of transfer of ownership of the vehicle, give the transferee a written disclosure that the vehicle is a Federal rebuilt salvage vehicle when such person has actual knowledge of the status of such vehicle.

"(2) FALSE STATEMENT.—A person making a written disclosure required by a regulation prescribed under paragraph (1) of this subsection may not make a false statement in the disclosure.

"(3) COMPLETENESS.—A person acquiring a Federal rebuilt salvage vehicle for resale may accept a disclosure under paragraph (1) only if it is complete.

"(4) REGULATIONS.—The regulations prescribed by the Secretary shall provide the way in which information is disclosed and retained under paragraph (1).

"(b) LABEL REQUIREMENTS.—

"(1) IN GENERAL.—The Secretary shall by regulation require that a label be affixed to the windshield or window of a Federal rebuilt salvage vehicle before its first sale at retail containing such information regarding that vehicle as the Secretary may require. The label shall be affixed by the individual who conducts the applicable State anti-theft inspection in a participating State.

"(2) REMOVAL, ALTERATION, OR ILLEGIBILITY OF REQUIRED LABEL.—No person shall willfully remove, alter, or render illegible any label required by paragraph (1) affixed to a Federal rebuilt salvage vehicle before the vehicle is delivered to the actual custody and possession of the first retail purchaser.

"(c) LIMITATION.—The requirements of subsections (a) and (b) shall only apply to a transfer of ownership of a Federal rebuilt salvage vehicle where such transfer occurs in a State which, at the time of the transfer, is complying with subsections (a) and (b) of section 33302.

"§ 33304. Report on funding

"The Secretary shall, contemporaneously with the issuance of a final rule pursuant to section 33302(b), report to appropriate committees of Congress whether the costs to the States of compliance with such rule can be met by user fees for issuance of titles, issuance of registrations, issuance of duplicate titles, inspection of rebuilt vehicles, or for the State services, or by earmarking any moneys collected through law enforcement action to enforce requirements established by such rule.

"§ 33305. Effect on State law

"(a) IN GENERAL.—Unless a State is in compliance with subsection (c) of section 33302, effective on the date the rule promulgated pursuant to section 33302 becomes effective, the provisions of this chapter shall preempt all State laws in States receiving funds, either directly or indirectly, appropriated under section 30503(c) of this title after the date of the enactment of the National Salvage Motor Vehicle Consumer Protection Act of 1998, to the extent they are inconsistent with the provisions of this chapter or the rule promulgated pursuant to section 33302, which—

"(1) set forth the form of the passenger motor vehicle title;

"(2) define, in connection with a passenger motor vehicle (but not in connection with a

passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any term defined in section 33301 or the terms 'Federal salvage', 'Federal nonrepairable', or 'Federal flood', or apply any of those terms to any passenger motor vehicle (but not to a passenger motor vehicle part or part assembly separate from a passenger motor vehicle); or

"(3) set forth titling, recordkeeping, anti-theft inspection, or control procedures in connection with any Federal salvage vehicle, Federal rebuilt salvage vehicle, Federal nonrepairable vehicle, or Federal flood vehicle.

"(b) EXCEPTIONS.—

"(1) PASSENGER MOTOR VEHICLE; OLDER MODEL SALVAGE.—Subsection (a)(2) does not preempt State use of the term—

"(A) 'passenger motor vehicle' in statutes not related to titling, recordkeeping, anti-theft inspection, or control procedures in connection with any salvage vehicle, rebuilt salvage vehicle, nonrepairable vehicle, or flood vehicle; or

"(B) 'older model salvage' to designate a wrecked, destroyed, or damaged vehicle that is older than a late model vehicle.

"(2) CONSUMER LAW ACTIONS.—Nothing in this chapter may be construed to affect any private right of action under State law.

"(c) CONSTRUCTION.—Additional disclosures of a passenger motor vehicle's title status or history, in addition to the terms defined in section 33301, shall not be deemed inconsistent with the provisions of this chapter. Such disclosures shall include disclosures made on a certificate of title. When used in connection with a passenger motor vehicle (but not in connection with a passenger motor vehicle part or part assembly separate from a passenger motor vehicle), any definition of a term defined in section 33301 which is different than the definition in that section or any use of any term listed in subsection (a), but not defined in section 33301, shall be deemed inconsistent with the provisions of this chapter. Nothing in this chapter shall preclude a State from disclosing on a rebuilt national salvage title that a Federal rebuilt national salvage vehicle has passed a State safety inspection which differed from the nationally uniform criteria to be promulgated pursuant to section 33302(b)(8).

"(d) STATUTORY CONSTRUCTION.—Except as specifically provided in this chapter, nothing in this chapter is intended to affect any State law—

"(1) relating to the inspection or titling of, disclosure, or other action concerning salvage, rebuilt salvage, flood, or nonrepairable motor vehicles; or

"(2) that provides for more stringent protection of a purchaser of a used motor vehicle.

"§ 33306. Civil penalties

"(a) PROHIBITED ACTS.—It is unlawful for any person knowingly to—

"(1) make or cause to be made any false statement on an application for a title (or duplicate title) for a passenger motor vehicle or any disclosure made pursuant to section 33303;

"(2) fail to apply for a Federal salvage title when such an application is required;

"(3) alter, forge, or counterfeit a certificate of title (or an assignment thereof), a Federal nonrepairable vehicle certificate, a certificate verifying an anti-theft inspection or an anti-theft and safety inspection, a decal affixed to a passenger motor vehicle pursuant to section 33302(b)(10)(I), or any disclosure made pursuant to section 33303;

"(4) falsify the results of, or provide false information in the course of, an inspection conducted pursuant to section 33302(b)(7) or (8);

"(5) offer to sell any Federal salvage vehicle or Federal nonrepairable vehicle as a Federal rebuilt salvage vehicle;

"(6) fail to make any disclosure required by section 33302(b)(11);

"(7) fail to make any disclosure required by section 33303;

"(8) violate a regulation prescribed under this chapter;

"(9) move a vehicle or a vehicle title in interstate commerce for the purpose of avoiding the titling requirements of this chapter; or

"(10) conspire to commit any of the acts enumerated in paragraph (1), (2), (3), (4), (5), (6), (7), (8), or (9).

"(b) CIVIL PENALTY.—Any person who commits an unlawful act as provided in subsection (a) of this section shall be fined a civil penalty of up to $2,000 per offense. A separate violation occurs for each passenger motor vehicle involved in the violation.

"§ 33307. Actions by States

"(a) IN GENERAL.—When a person violates any provision of this chapter, the chief law enforcement officer of the State in which the violation occurred may bring an action—

"(1) to restrain the violation;

"(2) recover amounts for which a person is liable under section 33306; or

"(3) to recover the amount of damage suffered by any resident in that State who suffered damage as a result of the knowing commission of an unlawful act under section 33306(a) by another person.

"(b) STATUTE OF LIMITATIONS.—An action under subsection (a) shall be brought in any court of competent jurisdiction within 2 years after the date on which the violation occurs.

"(c) NOTICE.—The State shall serve prior written notice of any action under subsection (a) or (f)(2) upon the Attorney General of the United States and provide the Attorney General with a copy of its complaint, except that if it is not feasible for the State to provide such prior notice, the State shall serve such notice immediately upon instituting such action. Upon receiving a notice respecting an action, the Attorney General shall have the right—

"(1) to intervene in such action;

"(2) upon so intervening, to be heard on all matters arising therein; and

"(3) to file petitions for appeal.

"(d) CONSTRUCTION.—For purposes of bringing any action under subsection (a), nothing in this Act shall prevent an attorney general from exercising the powers conferred on the attorney general by the laws of such State to conduct investigations or to administer oaths or affirmations or to compel the attendance of witnesses or the production of documentary and other evidence.

"(e) VENUE; SERVICE OF PROCESS.—Any action brought under subsection (a) in a district court of the United States may be brought in the district in which the defendant is found, is an inhabitant, or transacts business or wherever venue is proper under section 1391 of title 28, United States Code. Process in such an action may be served in any district in which the defendant is an inhabitant or in which the defendant may be found.

"(f) ACTIONS BY STATE OFFICIALS.—

"(1) Nothing contained in this section shall prohibit an attorney general of a State or other authorized State official from proceeding in State court on the basis of an alleged violation of any civil or criminal statute of such State.

"(2) In addition to actions brought by an attorney general of a State under subsection (a), such an action may be brought by officers of such State who are authorized by the State to bring actions in such State on behalf of its residents.".

(b) CONFORMING AMENDMENT.—The table of chapters for part C at the beginning of subtitle VI of title 49, United States Code, is amended by inserting at the end the following new item:

"333. AUTOMOBILE SAFETY AND TITLE DISCLOSURE REQUIREMENTS ..... 33301".

SEC. 3. AMENDMENTS TO CHAPTER 305.

(a) DEFINITIONS.—

(1) Section 30501(4) of title 49, United States Code, is amended to read as follows:

"(4) 'Federal nonrepairable vehicle', 'Federal salvage vehicle', and 'Federal rebuilt salvage vehicle' have the same meanings given those terms in section 33301 of this title.".

(2) Section 30501(5) of such title is amended by striking "junk automobiles" and inserting "Federal nonrepairable vehicles".

(3) Section 30501(8) of such title is amended by striking "salvage automobiles" and inserting "Federal salvage vehicles".

(4) Section 30501 of such title is amended by striking paragraph (7) and redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

(b) NATIONAL MOTOR VEHICLE TITLE INFORMATION SYSTEM.—

(1) Section 30502(d)(3) of title 49, United States Code, is amended to read as follows:

"(3) whether an automobile known to be titled in a particular State—

"(A) is or has been a Federal nonrepairable vehicle, a Federal rebuilt salvage vehicle, or a Federal salvage vehicle; or

"(B) was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', or any other symbol or word of like kind, or that the vehicle has been damaged by flood.".

(2) Section 30502(d)(5) of title 49, United States Code, is amended to read as follows:

"(5) whether—

"(A) an automobile bearing a known vehicle identification number has been reported as a Federal nonrepairable vehicle, a Federal rebuilt salvage vehicle, or a Federal salvage vehicle under section 30504 of this title; or

"(B) the vehicle was previously issued a title that bore any word or symbol signifying that the vehicle was 'salvage', 'unrebuildable', 'parts only', 'scrap', 'junk', or any other symbol or word of like kind, or that the vehicle has been damaged by flood.".

(c) STATE PARTICIPATION.—Section 30503 of title 49, United States Code, is amended to read as follows:

"§ 30503. State participation

"(a) STATE INFORMATION.—Each State receiving funds appropriated under subsection (c) shall make titling information maintained by that State available for use in operating the National Motor Vehicle Title Information System established or designated under section 30502 of this title.

"(b) VERIFICATION CHECKS.—Each State receiving funds appropriated under subsection (c) shall establish a practice of performing an instant title verification check before issuing a certificate of title to an individual or entity claiming to have purchased an automobile from an individual or entity in another State. The check shall consist of—

"(1) communicating to the operator—

"(A) the vehicle identification number of the automobile for which the certificate of title is sought;

"(B) the name of the State that issued the most recent certificate of title for the automobile; and

"(C) the name of the individual or entity to whom the certificate of title was issued; and

"(2) giving the operator an opportunity to communicate to the participating State the results of a search of the information.

"(c) GRANTS TO STATES.—

"(1) In cooperation with the States and not later than January 1, 1994, the Attorney General shall—

"(A) conduct a review of systems used by the States to compile and maintain information about the titling of automobiles; and

"(B) determine for each State the cost of making titling information maintained by that State available to the operator to meet the requirements of section 30502(d) of this title.

"(2) The Attorney General may make reasonable and necessary grants to participating States to be used in making titling information maintained by those States available to the operator.

"(d) REPORT TO CONGRESS.—Not later than October 1, 1998, the Attorney General shall report to Congress on which States have met the requirements of this section. If a State has not met the requirements, the Attorney General shall describe the impediments that have resulted in the State's failure to meet the requirements.".

(d) REPORTING REQUIREMENTS.—Section 30504 of title 49, United States Code, is amended by striking "junk automobiles or salvage automobiles" every place it appears and inserting "Federal nonrepairable vehicles, Federal rebuilt salvage vehicles, or Federal salvage vehicles".

SEC. 4. DEALER NOTIFICATION PROGRAM FOR PROHIBITED SALE OF NONQUALIFYING VEHICLES FOR USE AS SCHOOLBUSES.

Section 30112 of title 49, United States Code, is amended by adding at the end thereof the following:

"(c) NOTIFICATION PROGRAM FOR DEALERS CONCERNING SALES OF VEHICLES AS SCHOOLBUSES.—Not later than September 1, 1998, the Secretary shall develop and implement a program to notify dealers and distributors in the United States that subsection (a) prohibits the sale or delivery of any vehicle for use as a schoolbus (as that term is defined in section 30125(a)(1) of this title) that does not meet the standards prescribed under section 30125(b) of this title.".

Passed the Senate October 2, 1998.

Mr. LOTT. Mr. President, today, I want to talk to my colleagues about used cars. No, I don't want to sell one, I want to talk about how my colleagues have worked to protect every American who purchases a used car.

Mr. President, the Title Branding Bill that I co-authored with Senator FORD passed this chamber by unanimous consent. This significant consumer protection legislation is long overdue. It will protect you and other consumers from unknowingly buying a severely damaged auto from dishonest rebuilders.

Our bill will help eliminate the growing fraud of selling rebuilt vehicles that have been "totaled" and then sold to consumers who are never informed of the vehicle's damage history. This deceptive practice costs Americans nearly $4 billion annually. Today, Congress has helped solve this $4 billion problem.

Mr. President, here is another statistic that scares me, and should also scare our colleagues. It is estimated that each year, one million cars are totaled, rebuilt, and put back on the roads. As you go home tonight try to imagine which car around you is one of the million put back this year.

Clearly Senator FORD and I have addressed an issue that affects everyone—those who buy and drive used cars and those who share the roads with them. Remember, that's one million totaled cars per year that are structurally unsafe to drive. These previously totaled cars and trucks are put back on our roads here in DC, in my home state of Mississippi, and all across the nation.

Mr. President, I am pleased that some states require disclosure on a vehicle's title to indicate its damage history, however, these requirements vary from state to state. As a result, unscrupulous re-builders can take advantage of the inconsistencies in state titling procedures to obtain what are known as "clean or washed" titles. Adopting a uniform federal standard will eliminate this problem by closing the loopholes.

In 1992, Congress directed the Secretary of Transportation to establish a taskforce to study the problems related to motor vehicle titling, and more importantly, the specific problems that have contributed to this serious consumer fraud. The taskforce included all stakeholders representing a wide array of interests. This diverse group provided specific recommendations that became the foundation upon which Senator FORD and I built S. 852, the National Salvage Motor Vehicle Consumer Protection Act. Mr. President, our goal is simple and direct—to protect Americans on our roads with a uniform disclosure standard.

Mr. President, contrary to what some people believe, our bill is not a federal mandate on the states. The bill does not restrict the ability of states to adopt higher "damage disclosure" requirements. Rather this bill provides the basic minimum federal standard while giving states the necessary flexibility to adopt more regulations if they so choose.

As a result of our bipartisan effort, we have a bill that I firmly believe will benefit individuals, state motor vehicle administrators, automobile dealers, insurance companies and policy holders, consumer groups, salvage yards and many others involved in used car commerce.

Our bill requires that if a salvage vehicle is rebuilt, it must have a theft inspection, as well as any required state safety inspection, and a branded title must be obtained before the vehicle is considered road-worthy. In addition, all rebuilt salvage vehicles must have a decal permanently affixed to the driver's door jamb, and its window, indicating that the vehicle has been rebuilt and specifying whether the vehicle has passed an approved safety inspection.

In the future, a vehicle's title will disclose the damage history with a uniform minimum standard. A brand from one state will be carried forward to any new state in which the vehicle is registered. And, irreparably damaged vehicles' Vehicle Identification Numbers (VIN) will be tracked to help address automobile theft. I would also like to point out that while civil damages may be recovered by those who are victims of these fraudulent schemes, this bill will not prohibit currently permitted private rights of action.

Mr. President, this legislation is a major step toward reducing motor vehicle titling fraud, improving consumer protection and disclosing valuable information to every American, their families and friends about a vehicle's damage history.

Mr. President, as I mentioned earlier, this bill has been crafted in a bipartisan fashion. I want to thank my Commerce Committee colleague from Kentucky, the Minority Whip, Senator FORD, for co-authoring this legislation with me. This bill is a fitting tribute to protect consumers as my friend retires from the Senate this year.

I also greatly appreciate the support and cosponsorship of 57 of my colleagues in the Senate, including the distinguished Minority Leader, Senator DASCHLE. I also appreciate the efforts of Senator MCCAIN for his stewardship as Chairman of the Senate Commerce Committee. Additionally, I want to thank Senator HOLLINGS for his input and contributions to this legislative approach. I also want to commend my friend and colleague from Washington State, Senator GORTON, for his diligent work over the past several months to improve this bill. Senators LEVIN and FEINSTEIN also deserve recognition for their efforts to provide states with maximum flexibility.

Mr. President, I also want to take this opportunity to congratulate all of my colleagues for passing this important nonpartisan measure by unanimous consent. It is another example of how this Congress can put aside partisan differences and deliver significant legislation for the American people.

In this particular case, it demonstrates that my colleagues are serious about protecting American consumers from fraud. By promoting the use of a uniform disclosure standard, Congress will help put dishonest rebuilders out of business, save consumers and automobile dealers as much as $4 billion annually, and keep 1 million totaled vehicles from being put back on the road each year.

I would like to take a moment and recognize a few people who made this

legislative effort successful. The first is Mr. Al East of East Ford in Jackson, Mississippi. Mr. East, a past president of the Mississippi National Automobile Dealers Association, identified the problem facing consumers and dealers in my home state and across the country.

As an automobile dealer himself, Mr. East knows first hand the tremendous cost that title washing has on the used car industry. Al East's dedication to his clients, his community and to American automobile industry, and his work on the Board of Directors for the National Automobile Dealers Association has positively effected this much needed legislation.

I also want to recognize Ruddy Dossett, of Dossett Big Four in Tupelo, Mississippi for his testimony before the Commerce Committee.

Additionally, I would like to acknowledge the Congressional staff who labored on the details. They include Clay Williams and Steven Apicella from my office, Lance Bultena, Jim Drewery and Moses Boyd from the Commerce Committee, David Regan from Senator FORD's office, and Jeanne Bumpus, from Senator GORTON's office. Each made a significant and tangible contribution to the bill. Each had the used car consumer in mind as they dotted the i's and the t's.

As you are aware Mr. President, the House of Representatives took up a different companion bill last year that passed by an overwhelming majority. I call upon the House to complete the legislative process by working with the Senate's conferees and by ultimately passing this important automobile titling legislation.

Mr. President, I am very proud that members from both sides of the aisle are continuing to fulfill the peoples' business.

By passing this title branding bill today, the Senate has taken an important step toward removing structurally unsafe cars and trucks that would otherwise share the roads with our friends, neighbors, and loved ones. On behalf of all American motorists, I thank all my colleagues for voting in favor of this important pro-consumer, anti-fraud, anti-criminal legislation.

Mr. SESSIONS. Mr. President, I yield the floor.

TRIBUTE TO DAVE ROSE

Mr. STEVENS. Mr. President, I take a moment to honor Dave Rose, an Alaskan who has dedicated his life to public service. This weekend the American Diabetes Association (Alaska area) is honoring Dave for his leadership in raising funds to combat this disease. He will be the first recipient of the "Golden Rose Award" honoring his commitment in the fight against diabetes.

Dave has diabetes, but he hasn't let the disease slow him down. Even with impaired vision and regular dialysis treatments, he has been a tireless fund raiser, spokesman, and volunteer organizer. When Dave isn't working to help combat diabetes he lends his time to a whole host of causes including the Anchorage Concert Association Foundation, the Alaska Pacific University Foundation, the Alaska Federation of Natives Sobriety Foundation, and the Alaska Community Foundation. Dave and his wife Fran also have their own foundation which distributes funds to arts, health, and higher education programs.

Dave's leadership in Alaska goes beyond the philanthropic. After a distinguished career in the Army, he spent many years on the Anchorage Assembly. He also shepherded Alaska's permanent fund from a fledgling portfolio to the multi-billion dollar account which stands as a rainy day fund for the time when Alaska's oil revenues decline dramatically.

Dave's optimism, his love of people, and his willingness to share his talents for the betterment of others deserves our recognition. Alaska is a better place for Dave's dedication and commitment.

Mr. President, I ask unanimous consent that an article about Dave Rose entitled "Golden Attitude" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Anchorage Daily News, Sept. 29, 1998]

GOLDEN ATTITUDE

(By Susan Morgan)

All was quiet in Dave Rose's offices at Alaska Permanent Capital Management Co. one morning last week, so he figured the stock market was doing well.

"I'd hear screaming" if there was trouble, said Rose, the company's chairman.

Rose, first director of the Alaska Permanent Fund Corp., knows the signs. Since retiring in 1992—the fund grew to $13.5 billion from $3.8 billion and earned more than $8 billion in cash during the 10 years he was there—he's been running his own money management company, now investing about $1.5 billion dollars for Alaska clients.

As during his tenure with the Permanent Fund, business is quietly successful.

"We are always classified as dull and boring. We hit a lot of singles (return rates)," Rose explained. "If we hit a double, we're euphoric."

This is a man who unabashedly loves his work. "They pay me to do this, which is fun."

That appreciation for the good things in life has been made sweeter by Rose's recent struggles to maintain his health. While many of those with diabetes suffer eye, heart or kidney problems, Rose—diagnosed 15 years ago—has been hit hard by all three.

Now 61, he is dependent on daily shots of insulin, has no vision in his left eye, underwent quadruple bypass heart surgery this year and endures three hours of dialysis—losing 7 pounds of fluid each time—three times a week while he awaits a kidney transplant.

Dialysis is an arduous process in which Rose's blood is removed from his body via a needle in an artery, then "dewatered" and cleaned of toxins—work normally done by healthy kidneys. The blood is returned through another needle inserted in a vein. Rose's arm shows a long line of scars from the process.

"I have nails in my workshop that are smaller than those needles," he says.

But Rose, who calls himself "basically an optimist," hasn't taken to his sickbed. He's been known to dress up in costumes for the amusement of others during dialysis and has added to an already jampacked personal schedule.

In addition to owning several local businesses, running his investment firm and serving as finance director for Gov. Tony Knowles' current campaign, Rose has added the American Diabetes Association to the already lengthy list of charitable organizations to which he volunteers time and his prodigious fund-raising energy.

Crediting a "good Rolodex" for his success, Rose has led a small group of local bicyclists to national championships in the Tour De Cure, a fund-raising event for the American Diabetes Association. For three years in a row, until this year, "Rose's Riders" raised more money than any other team in the United States—more than $80,000 in four years.

Because of those efforts, the Alaska office of the association has created the Golden Rose Award. In a ceremony Saturday, Rose will be its first recipient.

"We wish to honor Dave for his generosity, as well as his commitment . . . to improve the lives of people with diabetes and to find a cure," district manager Connie Weel wrote in a press release.

Meanwhile, Rose looks for the best in his situation. With just one arm to use during dialysis, he can't manage both a book and the now-necessary magnifying glass, so he listens to books on tape—especially his favorite "trashy mysteries."

He even gets a kick out of a conversation with his doctor about whether he should get a Seeing Eye dog.

"He said to get a Lab, If I do, because in Alaska, if you're blind you can get a free hunting license."

Rose urges Alaskans to get a test to show if they're among the millions of Americans with undiagnosed diabetes—"You can deal with it if you catch it early enough"—and emphasizes the importance of becoming an organ donor.

Most important to him seems to be not letting diabetes limit his life. He and his wife, Fran—they married in 1959 and she's now "my eyes and driver"—dote on their Maine Coon Kitten, two grown sons and gardens.

"I'm trying to live a normal life and fit everything in," Rose says.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, October 1, 1998, the federal debt stood at $5,540,570,493,226.32 (Five trillion, five hundred forty billion, five hundred seventy million, four hundred ninety-three thousand, two hundred twenty-six dollars and thirty-two cents).

One year ago, October 1, 1997, the federal debt stood at $5,420,506,000,000 (Five trillion, four hundred twenty billion, five hundred six million).

Five years ago, October 1, 1993, the federal debt stood at $4,406,340,000,000

(Four trillion, four hundred six billion, three hundred forty million).

Twenty-five years ago, October 1, 1973, the federal debt stood at $460,589,000,000 (Four hundred sixty billion, five hundred eighty-nine million) which reflects a debt increase of more than $5 trillion—$5,079,981,493,226.32 (Five trillion, seventy-nine billion, nine hundred eighty-one million, four hundred ninety-three thousand, two hundred twenty-six dollars and thirty-two cents) during the past 25 years.

RECESS UNTIL 11 A.M., MONDAY, OCTOBER 5, 1998

The PRESIDING OFFICER. Under the previous order, the Senate now stands in recess until Monday, October 5, 1998, at 11 a.m.

Whereupon, the Senate, at 4:57 p.m., recessed until Monday, October 5, 1998, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate October 2, 1998:

DEPARTMENT OF JUSTICE

MARIA BORRERO, OF THE DISTRICT OF COLUMBIA, TO BE DIRECTOR OF THE OFFICE FOR VICTIMS OF CRIME, VICE AILEEN CATHERINE ADAMS.

POSTAL RATE COMMISSION

DANA BRUCE COVINGTON, SR., OF MISSISSIPPI, TO BE A COMMISSIONER OF THE POSTAL RATE COMMISSION FOR A TERM EXPIRING OCTOBER 14, 2004, VICE GEORGE W. HALEY.

EDWARD JAY GLEIMAN, OF MARYLAND, TO BE A COMMISSIONER OF THE POSTAL RATE COMMISSION FOR A TERM EXPIRING OCTOBER 14, 2004. (REAPPOINTMENT)

CONFIRMATION

Executive Nomination Confirmed by the Senate October 2, 1998:

THE JUDICIARY

SONIA SOTOMAYOR, OF NEW YORK, TO BE UNITED STATES CIRCUIT JUDGE FOR THE SECOND CIRCUIT.

HOUSE OF REPRESENTATIVES—*Friday, October 2, 1998*

The House met at 9 a.m.

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

We recognize, gracious God, that it is easy to see what is wrong with our world, but we can see the good as well. It is simple to list the weaknesses, but we can also list the works of justice that stand the moments of time. We can quickly catalog the mistakes of those with whom we disagree, but it is apparent that others can do good works, the works of justice and mercy. We know there are times to despair, but we also know there are wonderful occasions to sing.

So teach us, O God, to open our eyes to all the glories of Your creation so we can celebrate all Your gifts, this day and every day 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. GIBBONS. 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. GIBBONS. 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 gentlewoman from North Carolina (Mrs. MYRICK) come forward and lead the House in the Pledge of Allegiance.

Mrs. MYRICK 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.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 3007. An act to establish the Commission on the Advancement of Women and Minorities in Science, Engineering, and Technology Development.

H.R. 4068. An act to make certain technical corrections in laws relating to Native Americans, and for other purposes.

The message also announced that the Senate has passed bills and a joint resolution of the following titles in which the concurrence of the House is requested:

S. 1092. An act to provide for a transfer of land interests in order to facilitate surface transportation between the cities of Cold Bay, Alaska, and King Cove, Alaska, and for other purposes.

S. 2540. An act to extend the date by which an automated entry-exit control system must be developed.

S.J. Res. 58. Joint resolution recognizing the accomplishments of Inspectors General since their creation in 1978 in preventing and detecting waste, fraud, abuse, and mismanagement, and in promoting economy, efficiency, and effectiveness in the Federal Government.

The message also announced that the Senate agrees to the amendment of the House to the bill (S. 414) "An Act to amend the Shipping Act of 1984 to encourage competition in international shipping and growth of United States exports, and for other purposes."

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will recognize 20 one-minutes on each side.

TAX CUTS

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

Mr. GIBBONS. Mr. Speaker, on October 12 we will observe Columbus Day. For those of you who have forgotten, Columbus Day is the day that we celebrate the discovery of America. So let us talk about what the term "discovery" means to my liberal Democratic colleagues.

For decades liberal Democrats believed that you would literally fall off the edge of the world if you lowered taxes. After Republicans passed the Balanced Budget and Taxpayer Relief Acts, wow, the Democrats, the liberals discovered that tax cuts for hard-working men and women provide a healthy economy, giving low unemployment and investment incentives.

Liberals discovered that by allowing Americans to keep more of their hard-earned money, they should and could send their kids off to school, take that needed vacation or invest in their retirement. Republicans in the House have passed a plan that will not only help save Social Security but will also provide billions of dollars in tax cuts to America's hard-working men and women.

Mr. and Mrs. America, Columbus discovered a new world. Democrats discovered new taxes. I applaud my Republican colleagues for discovering a brave new America, full tax relief and hope for the future.

IN HONOR OF BILL DOLAN

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

Mr. PASCRELL. Mr. Speaker, just for a change of pace, today I wish to bring to your attention the end of an era in my hometown of Patterson, New Jersey. Today marks the last day of the tenure of public safety director Bill Dolan, who served in the capacity for 11 years and as a cop for 43 years in the Silk City.

As the former mayor of Patterson, I feel that this occasion should be recorded in the annals of the CONGRESSIONAL RECORD. In the day of sunshine friends, let me tell you about a true friend.

Bill Dolan served our Nation in the United States Marine Corps during the Korean conflict. In 1956 he joined the Patterson police department and in 1987 he was appointed public safety director by my predecessor in the mayor's office.

Mr. Speaker, being the top public safety official in a big city is like no other job in government. Director Dolan was responsible for the largest department in Patterson's municipal government and overseeing the police and the fire divisions. During his tenure, Bill Dolan not only modernized his department, but he was at the helm of public safety. It was a big job. He performed it with honor, courage, dignity, and class.

I ask that my colleagues join me, the 150,000 residents of Patterson, and Mayor Martin Barnes and city council members in honoring Bill Dolan and congratulating him on his exemplary service to the people of Patterson and the Garden State.

PARTISAN VERSUS BIPARTISAN

(Mr. PITTS asked and was given permission to address the House for 1

minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, consider the charges of partisanship by the liberal spin doctors. Just what does bipartisanship mean to the other side? Does it mean whenever Republicans agree with the Democrats, that is bipartisanship?

Fact: The overwhelming majority of Democrats voted with the Republicans to release materials from the Starr report. Yet the majority of Democrats on the Committee on the Judiciary voted against what the majority of their own caucus, including their leadership, voted. So by this definition, it is the Republicans who are acting in a partisan manner.

Mr. Speaker, this is classic liberal rhetoric, typical of the double standards of liberalism.

Fact: Liberals who assailed Ronald Reagan for 8 years because they disagreed with his policies are the very same people who label anyone who criticizes the President as a Clinton hater. Anyone who disagrees with a liberal is met with shrill accusations of being partisan.

The next time you hear a liberal say "partisan," just remember the Robert Bork or Clarence Thomas hearings. You will say, thank heavens for HENRY HYDE.

IN HONOR OF CAPTAIN ANTHONY STANCIL

(Mrs. MYRICK asked and was given permission to address the House for 1 minute.)

Mrs. MYRICK. Mr. Speaker, I rise today to honor Captain Anthony Stancil of the Mecklenburg County, North Carolina Sheriff's Office. Last Tuesday, shortly after 1 a.m., Captain Stancil was murdered in cold blood by a shoplifter at the Mallard Creek Harris Theater.

He leaves behind two children and a wife with a baby on the way. He was one of our Nation's best, risking his life day in and day out to preserve the peace and freedom that we so often take for granted.

Our prayers go out to his wife and children. They lost a strong husband and a father. In the last few days the citizens of Charlotte-Mecklenburg have come together to reach out to the family and take care of them in their time of greatest need, but they are going to need our help for longer than just a few weeks. We all need to reach out to Anthony Stancil's fellow law enforcement officers because it has been a tough week for all of them.

I hope we come away from this tragedy with a renewed sense of the debt we owe our local police and with a renewed intolerance for the cruelty of someone who would end the life of one of Charlotte's best citizens.

PROVIDING FOR CONSIDERATION OF H.R. 4274, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION APPROPRIATIONS ACT, 1999

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 564 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 564

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 4274) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1999, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed 90 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 or 6 of rule XXI are waived except as follows: beginning with ": *Provided*" on page 41, line 9, through line 19; page 95, line 18, through page 109, line 19. Where points of order are waived against part of a paragraph, points of order against a provision in another part of such paragraph may be made only against such provision and not against the entire paragraph. The amendments printed in the report of the Committee on Rules accompanying this resolution may be offered only by a Member designated in the report and only at the appropriate point in the reading of the bill, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment except as specified in the report, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 6 of rule XXIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. CAMP). Pursuant to the rule, the gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from Fairport, New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume.

All time yielded is for the purpose of debate only.

This rule provides for consideration of H.R. 4274, the fiscal year 1999 appropriations for the Departments of Labor, Health and Human Services under an open rule. There will be 90 minutes of general debate, divided equally between the chairman and ranking minority member of the Committee on Appropriations.

□ 0915

The rule waives clause 2 and clause 6 of rule XXI against provisions in the bill except as otherwise specified by the rule. The provisions in the bill which are subject to points of order, and they have been authored by both Republicans and Democrats, violate the protocol that legislative provisions included in appropriations bills be sanctioned by the appropriate authorizing committee chairmen.

Mr. Speaker, the rule makes in order and waives points of order against the amendments printed in the Committee on Rules report. The rule authorizes the Chair to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD, allows for the chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce votes to 5 minutes on the postponed question if the vote follows a 5-minute vote. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, the Labor, Health and Human Services appropriations bill is the single largest appropriations bill that comes before Congress each year, exceeding even the level of spending in the defense bill. It includes most of the health care, medical research, education and job training programs that touch so many people's lives and, therefore, generate tremendous support in communities around the country. At the same time, many of those same programs, because they touch on areas of daily life which were outside the purview of government, especially the Federal Government in Washington, for so long in this country, raise deep and often emotional questions about values.

Between the highly charged social issues that this bill cannot help but be immersed in, and the funding difficulties that are inherent in any effort to set priorities within a balanced budget framework, this is always an extraordinarily difficult bill to craft and enact

into law. The chairman of the subcommittee, my friend from Wilmette, Illinois, has tackled this incredible challenge in as commendable a fashion as possible. His bill deserves a fair hearing on the House floor.

Mr. Speaker, it is impossible to detail how the Labor-HHS appropriations bill allocates nearly $82 billion in discretionary funds. However, I must note that the bill is based on the principle that issues like health care, education, substance abuse and job training are best addressed by solutions crafted at the local level, not imposed top down by Washington bureaucrats. The Federal Government will help local communities meet these needs by providing vital resources, but we will give those communities flexibility to meet local needs. That is why the bill increases funding for key block grant programs by $879 million over the President's request. That is a trend that should continue in coming years.

The rule provides for a vigorous debate on Title X, family planning regulations. In addition, as an open rule, Members can attempt to change the spending priorities in the bill. However, at the end of this process, it is critical to remember that a bill which attempts to scale such lofty heights, but which can never enjoy unlimited resources, will leave some people unhappy.

I believe this rule will permit the House to engage in a spirited debate worth having. I urge Members on both sides of the aisle to recognize that fact and support this rule.

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

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume, and I thank my colleague, the gentlewoman from North Carolina, for yielding me the customary half-hour.

Mr. Speaker, both the rule and the underlying bill have provisions that I support, but they also include provisions that I must oppose.

In general the rule is an open rule that would allow the Members of the House to offer germane perfecting amendments. However, the rule is partisan and unfair in which provisions of the bill it protects from points of order. The rule protects provisions that will delay new worker safety provisions, particularly those designed to protect workers from repetitive motion injuries. But it subjects to a point of order by a single Member, important language guaranteeing a woman the option of choosing an obstetrician-gynecologist as her primary physician.

The rule makes in order a vital amendment offered by the gentleman from Pennsylvania (Mr. GREENWOOD) to modify ill-conceived restrictions that this bill would place on Title X family planning services. The current version of the bill would require all clinics that provide Title 10 family planning services to minors to notify his or her parents 5 days before doing so. I would suggest that this provision takes a hopelessly naive view of our world and our children. As much as we might wish we could, Congress cannot legislate healthy family relationships and good communication between parents and children.

The parental consent provision of this bill sets up a deceptively attractive choice for Congress. Its proponents claim that we are simply ensuring that minors involve parents in their decisions to become sexually active and to seek family planning. In reality, however, this legislation will not compel any young man or young woman to talk to their parents about decisions. Instead, it will simply drive minors away from family planning services and lead them to engage in risky sexual behavior without the benefit of contraceptives. A vote for the Greenwood amendment is a vote to reduce teen pregnancy and sexually transmitted diseases, and I urge all of my colleagues to support it and oppose the Istook substitute.

Like the rule, the underlying bill has some very positive provisions and others that I strongly oppose. As a former microbiologist and supporter of basic biomedical research, I applaud the committee's decision to increase funding for the National Institutes of Health, and I am pleased to see that the committee report addresses vital health issues like eating disorders, colorectal cancer, and female genital mutilation.

I am very pleased that the bill provides $30 million for the education of homeless children, Mr. Speaker. This small initiative has had a big effect on helping homeless children stay in school and giving them the tools to succeed.

I also commend the $834 million increase in Pell Grant funding. It will allow more economically disadvantaged students to participate and increases the maximum grant to $3,150.

However, I am extremely disappointed by the committee's decision to slash funding for the Low Income Home Energy Assistance Program by $1.1 billion. In my home district of Rochester, New York, the average winter temperature is 12 degrees below freezing. I am sure my colleagues would not deny my constituents access to literally life-saving home heating.

The bill will hurt American workers also. Workplace safety enforcement is cut. The riders in the bill delay all new worker safety safeguards and block the reform of Black Lung benefits.

But, Mr. Speaker, perhaps most egregiously, the majority has not taken advantage of an opportunity to raise the performance of our public schools. This bill does nothing to fund school modernization, nothing to reduce class size, nothing to help train teachers, and nothing to fulfill an agreement, made just last year, to provide opportunities for children unable to read.

Mr. Speaker, our children represent this Nation's most precious resource, and I hope that no one in this chamber would ever dispute that fact. If we fail in our solemn responsibility to prepare them for the future, we will be faced with a work force unable to compete in a global economy.

When I criticize the bill, I recognize that many of its problems stem from the fact that the subcommittee was not given a high enough appropriation allocation to meet all of the important needs in its jurisdiction. And the fact that we have never adopted a final budget resolution, as required by law, certainly contributed to that failing.

Mr. Speaker, I have been proud to support Labor-HHS appropriations bills in the past, but this bill will hurt the poor, who will have to choose between food and heat; it will hurt children, who will not receive the special assistance they need to fulfill their potential; it will hurt the American worker, who may be unnecessarily injured on the job.

Mr. Speaker, we can craft a better bill and we can craft a better rule. I ask my colleagues to defeat the rule and the bill so that we can do better.

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

Mr. DREIER. Mr. Speaker, I yield myself such time as I may consume to simply congratulate my very dear friend from Charlotte, North Carolina, for her spectacular presentation of the opening remarks on this rule, and to rise in strong support of this rule and urge my colleagues to vote in favor of it.

Ms. SLAUGHTER. Mr. Speaker, I yield back the balance of my time.

Mr. DREIER. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. CAMP). The question is on the resolution.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5, rule I, further proceedings on this motion are postponed.

CONGRATULATIONS TO FUTURE FARMERS OF AMERICA ON 50TH ANNIVERSARY

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

Mr. SHIMKUS. Mr. Speaker, I would like to take this opportunity to congratulate the Pleasant Hill Chapter of

the Future Farmers of America for the celebration of their 50th anniversary this past August 19th.

The goal of this organization is to train and develop future leaders in the agricultural community, a very valuable commodity in the 20th Congressional District of Illinois. The work of the FFA has not just turned high school kids into agricultural leaders but also into leaders of our communities.

One way that I am trying to assure that the FFA has a market is by encouraging the use of bio-diesel fuel, which is made with soybeans. Again, I congratulate the Pleasant Hill Chapter of the Future Farmers of America for reaching its 50th year anniversary and wish them all the success in their future endeavors.

DEMOCRATS NOT USING HONEST ARGUMENTS REGARDING SOCIAL SECURITY TRUST FUND

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

Mr. BALLENGER. Mr. Speaker, I often have discussions, serious discussions, with Democrats who have a point of view that I do not agree with. It is always a healthy thing to have an honest debate with another person, for there are usually two sides to every story and every issue. But it is also frustrating to debate someone who is not using honest arguments.

The other side has charged repeatedly that the tax cut package promoted by the Ways and Means chairman, the gentleman from Texas (Mr. ARCHER), is a raid on the Social Security Trust Fund.

If my colleagues believe that, look at this chart. The absurdity of the allegation becomes quite obvious. If the raid is so, then how can $9.6 trillion in spending over 5 years not be a threat to Social Security, while this little $80 billion right here in tax cuts are not a threat?

Then, to add insult to injury, the Democrats did not put one dime aside for Social Security during the 40 years they were in control. And now Republicans are putting aside $1.4 trillion for Social Security and we get blamed for attacking Social Security.

Mr. Speaker, this is what liberalism has become.

DEMOCRATS DEMAGOGUING SOCIAL SECURITY ISSUE DUE TO EMBARRASSMENT

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

Mr. DREIER. Mr. Speaker, how big is $80 billion? We have this chart right here that shows, over a 5-year period, $9.6 trillion of expenditures. It is obviously a little tiny sliver. When we compare it to the size of the Federal Government, $1.7 trillion in spending last time I checked, we realize that the Republican tax cut package, alas, is quite modest indeed.

A liberal could spend $80 billion by lunch, but $80 billion over 5 years is considered a threat to the Social Security Trust Fund. Why spending is not a threat to the Social Security Trust Fund but tax cuts are is anybody's guess, but that is what the liberals are trying to say.

Just take a look at this chart and try to put things in perspective. Republicans are putting aside $1.4 trillion to save the Social Security Trust Fund, but the Democrats are strangely silent about that. But that is not surprising, given how much money they put aside during the four long decades they were in the majority. Right here. A great big zero. Zero versus $1.4 trillion. That is pretty embarrassing, and maybe that is why they are trying to change the subject and demagogue on this issue.

First, it was Medicare, now it is frightening nonsense about Social Security.

□ 0930

RECESS

The SPEAKER pro tempore (Mr. CAMP). Pursuant to clause 12 of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 9 o'clock and 30 minutes a.m.), the House stood in recess, subject to the call of the Chair.

□ 1250

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. DICKEY) at 12 o'clock and 50 minutes p.m.

RULE ON LABOR-HHS APPROPRIATIONS BILL SHOULD NOT BE ADOPTED

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Wisconsin (Mr. OBEY) is recognized for 40 minutes as the designee of the minority leader, without prejudice to the presumption of business.

Mr. OBEY. Mr. Speaker, I am taking this special order because earlier today, without notice to anyone on our side of the aisle, the House considered the rule under which the Labor, Health, Education appropriations bill would be brought to the floor. I believe that that issue should be discussed before the House votes, because I think it is ridiculous for any Member of this House to vote for a rule that makes this bill in order.

I want to make clear, first of all, that the bill this rule would make in order is going absolutely nowhere. The bill that comes to the floor makes huge reductions in education, in job training, in a number of health programs that both parties claim that they are for. And yet at the very time that we are supposed to be debating this bill, the conferees, the lead conferees, have already been meeting in Senator SPECTER's office yesterday, and I participated in those meetings for over 3 hours.

We are in the process of putting together a different bill, which will be at least $3 billion above the bill being brought to the floor and, in my judgment, considerably above that level before we are done. So this is a sham bill. If it is brought up it will be merely to take up time that would more usefully be used for other purposes.

Secondly, I would point out that if this rule is adopted, a vote for this rule will simply be an endorsement for a bill that fails our children and hurts workers to an extreme degree. This bill, for instance, eliminates the Low Income Heating Assistance Program, which is the key program that helps low-income seniors avoid having to choose between heating their houses and eating. This bill would eliminate the summer jobs program that gives some young people in this country their first experience at dealing with the world of work.

This bill slashes the President's request for new funding for after-school centers to try to give young people a useful place to go, recognizing that the vast majority of juvenile crime occurs in after-school hours, and many times before parents get home and can have a place for their kids to come home to. It cuts reading and math help for 520,000 Title I kids below the President's budget. It denies anti-drug coordinators for 6,500 middle schools with the worst drug and violence problems. It block grants, and then cuts by $300 million, Eisenhower teacher training programs and Goals 2000 programs. It cuts OSHA workplace safety enforcement and undermines worker protections. It does absolutely nothing to lower class size in the first three grades, one of the President's top initiatives.

So, in my view, there is absolutely no substantive reason to bring this bill to the floor, because this bill is so bad and guts so many national priorities that even the Republican allies of House Members on the other side of the Capitol, in the Senate, recognize that this bill is so extreme that they will not even bring it to the Senate floor for a vote.

So a vote for this rule today is a vote for extremism on these issues. It will be taken seriously by nobody because this bill is going nowhere. It is a simple waste of our time.

Mr. Speaker, I yield to the distinguished gentlewoman from New York (Mrs. LOWEY).

Mrs. LOWEY. Mr. Speaker, last year I was proud to stand on the House floor and work hard with our distinguished chairman, the gentleman from Illinois (Mr. JOHN PORTER), to pass a bipartisan Labor, HHS, Education spending bill. I am disappointed and sad this year, however, that the bill has become a partisan vehicle to satisfy the right wing of the Republican Party. While the bill contains very necessary increases in certain health programs such as the NIH, I must reluctantly urge my colleagues to vote against the rule and final passage.

We must defeat the rule before us today because it protects anti-worker provisions while at the same time denies the House a clean, fair vote on family planning. The rule also fails to protect another key women's health provision which would have given women in HMOs direct access to their OB-GYN. This OB-GYN provision is in the bipartisan and Republican managed care bills which have stalled. By failing to protect it from a point of order, the leadership is sacrificing a valuable opportunity to enact this provision into law.

The rule reported out last night allows family planning opponents an opportunity to offer a second degree to the Greenwood-Castle substitute. Those of us who support family planning sought and were entitled to receive a clean up or down vote on the Greenwood-Castle substitute.

The bill contains the same language restricting teenagers' access to Title X family planning services which was defeated on the House floor last year. This parental consent restriction will deny vulnerable teens the contraceptive services they need to avoid pregnancy, HIV and STDs.

Last year's attack on the Title X program failed because a majority of Members understood that denying teens' access to family planning does not promote abstinence. I only wish it were that simple. Instead, it increases STDs and HIV infections, unintended pregnancies and abortions.

The bill also shortchanges students who are hoping to pursue the American dream. Everyone in this Chamber understands that a college education is as necessary today as a high school education was just a generation ago.

In April the House overwhelmingly passed a Higher Education Act bill that increases and expands Pell Grants, preserving the Perkins Loan, SSIG, TRIO and SEOG programs. Only four Members of Congress voted against this bill.

Fast forward, and we have before us a bill that provides additional funding to strengthen Pell and TRIO programs. At the same time, however, the bill eliminates SSIG and provides no capital contributions to Perkins.

Three-quarters of a million low-income students depend on the Perkins program, including 60,000 New Yorkers. Nearly all of them come from families with incomes of $50,000 or below. These families need more, not less, to send their kids to college and to reach for the dream.

I am equally concerned about the elimination of the SSIG program. This program serves needy students, not affluent ones. My colleagues, we have a strong economy but too many people are shut out.

This is the time to invest in education, not cut back.

The bill also cuts funding to senior programs by $10 million. Funds that are used to prevent elder abuse, help families locate long-term care, and provide pension counseling have been zeroed out. These cuts are unnecessary and destructive.

The bill also grossly underfunds the National Labor Relations Board which is already stretched to the breaking point. This independent law enforcement agency was created to carry out a vital law of this land. Without this law and the Board which oversees it, labor disputes between private employers and employees would grow out of control. Productivity in our nation's workplaces would plummet dramatically.

My colleagues, the NIH increases in this bill should be applauded. However, on balance the bill severely shortchanges education, our seniors and hard-working Americans. We can and must do better.

Let us vote down this rule and come back with a bill that reflects our values, our priorities.

□ 1300

Mr. OBEY. Mr. Speaker, I yield to the distinguished gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. OBEY) for arranging for us to have this opportunity to talk about the Labor-Health and Human Services-Education bill. I want to voice my strong opposition to this rule and to this bill.

The Labor-Health and Human Services-Education appropriations bill has always been known as the people's bill, the bill that reflects our priorities as a Nation. Unfortunately, this bill funds only a few important programs at the expense of education and job training for some of our neediest citizens. And while I am pleased that we are increasing our much-needed investment in biomedical research, we cannot do so at the expense of the most vulnerable members of our country.

There are so many problems in this bill, I do not think I can cover them in the short time that I have. Let me just give my colleagues a couple of examples.

It eliminates LIHEAP, the low-income heating energy assistance program that provides heating assistance to low-income seniors, including more than 75,000 families in my State of Connecticut. Across the Nation, millions of seniors and families with small children depend on this program to pay their heating bills in the coldest months of the winter. Without this kind of assistance, many will be forced to choose between heating their homes and buying the food and the medicine that they need to stay healthy.

This bill wipes out summer jobs which provide career opportunities for disadvantaged youth, including more than 4,000 young people in my State. I visited a summer jobs program in West Haven, Connecticut. The students there use the money they earn to help their parents pay the bills. It is an opportunity for them to learn skills that will help them in the future.

I understand that there will be a token amendment to put small amounts of money into LIHEAP and summer jobs. We need more than tokens. These are investments which in the long run pay off.

This bill also cuts $2 billion out of the President's education initiatives. It cuts Goals 2000, the Technology Literacy Challenge Fund, Title I grants, Eisenhower Professional Development State Grants, Safe and Drug Free Schools. Cutting these programs means fewer teachers will have access to training programs, fewer students will have access to computers in their schools, and fewer districts will receive grants to help their students achieve high standards.

I urge my colleagues to vote against this rule, vote against the bill. Let us go back and draft legislation that makes a strong investment in education and other programs that our families depend on.

Mr. OBEY. Mr. Speaker, could I ask how much time I have remaining?

The SPEAKER pro tempore (Mr. DICKEY). The gentleman from Wisconsin (Mr. OBEY) has 30 minutes remaining.

Mr. OBEY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois (Mr. PORTER) be allowed to allocate 15 minutes of the 30 minutes remaining.

The SPEAKER pro tempore. This is with the concurrence of the Minority Leader, and the gentleman from Wisconsin must remain on the floor. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. Mr. Speaker, this particular bill is an attack on our educational system in the country. At a time when we should be concentrating on making sure that we take care of our youngsters, at the present time this particular bill will cut $160 million from the administration's proposal on Head Start, at a time when we need those resources to assure that those

youngsters have that Head Start in order to be able to start at school.

This particular piece of legislation cuts the funding for bilingual education by $25 million. This is not the time to be doing this kind of activity, and we should be moving forward.

This particular piece of legislation also denies $237 million sought by the administration for three higher education initiatives, including the High Hopes initiatives that would have provided new funds for mentoring, tutoring, college and various other programs.

One of the other things that this particular bill does is hit at the most important aspect in education, that is, after-school learning programs. It cuts $140 million below the administration's request in denying over 3,000 communities the opportunity to be able to provide after-school programs.

Again, Mr. Speaker, I ask that we look seriously and we reconsider what we are doing with this particular piece of legislation. I would ask that we vote against this particular rule.

Mr. OBEY. Mr. Speaker, I yield to the gentleman from West Virginia (Mr. RAHALL).

Mr. RAHALL. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. OBEY), the distinguished ranking member of the Committee on Appropriations, for taking this special order to allow us to debate this most important bill, as it may be the only time, likely will be the only time we will have to debate this issue.

I rise in opposition to the rule and the bill because of its threat to the health and safety and welfare of our coal miners who are suffering from the crippling disease known as pneumonoconiosis or black lung.

Over the history of the Appalachian coal fields, we have seen many atrocities invoked among our coal miners. Even today, we are left with a legacy of abandoned coal mine lands and abandoned coal miners. Indeed, as it stands now, we are now experiencing less than a 10 percent approval rate on claims for black lung benefits, even after the appeals, and this figure does not attest to any unreasonable and unbiased comportment of the facts.

We have seen delays in the promulgation of new rules as proposed by the Department of Labor, for which I highly commend them. Yet there is a provision in this legislation that constitutes a vicious assault on black lung victims. This provision, while falling short of placing an outright moratorium on the promulgation of these rules by the Department of Labor, does seek to create further delays and place roadblocks in the way of the publication of the new rules.

I, therefore, urge defeat of this legislation.

Recognizing this, on January 22, 1997, the Labor Department proposed rules aimed at making the black lung program more receptive to the thousands of miners, their widows and families who are being victimized by the current procedures. Public comment opportunities were extensive, including two lengthy hearings during the summer of 1997. Yet, today, final rules have yet to be promulgated.

This delay is of concern. Even more troubling is a provision contained in H.R. 4274 which constitutes a vicious assault on black lung victims.

Specifically, instead of allowing the Labor Department to proceed with this rulemaking under those laws normally applicable to the promulgation of Federal regulations, the provision forbids the rule from being finalized until certain certifications are made by SBA and OMB. Under current law, SBA is to be consulted but has no "certification" role. Further, after these so-called certifications, the provision requires an additional 60-day comment period.

I would submit that these proposed rules have now been published for almost 1 year and 9 months. That is ample time for review and comment. There is simply no need for this provision except as a delaying tactic aimed at killing this rulemaking. And let us be perfectly clear. Further delay is the death knell for those coal miners seeking the benefits they so justly deserve under this program.

Coal miners have suffered enough without being subjected to this type of abuse. For my part, I will not stand idle during consideration of amendments to this bill and will seek to strike this onerous provision.

Mr. OBEY. Mr. Speaker, I yield to the distinguished gentleman from Massachusetts (Mr. TIERNEY).

Mr. TIERNEY. Mr. Speaker, I thank the gentleman from Wisconsin (Mr. OBEY) for yielding.

In 2 minutes it is difficult to speak fully to this particular rule and to the bill that underlies it. But let me just say that I thought we all came here to Congress understanding what the needs and concerns were of our various constituents.

Fundamental among them was a good educational background for all of our students, the opportunity to rise no matter what their situation in life or their family situation; an ability to help people in the workplace, to make sure that if they were displaced or if they were just entering the market, that they would have the skills and the education they need to succeed.

All of these things are fundamental to this particular bill that underlies this rule. And yet, I think very unwisely, we are cutting program after program that are necessities.

The School to Work Program, important in my district, helps work-based learning experiences for high school students. Yet this bill will cut $250 million or up to 63 percent of that program. How are students supposed to understand the connection between what they learn in the classroom and what their opportunities in life are without programs like this?

We try to encourage college participation. Yet we are going to cut, through this bill, if the majority has its way, substantial funds, making sure 120,000 deserving postsecondary students do not get campus-based low interest loans.

At a time when all people believe that teachers have to have more development and more training for their skills and work in the classroom, this would not only block grant Eisenhower but do what most block grants do, eventually end up defunding that particular program. One hundred thousand teachers will be without the training they need to educate our children.

Literacy, an issue where there has been considerable time spent in my district developing so that this cycle of illiteracy does not continue, is attacked in this bill. The America Reads program is entirely eliminated.

After-school learning programs, as we talk about getting children off the streets to continue their learning during the day, to have supervision, is attacked in this bill.

Head Start, a tremendously successful program helping children get the nutrition and the learning skills and the societal skills they need to do well, to hold their grade level, to improve their IQ and to succeed in school, is being cut.

College work-study programs, students that are trying hard and desperately to work their way through school, to contribute in that way, is cut in this program; and technologies and so on.

I think we are making a serious mistake here. I urge Members to vote against the rule and against the bill in its current form.

Mr. PORTER. Mr. Speaker, while this technically is a special order that the gentleman from Wisconsin (Mr. OBEY) has called, it really amounts to general debate on the bill, and it has given an opportunity for many on the opposite side to demagogue the funding levels in the bill.

Let me respond to all of them at the same time. A year ago, the President and the Congress came to an agreement to work over a 5-year period to bring the budget into balance. As part of that agreement, the President insisted that the funding in areas that were of priorities to the White House be increased in the first year, and that was done.

The bill funding the Departments of Labor, Health and Human Services, and Education was increased by $5 billion last year, and many of the programs that have been mentioned today and many others were increased very substantially, and I supported that. We passed that bill on the House floor overwhelmingly.

The second year and the outyears of the agreement called for fiscal restraint on discretionary spending. The spending levels were agreed to by the White House and by the Congress together, and the allocations that were

given to our subcommittee and others this year reflected the caps on spending that were necessary to help bring the budget into balance.

So when we marked up this bill in subcommittee and in full committee, we operated under the budget caps that restrained spending very significantly. In fact, we had to work with $500 million less in outlays than we had in the past fiscal year. So our job was a tough job and we approached it, I think, responsibly.

The Senate, when they marked up their bill in subcommittee and full committee, were not held to the same restraints. They used $4 billion of forward funding so that their numbers appear higher. I am very proud that our subcommittee and our full committee approached their job differently and lived within the budget caps. We did what we are charged to do as appropriators: look at every single program and decide which ones are the best ones, those most deserving of funding, and provide for those. Conversely, those that are less effective and less needed are cut.

What did we do? Well, we increased biomedical research with a 9 percent increase, even with less money to work with. We gave a substantial increase to the Centers for Disease Control and Prevention, public health. We increased up the Job Corps, a very effective program for the very poorest and most at-risk youth in our society. We increased Pell grants for needy college students. We increased the TRIO Program that serves many minority students and others in need in our country. Trio is a very important college program that gives an opportunity to people who would not otherwise have it.

We plussed up community health centers who help needy Americans with health care. We gave more money to impact aid, a Federal obligation to assist communities and schools that are impacted by Federal facilities. We gave a very substantial increase to special education, IDEA, that helps local school districts cope with the problems of disabled students.

We gave more money for the health professions so that young people could be trained as health professionals and receive help in their education. We gave more money for Ryan White AIDS treatment because we know of the need in that area. We plussed up the substance abuse block grant so that we can work harder to solve our drug abuse problems in this country.

These may not be the priorities on the minority's side of the aisle, but these are some of the priorities on our side of the aisle, and we did them within the budget caps that we have to live under.

□ 1315

Now, the gentleman from Wisconsin asked, a moment ago, for what purpose do we take up this bill? Well, let me say that the purpose is democracy. The purpose is to give the House a chance to shape a bill that ultimately the House is going to be responsible for.

Sure, he and I and our Senate counterparts can sit down alone and we can work out the numbers and we do not have to listen to anyone else. But I did not come here to do that. I came here to work through a process where we could have the participation of everyone. We all have an equal chance to shape the bill and to make it a bill that guides us in our negotiations with the Senate and not simply by our own proclivities.

So for what purpose do we take up this bill? To try to get the House's guidance before we come to final closure with the Senate on any negotiations, because that is what is really important in the long term.

This bill must pass. It is an appropriations bill. We must pass them all. I believe very strongly that what we do in respect to this bill is incredibly important to how the final product comes out, and that is the purpose to which all of us ought to lend ourselves: to do the people's work and to allow the process to work to shape the legislation that we ultimately are going to be responsible for.

You may disagree with our priorities. You have a chance to change them on the House floor. You may disagree with legislative provisions that are placed in the bill, I disagree with some of them, but we will have a chance to address them on the House floor.

So I have pressed very hard for a long time that the impasse that we have had over parental notification under title X, family planning, might be resolved and this bill might be brought to the House floor. Yes, it is late. I regret that there has been a serious disagreement on that issue. It has prevented us from going forward. But if that has been resolved, it is our responsibility to go forward and to allow the House to do its will in respect to this legislation.

So I would say to the gentleman from Wisconsin, I think it is very important that this bill go forward. I am glad that these things have been resolved. If the gentleman and his side disagrees with the priorities in the bill, they should have a chance to shape them differently. Yes, it is going to come out different in the conference, conference bills always do, but all of this, it seems to me, is to be serving the very purposes for which we were sent here. That is for all of us to participate in shaping legislation for which we are responsible.

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

Mr. OBEY. Mr. Speaker, I yield three minutes to the distinguished gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I rise in opposition to the proposed rule. I did so last night as well. I indicated last night that the Treasury-Postal bill was a good bill in terms of the numbers, the dollars that were appropriated. I rise today in saying that I do not believe this bill is such a bill.

One of the aspects of serving on the Committee on Appropriations is the pride that I think all of us have in the ability and integrity of the chairman of this committee. I say that as a minority member. I cannot think of a chairman who I do not have great respect for.

The gentleman from Illinois (Mr. PORTER), the chairman of our committee, is one of those for whom I have unrestrained respect, admiration, and, yes, affection. He is a good Member of this Congress and he acts in the best interests of America as he sees it. His priorities that he articulated just recently I think we share.

However, when we talk about increasing, what we have done is we have zero-funded LIHEAP. I was at the home of Susan Smith in Prince George's County, 20 minutes from this floor. Susan Smith is 85 years of age. She and her husband built a home in 1937. Her husband died 24 years ago, and she still lives in that home.

Governor Glendening and I were there to say that we were not going to allow this LIHEAP to take the money away from her Social Security revenue, obviously as we all know, relatively small, and put her in the position of having to choose between her energy and heating her home or oil heat and her food and prescription drugs. That is a choice that we should not make her make.

So, yes, it is good to say we have increased NIH by 9 percent, but Susan Smith ought not to pay for that. And those youth, frankly, who are looking to have a summer job experience so they can partake of the opportunities America has to offer, are not funded, so there are no summer jobs for youth in this bill.

Mr. Speaker, this rule should be defeated. This rule should be defeated, that brings a $291 billion bill to the floor of the House after having been reported weeks ago, weeks ago, not only out of the subcommittee but full committee, with only eight days left to go, presumably, in this session, and say take it or leave it.

This bill took 40 hours of debate last time. I say to my Republican friends, you would have savaged Democratic leadership for doing this. You would have savaged us, and in fact did. Not the gentlemen that are on the floor. As a matter of fact, a member not even in the Congress any more, used to stand at that podium and give us the devil for not operating efficiently. We are not operating efficiently. We ought to reject this rule and we ought to forge a bill that speaks to America's needs.

Mr. Speaker, I rise to oppose H.R. 4274, the Departments of Labor, Health and Human

Services, and Education appropriations bill for fiscal year 1999, and its rule.

This bill cuts $2 billion out of the President's education agenda to improve public schools. The former chairman of the Subcommittee on Labor, Health and Human Services, and Education Appropriations, William Natcher, used to say, "If we continue to educate our children and take care of the health of our people, we will continue to live in the greatest Nation on the face of the Earth." Mr. Speaker, we fail to do so in this bill.

By eliminating the LIHEAP Program, we fail to help 4.4 million of the poorest households in the country pay their heating bills. Two-thirds of LIHEAP recipients earn less than $8,000 a year and many are elderly, disabled or are struggling to raise young children in poverty. Yesterday, I visited one of these courageous people, 85-year-old Susan Smith, whose husband built her house in Lanham, Maryland in 1937. If she did not receive LIHEAP funds, she would have to choose between heating her house, buying food, or purchasing her medication. We should not be eliminating funding that assists those most in need, those like Susan Smith.

We live in a great Nation because we give people the opportunity to make a better life for themselves and their children through public education. By not including the President's school construction initiative in this bill, we fail to respond to the urgent need for school renovation and additional classrooms in communities across the Nation. In fact, we fail to respond to research that shows that reducing class size to 15 to 18 students in the early grades improves student achievement, particularly among low-income and minority students in inner cities. And by eliminating funding for the America reads challenge, we will not only break last year's bipartisan budget agreement that protected this program, but we will fail to reach 450,000 at-risk first, second, and third graders who desperately need this assistance.

The American people believe that we should invest more, not less, money to improve public education. This bill goes against the very core of what this Nation believes. Mr. Speaker, when expectations are raised, students rise to meet them. This bill, however, has very low expectations and fails to provide the framework in which our Nation's youth can develop and flourish. I urge my colleagues to oppose this bill and vote against the rule.

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

Mr. Speaker, I would say to the gentleman from Maryland that he had ample opportunity in the subcommittee and ample opportunity in the full committee to offer amendments that would have made adjustments where adjustments may have been needed in his judgment. What he did not have an opportunity to do was to break the budget caps under which we are living. No amendments were offered in either of those venues. The opportunity will appear on the floor to do the same thing.

I will tell the gentleman right now that I think I have the LIHEAP problem solved to his satisfaction, and I made a lot of progress on summer youth as well. But let me say, again, if those were problems, if any of the cuts were problems and the priorities were not right, the gentleman has had, and his side has had, ample time to address that.

What the gentleman is really saying is there is not enough money in the bill. He wants more money in the bill. But the gentleman and his side and the president all agreed last year that we would live under these budget caps, and that is exactly what we are doing.

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

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

Mr. HOYER. Mr. Speaker, if my friend would yield for another mild compliment, I want to say to my friend, frankly, I am absolutely confident if the chairman had the votes on your side in large numbers that we would forge a bill that was a bill that we would all be proud of. I understand the chairman's problems, and I understand what the chairman is saying about the constraints.

But I will tell my friend, both in subcommittee and committee we raised the same issues, and we really have not had an opportunity to address them. I am pleased that at this late moment, and I am pleased, I am not surprised, the chairman is trying to solve the LIHEAP problem which we raised in subcommittee, committee, and we have been raising ever since. We should not have done what we did, and I am pleased that the chairman perhaps is going to correct that in his manager's amendment.

But I say to my friend, there are still problems, of course, with things that are in the bill that should not be in the bill.

Mr. PORTER. Mr. Speaker, I yield three minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Speaker, one of the things we have done in this bill, which is very important to me as a cancer survivor, is since we took the majority in 1994 we have increased biomedical research by over 24 percent, and the Speaker is committed to doubling biomedical research. That is very important for us.

For example, for care of diabetes, diabetes takes up about 23 percent of the Medicare bill. Just by early detection we can save two-thirds of the amputations, two-thirds of blindness. That not only means quality of life, or life, but it means money that we can use in other fields.

Cancer research has more than doubled, but yet prostate cancer has mortality for men and among especially African Americans higher second only to AIDS, but yet it is one of the lowest funded.

Now, another area I would like to speak on, I am pro-life, and I am not here to convince people for pro-life or pro-choice, but I had a very interesting perception of family planning units. That perception was wrong, and I speak as a pro-life member.

I went to a family planning center in San Diego and I saw women's health care where we should at least come together on family planning. I saw women there that in some cases would not receive health care in any other areas. I saw them getting mammograms. I saw them getting pap smears. I saw them getting doctors' evaluations, x-rays for lung cancer, and many were indigent people coming across the border. It is going to save a lot of people's lives, and a lot of people from even becoming exposed to cancer.

I think another area we need to come together in the family planning issue as pro-life and pro-choice is to support family planning's methods which prevent unwanted pregnancies. Federal dollars are not used for abortions by family planning. It is all private. At least we ought to be able to come together on those issues that are for women's health care and those issues that stop and eliminate unwanted pregnancies. I say that again as a pro-life member.

Secondly, biomedical research to me is one of the most important things that this body can invest in. There are a lot of things. LIHEAP, I will be frank, was established when fuel costs were very, very high. You cannot get rid of a Federal program. Whether the fuel prices are low, whether they are high or whatever, as long as you have money going out to a certain group. I am convinced it is very difficult to stop it here in this body.

LIHEAP is one that I think should be totally eliminated, just like the National Endowment for the Arts. Some of the people on the other side disagree and think there are other cuts. But as the gentleman from Illinois (Mr. PORTER) said, we are operating under a budget, and the priorities I think that he listed, I believe that every single Member on your side of the aisle would support those priorities. But we cannot have the funds under a balanced budget to meet all the priorities.

Mr. OBEY. Mr. Speaker, I yield two minutes to the distinguished gentlewoman from California (Ms. PELOSI), a member of the subcommittee.

Ms. PELOSI. Mr. Speaker, I thank the distinguished ranking member of the committee for yielding me time and for his leadership on this bill.

As anyone knows who has ever served on this committee, it is indeed a privilege that we share with the distinguished Speaker, Mr. DICKEY, because this is a bill about the strength of our country. The health, the education and the well-being of the American people should certainly be a measure of the strength of our country. It is a privilege to serve with our distinguished chairman, the gentleman from Illinois

(Mr. PORTER), and with our ranking member, Mr. OBEY.

I want to focus on our ranking member for a moment though, because tomorrow is his birthday, I want to thank him for being born because of his extraordinary leadership in this House of Representatives. Of course, I am getting no credit for saying this about him right now because he is not paying attention to me, but I did want to wish him happy birthday, which is tomorrow. Again I thank him for being born and for his extraordinary leadership, especially in this committee.

□ 1330

I know this committee best because this is one of my primary committees of service in this Congress.

What I am afraid of about this bill, despite the valiant efforts of our distinguished chairman, the gentleman from Illinois (Mr. PORTER), I am afraid this is a bill about missed opportunities. It is about sending a mixed message to America's children. My colleagues have spoken to the specifics of this bill and what it is lacking. In addition the overall message of this bill is that we say to children that education is very, very important to them and that it is central to their success in life and our competitiveness as a country, and yet this bill misses opportunities to include the Clinton administration agenda for smaller classes with well prepared teachers where children can learn, teachers can teach and parents can participate.

This bill, instead of modernizing schools for the 21st century, helping local communities modernize and build 5,000 schools nationwide, enough though this bill can not do the interest-free bonds, it could help in modernizing schools. Instead, the Republican Labor-HHS bill chops $2 billion out of the administration request, cuts the safe school and drug-free schools by $50 million, slashes investments in education technology, and eliminates funding for America Reads. It sends a mixed message to American children that education is important, but that we do not value it in this bill.

Mr. OBEY. Mr. Speaker, I would like to respond to something my good friend from Illinois said a couple minutes earlier. He indicated that the reason that we are stuck with this miserable bill is because both parties agreed to the limitations that have produced this bill. That is not correct.

It is true that the leaders of both parties voted for a budget last year which imposed limits, of course. But then, under the process when the appropriation bills came to the floor this year, the Republican committee leadership chose, alone, without consulting us on this side of the aisle, how they would divide that money between the 13 subcommittees, and it is clear that the committee leadership on the Republican side of the aisle decided to take money out of this bill and give it to other subcommittees so that they would have an easier time passing bills favored by the majority leadership, leaving this bill holding the bag. That is why we are now stuck with a bill which even the Republican leadership in the Senate says is at least $3 billion below where it should be.

Now, we know that. We heard them say that just yesterday. So it is not just us saying that this bill is inadequate; your own party brethren in the Senate are saying the same thing.

So all I would say is that we need to recognize the fact that we did not agree on this side of the aisle to cut education $2 billion below the President's level. We did not agree that we should eliminate funding for low income heating assistance and summer jobs programs, the 2 programs that deal most directly with the least fortunate people in this society. Those decisions were made unilaterally on the other side of the aisle, and those are the decisions to which we object.

That is why, while I have great respect and affection for the gentleman from Illinois, I think he has done the very best job he can defending a very bad case. It seems to me that a vote for this rule is an endorsement of each and every one of the cuts in this bill which I predict will be repudiated on both sides of the aisle within the next 2 weeks. There is no reason to bring this charade to the floor, and I urge a "no" vote on the rule.

Mr. PORTER. Mr. Speaker, I would say to the gentleman from Wisconsin, he had a chance also in respect to the allocations to offer an amendment. I heard of no amendment being offered. The gentleman had a chance to shape within the budget allocations and the spending for each account and no amendments were forthcoming.

I would also say to the gentleman, I am not so sure how he knows what is the "proper level of spending" for any bill, but clearly the gentleman and the people on his side of the aisle see no place ever to make any cuts in any program, regardless of what it may be, because he has had the opportunity to do so and he has not done so during the entire process.

I would suggest to the gentleman that it is not enough simply to criticize. He must participate in the process and to shape the legislation and not simply to say, "well, it is not the way I would do it." If we had more money, obviously we might do it differently. But thank God, for the first time in a long time, we are living within the allocations. We are bringing down the deficits. We have brought the budget into balance. And we have done it not only with a wonderful economy, we have done it with some good fiscal discipline here in the Congress and the majority party making some tough decisions that have been needed for a long, long time in our country that were never made on the other side of the aisle.

Mr. OBEY. Mr. Speaker, again, in the interest of fact, I am required to correct the gentleman's previous statements. He says that no one on this side of the aisle has tried to cut unneeded spending. It was not people on this side of the aisle who decided that we should arrange to have a new set of accounting procedures approved so that we could provide $637 million in ships that the Pentagon did not even ask for. This Member personally offered amendments in the defense appropriations bill to eliminate funding for additional C-130s, which were provided purely and simply so that the Congress could provide 7 additional aircraft again that the Pentagon did not even ask for. That decision was made by your committee leadership.

This Member certainly did not vote for the highway bill that went through here, which had 1,800 pork barrel projects. To put that in perspective, in the entire 42-year history of the highway program, up until this year, when our party was in control, in 42 years there were a total of 1,042 pork barrel projects. This bill had over 100 in one year alone, including roads to a brew pub and almost $80 million to be spent on a highway in a foreign country.

So if I were the gentleman, I would not brag too much about the discipline shown on that side of the aisle on legislation like that.

Mr. Speaker, I make no apology for saying that I believe that more funding in the Federal budget should have been put in this bill so that we did not have to cut education $2 billion below the President's level. I believe that we should have provided those after-school centers to keep juveniles out of trouble and under adult supervision. I believe we should be funding higher levels for children's mental health. When we see kids shooting each other in school yards around the country, I believe that we should not be eliminating the summer youth program that gives millions or hundreds of thousands of young people their first exposure to the world of work. And I certainly do not believe that we ought to continue to deny the President's top education priority, which is the reduction of class size by adding new teachers in the first 3 grades.

This bill does all of that, and that is why it seems to me that we should vote against the rule because a vote for this rule is a vote to endorse the bill which Senate Republicans have already indicated is at least $3 billion below where it ought to be in order to provide a balanced set of priorities for the people we are supposed to represent.

Mr. TORRES. Mr. Speaker, I want to thank the chairmen of the committee and subcommittee, the ranking member, and the committee staff for their work on this bill and for

attempting to achieve a balance within the small budget allotted to the subcommittee. As you all can attest, work on this particular appropriations bill has always been a difficult task. I have been honored to contribute to these efforts. I am proud that my membership to this committee has had an influence in the human service and educational goals for which I came to Congress to fight.

I have been a longtime supporter of the High School Equivalency Program and the College Assistance Migrant Program. The HEP and CAMP programs are the only programs funded on the national level which recruit and serve the children of migrant and seasonal farm workers. Some of you may know that I am the son of migrant workers. There were no such student programs when I was growing up. But these programs have successfully helped migrant youth complete high school or obtain their GED. This has opened the door to continuing education opportunities in institutions of higher education.

In the 104th Congress, HEP–CAMP faced the threat of large cuts in funding. I introduced an amendment to maintain funding for HEP–CAMP. I wrote letters to committee chairs in both Chambers, describing the importance of these programs and the cost-effectiveness of their success. With the support of the Congressional Hispanic Caucus, funding was maintained. Since then, the programs have received increased funding. I am proud to have assisted HEP–CAMP in advancing their efforts.

Hispanic-serving institutions are another example of a critical funding stream for underrepresented minorities. These institutions carry the burden of providing higher education for Latinos, the fastest growing segment of our nation's population. Still, they are subjected to educational, economic and political discrimination. The Congressional Hispanic Caucus has been working tirelessly to increase funding for Hispanic serving institutions to meet the growing educational needs of this target population. We have been successful in doing so for fiscal year 1998 and again in this year's bill. I thank the chairmen again for this necessary increase and Congressman LEWIS for spearheading such efforts. I am pleased to acknowledge Congressman LEWIS understands this important educational need for the growing segment of his district's, California's, and our Nation's population.

While I am pleased with these increases, I am gravely disappointed in the cuts and eliminations many other critical programs have received. We speak of engaging a new generation of Americans that are prepared to succeed in the global economy and technologically advanced society of the 21st century. Yet, we stand here, as a committee, ready to vote on a bill that falls far short of such a goal. I am deeply concerned that the funding levels in this mark will not meet the challenge of our future. We can all think of reasons to blame particular districts or the public education system for the seemingly poor education standards in this country, but we offer no solution.

The population of young people today far exceeds that of the so-called baby boom generation. Congress must rise to the challenge of providing greater opportunities for the growing mass of young people in this country. We must continue to fund programs that have proven successful in these efforts. This bill will not do this. We cut summer jobs and school-to-work programs which have also made notable efforts to advance and promote youth success. We have not given the necessary increases to after school programs and mentoring proposals.

Most disappointing is the subcommittee's decision to follow a misguided, poorly developed trend from my State, to cut funding for bilingual education. The administration is meeting the challenges of the growing Latino population with a Hispanic education action plan. This is a comprehensive plan based on high standards and research-based reform. The unacceptably high Hispanic dropout rate has signaled a need that must be addressed if we are to successfully prepare our nation for the next century. Instead of meeting that need, we have turned our back on these students who want to learn English, finish high school and prepare for college.

Instead of investing in the future of this country as a whole, Congress is specifying which Americans deserve education funding, grants, and assistance. The restrictive language in this bill would impair a school district's ability to provide successful programs for their limited-English speaking students and make critical decisions that impact the education of all children. The arbitrary deadline for the acquisition of the English language prevents teachers and school administrators from doing what is best for each individual child. By basing such grants on exiting limited-English proficient children to English-only classes, without considering individual needs or academic performance, we are encouraging a debasing of standards and expectations for students.

My colleagues, I implore you to use better foresight in determining the funding levels from which we prepare Americans to meet the demands of their future. I thank the leaders who saw potential in my future and gave me the support and encouragement to continue my education and become a productive citizen of this country. Without the wisdom and vision of those people, I may not be here today. I cannot support this bill and I urge you to reject it as well. I am hopeful that we can devise a plan for a more balanced bill that does more to encourage progress rather than stifle it.

Mr. FORD. Mr. Speaker, I rise today to express my opposition to the proposed rule for the Labor/HHS appropriations bill and voice my concerns over the myopia that appears to plague many of my colleagues on the other side of the aisle.

As you may recall, Mr. Speaker, yesterday we agreed to go to conference with the Senate on juvenile crime legislation. And during the brief floor debate on this matter, several of my Republican colleagues expressed their belief that reducing juvenile crime requires a two-prong approach: punishment and prevention.

Well, Mr. Speaker, I find it curious at best how Republicans honestly can contend that they believe prevention is a vital component in reducing juvenile crime, when they plan on bringing a Labor/HHS bill to the floor that drastically cuts funding for Summer Jobs, School-to-Work, and After School Learning Programs—all of which are designed to help young people on the front end, by providing them a chance to do the right thing.

I wonder, Mr. Speaker, what kind of prevention strategy could be more counterproductive than:

Summer Jobs—cutting funding by over $500 million, effectively denying 530,000 young people—over 1,500 in my district alone—the opportunity to work during the summer of 1999.

School-to-Work—cutting funding by $250 million, effectively undermining the ability to provide work-based learning experiences to more than 1 million students in over 3,000 high schools.

After-School Learning Programs—cutting funding to $140 million below the administration's request, effectively denying 3,000 communities the opportunity to provide after-school safe haven learning programs for nearly 400,000 school-age children.

How, I ask, do my colleagues on the other side of the aisle realistically expect young people in America to develop an appreciation of the value and importance of education and work, if all they see is Congress appropriating money to build more jail cells, but not to improve their schools or provide them summer jobs.

Mr. Speaker, I am also having a very difficult time understanding how the Republicans can reconcile their willingness to cut or eliminate funding for programs like Goals 2000, Star Schools, School-to-Work, and America Reads, with their professed commitment to education. In response to this criticism, I am sure many of my Republican colleagues will tout their Dollars-to-the-Classroom bill, which will block grant funding to states for education-related programs. Well, Mr. Speaker, if the funding levels in the Labor/HHS appropriations are any indication of what the Republicans plan on investing in, then America's young people and our Nation's public education system are in serious jeopardy.

So, Mr. Speaker, I say to every single Member of this body, if you believe in giving young people a chance at success, and truly want to see the juvenile crime rate go down in America—as opposed to just looking tough on crime—then you cannot in good conscience support the rule or underlying Labor/HHS appropriations bill.

CONFERENCE REPORT ON H.R. 4101, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. SKEEN (during the special order of Mr. OBEY) submitted the following conference report and statement on the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

CONFERENCE REPORT (H. REPT. 105–763)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4101) "making appropriations for Agriculture, Rural Development, Food and Drug

Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, 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 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed $75,000 for employment under 5 U.S.C. 3109, $2,836,000: Provided, That not to exceed $11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service, shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary: Provided further, That none of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 793(c)(1)(C) of Public Law 104–127: Provided further, That none of the funds made available by this Act may be used to enforce section 793(d) of Public Law 104–127.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $5,620,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $25,000 is for employment under 5 U.S.C. 3109, $11,718,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $6,120,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $5,551,000.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $4,283,000: Provided, That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded by this Act, $613,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, and repair of Agriculture buildings, $132,184,000: Provided, That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account. In addition, for construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the programs of the Department, where not otherwise provided, $5,000,000, to remain available until expended; making a total appropriation of $137,184,000.

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961, $15,700,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Waste Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, $32,168,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109: Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $3,000,000, to remain available until expended.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, $3,668,000: Provided, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: Provided further, That not less than $2,241,000 shall be transferred to agencies funded by this Act to maintain personnel at the agency level.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $8,138,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, $65,128,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including a sum not to exceed $50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed $100,000 for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98: Provided, That for fiscal year 1999 and thereafter, funds transferred to the Office of the Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of the Inspector General participates, or through the granting of a Petition for Remission or Mitigation, shall be deposited to the credit of this account for law enforcement activities authorized under the Inspector General Act of 1978, to remain available until expended.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $29,194,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, $540,000.

ECONOMIC RESEARCH SERVICE

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, $65,757,000: Provided, That $2,000,000 shall be transferred to and merged

with the appropriation for "Food and Nutrition Service, Food Program Administration" for studies and evaluations: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627), the Census of Agriculture Act of 1997 (Public Law 105–113), and other laws, $103,964,000, of which up to $23,599,000 shall be available until expended for the Census of Agriculture: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL RESEARCH SERVICE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, $781,950,000: Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $115,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed $250,000, except for headhouses or greenhouses which shall each be limited to $1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed $500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $250,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift: Provided further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In fiscal year 1999, the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency, as authorized by law, and such fees shall be credited to this account and shall remain available until expended for authorized purposes.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, $56,437,000, to remain available until expended (7 U.S.C. 2209b): Provided, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including $180,545,000 to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a–i); $21,932,000 for grants for cooperative forestry research (16 U.S.C. 582a–a7); $29,676,000 for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222); $63,116,000 for special grants for agricultural research (7 U.S.C. 450i(c)); $15,048,000 for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); $119,300,000 for competitive research grants (7 U.S.C. 450i(b)); $5,109,000 for the support of animal health and disease programs (7 U.S.C. 3195); $750,000 for supplemental and alternative crops and products (7 U.S.C. 3319d); $600,000 for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), to remain available until expended; $3,000,000 for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); $4,350,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); $1,000,000 for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); $2,850,000 for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241); $500,000 for a secondary agriculture education program and two-year postsecondary education (7 U.S.C. 3152 (h)); $4,000,000 for aquaculture grants (7 U.S.C. 3322); $8,000,000 for sustainable agriculture research and education (7 U.S.C. 5811); $9,200,000 for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); $1,552,000 for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382; and $10,688,000 for necessary expenses of Research and Education Activities, of which not to exceed $100,000 shall be for employment under 5 U.S.C. 3109; in all, $481,216,000.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For establishment of a Native American institutions endowment fund, as authorized by Public Law 103–382 (7 U.S.C. 301 note), $4,600,000.

EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, $276,548,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), $2,060,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $58,695,000; payments for the pest management program under section 3(d) of the Act, $10,783,000; payments for the farm safety program under section 3(d) of the Act, $3,000,000; payments for the pesticide impact assessment program under section 3(d) of the Act, $3,214,000; payments to upgrade research, extension, and teaching facilities at the 1890 land-grant colleges, including Tuskegee University, as authorized by section 1447 of Public Law 95–113 (7 U.S.C. 3222b), $8,426,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, $908,000; payments for a groundwater quality program under section 3(d) of the Act, $9,561,000; payments for youth-at-risk programs under section 3(d) of the Act, $9,000,000; payments for a food safety program under section 3(d) of the Act, $3,500,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, $3,192,000; payments for Indian reservation agents under section 3(d) of the Act, $1,714,000; payments for sustainable agriculture programs under section 3(d) of the Act, $3,309,000; payments for rural health and safety education as authorized by section 2390 of Public Law 101–624 (7 U.S.C. 2661 note, 2662), $2,628,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326 and 328) and Tuskegee University, $25,843,000; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341–349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, $11,741,000; in all, $434,122,000: Provided, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, $618,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b–c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426–426b); and to protect the environment, as authorized by law, $425,803,000, of which $4,105,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: Provided, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

In fiscal year 1999, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Of the total amount available under this heading in fiscal year 1999, $88,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, $7,700,000, to remain available until expended.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed $90,000 for employment under 5 U.S.C. 3109, $46,000,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $60,730,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $10,998,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $1,200,000.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 for employment under 5 U.S.C. 3109, $26,787,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed $42,557,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: Provided, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, $446,000.

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry out services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, $609,250,000, and in addition, $1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102–237: Provided, That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, $572,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, $714,499,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $1,000,000 shall be available for employment under 5 U.S.C. 3109.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101–5106), $2,000,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the

contamination is not due to the fault of the farmer, $450,000, to remain available until expended (7 U.S.C. 2209b): Provided, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of the farmer's willful failure to follow procedures prescribed by the Federal Government: Provided further, That this amount shall be transferred to the Commodity Credit Corporation: Provided further, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $510,682,000, of which $425,031,000 shall be for guaranteed loans; operating loans, $1,648,276,000, of which $948,276,000 shall be for unsubsidized guaranteed loans and $200,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $1,000,000; for emergency insured loans, $25,000,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $100,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, $19,580,000, of which $6,758,000 shall be for guaranteed loans; operating loans, $62,630,000, of which $11,000,000 shall be for unsubsidized guaranteed loans and $17,480,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $153,000; for emergency insured loans, $5,900,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $1,440,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $219,861,000, of which $209,861,000 shall be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

RISK MANAGEMENT AGENCY

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), $64,000,000: Provided, That not to exceed $700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 1999, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be $8,439,000,000 in the President's fiscal year 1999 Budget Request (H. Doc. 105–177)), but not to exceed $8,439,000,000, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a–11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year 1999, the Commodity Credit Corporation shall not expend more than $5,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961: Provided, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act.

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $693,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the programs administered by the Natural Resources Conservation Service, including the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $641,243,000, to remain available until expended (7 U.S.C. 2209b), of which not less than $5,990,000 is for snow survey and water forecasting and not less than $9,025,000 is for operation and establishment of the plant materials centers: Provided, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): Provided further, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 in demonstration projects: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e–2).

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1009), $10,368,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $110,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1005 and 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $99,443,000, to remain available until expended (7 U.S.C. 2209b) (of which up to $15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701 and 16 U.S.C. 1006a)): Provided, That not to exceed $47,000,000 of this appropriation shall be available for technical assistance: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $200,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010–1011; 76 Stat. 607), the Act of April 27, 1935 (16 U.S.C. 590a–f), and the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $35,000,000, to remain available until expended (7 U.S.C. 2209b): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, $6,325,000, to remain available until expended, as authorized by that Act.

TITLE III

RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, $588,000.

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, and 1932, except for sections 381E-H, 381N, and 381O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), $722,686,000, to remain available until expended, of which $29,786,000 shall be for rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act; of which $645,007,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which $47,893,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided, That of the amount appropriated for the rural business and cooperative development programs, not to exceed $500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That not to exceed $16,215,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed $5,300,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, not to exceed $33,926,000 shall be available through June 30, 1999, for empowerment zones and enterprise communities, as authorized by Public Law 103-66, of which $1,844,000 shall be for rural community programs described in section 381E(d)(1) of such Act; of which $23,948,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; of which $8,134,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: $3,965,313,000 for loans to section 502 borrowers, as determined by the Secretary, of which $3,000,000,000 shall be for unsubsidized guaranteed loans; $25,001,000 for section 504 housing repair loans; $100,000,000 for section 538 guaranteed multi-family housing loans; $20,000,000 for section 514 farm labor housing; $114,321,000 for section 515 rental housing; $5,152,000 for section 524 site loans; $16,930,000 for credit sales of acquired property, of which up to $5,001,000 may be for multi-family credit sales; and $5,000,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, $116,800,000, of which $2,700,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $8,808,000; section 538 multi-family housing guaranteed loans, $2,320,000; section 514 farm labor housing, $10,406,000; section 515 rental housing, $55,160,000; section 524 site loans, $17,000; credit sales of acquired property, $3,492,000, of which up to $2,416,000 may be for multi-family credit sales; and section 523 self-help housing land development loans, $282,000: Provided, That of the total amount appropriated in this paragraph, $10,380,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103-66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $360,785,000, which shall be transferred to and merged with the appropriation for "Rural Housing Service, Salaries and Expenses".

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, $583,397,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount, not more than $5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during fiscal year 1999 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $26,000,000, to remain available until expended (7 U.S.C. 2209b): Provided, That of the total amount appropriated, $1,000,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103-66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for housing for domestic farm labor, very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1486, 1490e, and 1490m, $41,000,000, to remain available until expended: Provided, That of the total amount appropriated, $1,200,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103-66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

SALARIES AND EXPENSES

For necessary expenses of the Rural Housing Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, title V of the Housing Act of 1949, and cooperative agreements, $60,978,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $520,000 may be used for employment under 5 U.S.C. 3109: Provided further, That the Administrator may expend not more than $10,000 to provide modest nonmonetary awards to non-USDA employees.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, $16,615,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)): 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 of $33,000,000: Provided further, That through June 30, 1999, of the total amount appropriated, $3,215,520 shall be available for the cost of direct loans for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, to subsidize gross obligations for the principal amount of direct loans, $7,246,000: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses to carry out the direct loan programs, $3,482,000 shall be transferred to and merged with the appropriation for "Rural Business-Cooperative Service, Salaries and Expenses".

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $15,000,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $3,783,000.

Of the funds derived from interest on the cushion of credit payments in fiscal year 1999, as authorized by section 313 of the Rural Electrification Act of 1936, $3,783,000 shall not be obligated and $3,783,000 are rescinded.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), $3,300,000, of which $1,300,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program and $250,000 shall be available for an agribusiness and cooperative development program.

SALARIES AND EXPENSES

For necessary expenses of the Rural Business-Cooperative Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; $25,680,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $260,000 may be used for employment under 5 U.S.C. 3109.

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND

For necessary expenses to carry out the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901–5908), $3,500,000 is appropriated to the Alternative Agricultural Research and Commercialization Corporation Revolving Fund.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, $71,500,000; 5 percent rural telecommunications loans, $75,000,000; cost of money rural telecommunications loans, $300,000,000; municipal rate rural electric loans, $295,000,000; and loans made pursuant to section 306 of that Act, rural electric, $700,000,000 and rural telecommunications, $120,000,000, to remain available until expended.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of direct loans, $16,667,000; cost of municipal rate loans, $25,842,000; cost of money rural telecommunications loans, $810,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $29,982,000, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses".

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs. During fiscal year 1999 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be $157,509,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), $4,174,000.

In addition, for administrative expenses necessary to carry out the loan programs, $3,000,000, which shall be transferred to and merged with the appropriation for "Rural Utilities Service, Salaries and Expenses".

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., $12,680,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas: Provided, That the costs of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

SALARIES AND EXPENSES

For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, and the Consolidated Farm and Rural Development Act, and for cooperative agreements, $33,000,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $105,000 may be used for employment under 5 U.S.C. 3109.

TITLE IV

DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, $554,000.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; $9,176,897,000, to remain available through September 30, 2000, of which $4,128,747,000 is hereby appropriated and $5,048,150,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That up to $4,300,000 shall be available for independent verification of school food service claims: Provided further, That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g)).

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $3,924,000,000, to remain available through September 30, 2000: Provided, That none of the funds made available under this heading shall be used for studies and evaluations: Provided further, That of the total amount available, the Secretary shall obligate $10,000,000 for the farmers' market nutrition program within 45 days of the enactment of this Act, and an additional $5,000,000 for the farmers' market nutrition program from any funds not needed to maintain current caseload levels: Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966: Provided further, That State agencies required to procure infant formula using a competitive bidding system may use funds appropriated by this Act to purchase infant formula under a cost containment contract entered into after September 30, 1996, only if the contract was awarded to the bidder offering the lowest net price, as defined by section 17(b)(20) of the Child Nutrition Act of 1966, unless the State agency demonstrates to the satisfaction of the Secretary that the weighted average retail price for different brands of infant formula in the State does not vary by more than 5 percent.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), $22,585,106,000, of which $100,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: Provided, That none of the funds made available under this head shall be used for studies and evaluations: Provided further, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this head shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) and the Emergency Food Assistance Act of 1983, $131,000,000, to remain available through September 30, 2000: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note), and section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a), $141,081,000, to remain available through September 30, 2000.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, $108,561,000, of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law and of which $2,000,000 shall be available for obligation only after promulgation of a final rule to curb vendor related fraud: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $128,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $136,203,000: Provided, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691, 1701–1704, 1721–1726a, 1727–1727e, 1731–1736g–3, and 1737), as follows: (1) $203,475,000 for Public Law 480 title I credit, including Food for Progress programs; (2) $16,249,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985; (3) $837,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) $25,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: Provided, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: Provided further, That such sums shall remain available until expended (7 U.S.C. 2209b).

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit agreements under said Act, $176,596,000.

In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 480 are utilized, $1,850,000, of which $1,035,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and $815,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, $3,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which $3,231,000 may be transferred to and merged with the appropriation for "Foreign Agricultural Service and General Sales Manager" and $589,000 may be transferred to and merged with the appropriation for "Farm Service Agency, Salaries and Expenses".

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; $1,098,140,000, of which not to exceed $132,273,000 in fees pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act may be credited to this appropriation and remain available until expended: Provided, That fees derived from applications received during fiscal year 1999 shall be subject to the fiscal year 1999 limitation: Provided further, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701: Provided further, That of the total amount appropriated: (1) $226,580,000 shall be for the Center for Food Safety and Applied Nutrition and related field activities in the Office of Regulatory Affairs, of which, and notwithstanding section 409(h)(5)(A) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), an amount of $500,000 shall be made available for the development of systems, regulations, and pilot programs, if any, that would be required to permit full implementation, consistent with section 409(h)(5) of that Act, in fiscal year 2000 of the food contact substance notification program under section 409(h) of such Act; (2) $291,981,000 shall be for the Center for Drug Evaluation and Research and related field activities in the Office of Regulatory Affairs; (3) $125,095,000 shall be for the Center for Biologics Evaluation and Research and for related field activities in the Office of Regulatory Affairs; (4) $41,973,000 shall be for the Center for Veterinary Medicine and for related field activities in the Office of Regulatory Affairs; (5) $145,736,000 shall be for the Center for Devices and Radiological Health and for related field activities in the Office of Regulatory Affairs; (6) $31,579,000 shall be for the National Center for Toxicological Research; (7) $34,000,000 shall be for the Office of Tobacco; (8) $25,855,000 shall be for Rent and Related activities, other than the amounts paid to the General Services Administration; (9) $88,294,000 shall be for payments to the General Services Administration for rent and related costs; and (10) $87,047,000 shall be for other activities, including the Office of the Commissioner, the Office of Policy, the Office of External Affairs, the Office of Operations, the Office of Management and Systems, and central services for these offices.

In addition, fees pursuant to section 354 of the Public Health Service Act may be credited to this account, to remain available until expended.

In addition, fees pursuant to section 801 of the Federal Food, Drug, and Cosmetic Act may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $11,350,000, to remain available until expended (7 U.S.C. 2209b).

DEPARTMENT OF THE TREASURY

FINANCIAL MANAGEMENT SERVICE

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by section 6.28(c) of the Farm Credit Act of 1971, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1994, as authorized, $2,565,000.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109, $61,000,000, including not to exceed $1,000 for official reception and representation expenses: Provided, That the Commission is authorized to charge reasonable fees to attendees of Commission sponsored educational events and symposia to cover the Commission's costs of providing those events and symposia, and notwithstanding 31 U.S.C. 3302, said fees shall be credited to this account, to be available without further appropriation.

FARM CREDIT ADMINISTRATION

LIMITATION OF ADMINISTRATIVE EXPENSES

Not to exceed $35,800,000 (from assessments collected from farm credit institutions and from the Federal Agricultural Mortgage Corporation) shall be obligated during the current fiscal year for administrative expenses as authorized under 12 U.S.C. 2249: Provided, That this limitation shall not apply to expenses associated with receiverships.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1999 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 440 passenger motor vehicles, of which 437 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954 (7 U.S.C. 427 and 1621–1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed $2,000,000: Provided, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, integrated systems acquisition project, and up to $2,000,000 for costs associated with collocating regional offices; Farm Service Agency, salaries and expenses funds made available to county committees; and Foreign Agricultural Service, middle-income country training program.

New obligational authority for the boll weevil program; up to 10 percent of the screwworm program of the Animal and Plant Health Inspection Service; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; funds for the Native American Institutions Endowment Fund in the Cooperative State Research, Education, and Extension Service; and funds for the competitive research grants (7 U.S.C. 450i(b)), shall remain available until expended.

SEC. 706. 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. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94–449.

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost

rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 711. None of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research, Education, and Extension Service that exceed 14 percent of total Federal funds provided under each award: Provided, That notwithstanding section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310), funds provided by this Act for grants awarded competitively by the Cooperative State Research, Education, and Extension Service shall be available to pay full allowable indirect costs for each grant awarded under the Small Business Innovation Development Act of 1982, Public Law 97–219 (15 U.S.C. 638).

SEC. 712. Notwithstanding any other provisions of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 713. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 1999 shall remain available until expended to cover obligations made in fiscal year 1999 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; and the rural economic development loans program account.

SEC. 714. Such sums as may be necessary for fiscal year 1999 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. 715. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service; Grain Inspection, Packers and Stockyards Administration; and the Animal and Plant Health Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service, the Grain Inspection, Packers and Stockyards Administration or the Animal and Plant Health Inspection Service and a State or Cooperator to carry out agricultural marketing programs or to carry out programs to protect the Nation's animal and plant resources.

SEC. 716. Notwithstanding the Federal Grant and Cooperative Agreement Act, the Natural Resources Conservation Service may enter into contracts, grants, or cooperative agreements with a State agency or subdivision, or a public or private organization, for the acquisition of goods or services, including personal services, to carry out natural resources conservation activities: Provided, That Commodity Credit Corporation funds obligated for such purposes shall not exceed the level obligated by the Commodity Credit Corporation for such purposes in fiscal year 1998.

SEC. 717. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 718. Hereafter, none of the funds made available in this Act may be used to provide assistance to, or to pay the salaries of personnel to carry out a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance to the United States Mink Export Development Council or any mink industry trade association.

SEC. 719. Of the funds made available by this Act, not more than $1,800,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants: Provided, That interagency funding is authorized to carry out the purposes of the National Drought Policy Commission.

SEC. 720. None of the funds appropriated in this Act may be used to carry out the provisions of section 918 of Public Law 104–127, the Federal Agriculture Improvement and Reform Act.

SEC. 721. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 722. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 723. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be transferred to the Office of the Chief Information Officer without the prior approval of the Committee on Appropriations of both Houses of Congress.

SEC. 724. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, 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 Committee on Appropriations of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, 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 Committee on Appropriations of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 725. None of the funds appropriated or otherwise made available by this Act or any other Act may be used to pay the salaries and expenses of personnel to carry out section 793 of Public Law 104–127, with the exception of funds made available under that section on January 1, 1997.

SEC. 726. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel who carry out an environmental quality incentives program authorized by sections 334–341 of Public Law 104–127 in excess of $174,000,000.

SEC. 727. None of the funds appropriated or otherwise available to the Department of Agriculture may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

SEC. 728. The Federal facility located in Stuttgart, Arkansas, and known as the "United States National Rice Germplasm Evaluation and Enhancement Center", shall be known and designated as the "Dale Bumpers National Rice Research Center": Provided, That any reference in law, map, regulation, document, paper, or other record of the United States to such federal facility shall be deemed to be a reference to the "Dale Bumpers National Rice Research Center".

SEC. 729. Notwithstanding any other provision of law, the Secretary of Agriculture, subject to the reprogramming requirements established by this Act, may transfer up to $26,000,000 in discretionary funds made available by this Act among programs of the Department, not otherwise appropriated for a specific purpose or a specific location, for distribution to or for the benefit of the Lower Mississippi Delta Region, as defined in Public Law 100–460, prior to normal state or regional allocation of funds: Provided, That any funds made available through Chapter Four of Subtitle D of Title XII of the Food Security Act of 1985 (16 U.S.C. 3839aa et seq.) may be included in any amount reprogrammed under this section if such funds are

used for a purpose authorized by such Chapter: Provided further, That any funds made available from ongoing programs of the Department of Agriculture used for the benefit of the Lower Mississippi Delta Region shall be counted toward the level cited in this section.

SEC. 730. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to enroll in excess of 120,000 acres in the fiscal year 1999 wetlands reserve program as authorized by 16 U.S.C. 3837.

SEC. 731. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the emergency food assistance program authorized by section 27(a) of the Food Stamp Act if such program exceeds $90,000,000.

SEC. 732. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out the provisions of section 401 of Public Law 105–185.

SEC. 733. Notwithstanding any other provision of law, the City of Big Spring, Texas shall be eligible to participate in rural housing programs administered by the Rural Housing Service.

SEC. 734. Notwithstanding any other provision of law, the Municipality of Carolina, Puerto Rico shall be eligible for grants and loans administered by the Rural Utilities Service.

SEC. 735. Notwithstanding section 381A of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009), the definitions of rural areas for certain business programs administered by the Rural Business-Cooperative Service and the community facilities programs administered by the Rural Housing Service shall be those provided for in statute and regulations prior to the enactment of Public Law 104–127.

SEC. 736. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program that would prohibit eligibility or participation by farmer-owned cooperatives.

SEC. 737. Section 512(d)(4)(D)(iii) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360b(d)(4)(D)(iii)) is amended by inserting before the semicolon the following: ", except that for purposes of this clause, antibacterial ingredient or animal drug does not include the ionophore or arsenical classes of animal drugs".

SEC. 738. (a) None of the funds appropriated or otherwise made available to the Secretary by this Act, any other Act, or any other source may be used to issue the final rule to implement the amendments to Federal milk marketing orders required by subsection (a)(1) of section 143 of the Agricultural Market Transition Act (7 U.S.C. 7253), other than during the period of February 1, 1999, through April 4, 1999, and only if the actual implementation of the amendments as part of Federal milk marketing orders takes effect on October 1, 1999, notwithstanding the penalties that would otherwise be imposed under subsection (c) of such section.

(b) None of such funds may be used to designate the State of California as a separate Federal milk marketing order under subsection (a)(2) of such section, other than during the period beginning on the date of the issuance of the final rule referred to in subsection (a) through September 30, 1999.

(c) For purposes of this section, a rule shall be considered to be a final rule when the rule is submitted to Congress as required by chapter 8 of title 5, United States Code, to permit congressional review of agency rulemaking and before the Secretary of Agriculture conducts the producer referendum required under section 8c(19) of the Agricultural Adjustment Act (7 U.S.C. 608c(19)), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

SEC. 739. Whenever the Secretary of Agriculture announces the basic formula price for milk for purposes of Federal milk marketing orders issued under section 8c of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, the Secretary shall include in the announcement an estimate, stated on a per hundredweight basis, of the costs incurred by milk producers, including transportation and marketing costs, to produce milk in the different regions of the United States.

SEC. 740. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 335 of Public Law 104–127.

SEC. 741. WAIVER OF STATUTE OF LIMITATIONS. (a) To the extent permitted by the Constitution, any civil action to obtain relief with respect to the discrimination alleged in an eligible complaint, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(b) The complainant may, in lieu of filing a civil action, seek a determination on the merits of the eligible complaint by the Department of Agriculture if such complaint was filed not later than 2 years after the date of enactment of this Act. The Department of Agriculture shall—

(1) provide the complainant an opportunity for a hearing on the record before making that determination; and

(2) award the complainant such relief as would be afforded under the applicable statute from which the eligible complaint arose notwithstanding any statute of limitations.

(c) A proposed administrative award or settlement, exceeding $75,000 (other than debt relief), of an eligible complaint—

(1) shall not take effect until 90 days after notice of that award or settlement is given to the Attorney General (or the Attorney General's designee); and

(2) shall not take effect in any event if, during that 90-day period, the Attorney General (or the Attorney General's designee) objects to the award or settlement.

(d) Notwithstanding subsections (a) and (b), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking a review of such denial.

(e) The United States Court of Federal Claims and the United States District Court shall have exclusive original jurisdiction over—

(1) any cause of action arising out of a complaint with respect to which this section waives the statute of limitations; and

(2) over any civil action for judicial review of a determination in an administrative proceeding in the Department of Agriculture under this section.

(f) As used in this section, the term "eligible complaint" means a non-employment-related complaint that was filed with the Department of Agriculture before July 1, 1997 and alleges discrimination at any time during the period beginning on January 1, 1983 and ending December 31, 1996:

(1) under the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering a farm ownership, farm operating, or emergency loan from the Agricultural Credit Insurance Program Account; or

(2) in the administration of a commodity program or a disaster assistance program.

(g) This section shall apply in fiscal year 1999 and thereafter.

SEC. 742. In any claim brought under the Rehabilitation Act of 1973 and filed with the Secretary of Agriculture after January 1994 resulting in a finding that a farmer was subjected to discrimination under any farm loan program or activity conducted by the United States Department of Agriculture in violation of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), the Secretary of Agriculture shall be liable for compensatory damages. Such liability shall apply to any administrative action brought before the date of enactment of this Act, but only if the action is brought within the applicable statute of limitations and the complainant sought or seeks compensatory damages while the action is pending.

SEC. 743. Public Law 102–237, Title X, Section 1013(a) and (b) (7 U.S.C. 426 note) is amended by striking ", to the extent practicable," in each instance in which it appears.

SEC. 744. Funds made available for conservation operations by this or any other Act, including prior-year balances, shall be available for financial assistance and technical assistance for Franklin County, Mississippi, in the amounts earmarked in appropriations report language.

SEC. 745. Section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) is amended by inserting "25 percent in" in lieu of "equal" in subsection (b), and by inserting "$20,000,000" in lieu of "$15,000,000" in subsection (d).

SEC. 746. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Drug Analysis in St. Louis, Missouri.

SEC. 747. None of the funds made available by this Act or any other Act for any fiscal year may be used to carry out section 302(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: Provided, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.).

SEC. 748. Notwithstanding the provisions of section 508(b)(5)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(A)), for the 1999 reinsurance and subsequent reinsurance years, no producer shall pay more than $50 per crop per county as an administrative fee for catastrophic risk protection under section 508(b)(5)(A) of the Act.

SEC. 749. That notwithstanding section 4703(d)(1) of title 5, United States Code, the personnel management demonstration project established in the Department of Agriculture, as described at 55 FR 9062 and amended at 61 FR 9507 and 61 FR 49178, shall be continued indefinitely and become effective upon enactment of this Act.

SEC. 750. (a) The first sentence of section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended by striking "fiscal year 1998" and inserting "fiscal year 2000".

(b) Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking "September 30, 1998" and inserting "September 30, 2000".

(c) The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking "fiscal year 1998" and inserting "fiscal year 2000".

(d) Section 538 of the Housing Act of 1949 (42 U.S.C. 1490p–2) is amended—

(1) in subsection (t), by striking "fiscal year 1998" and inserting "fiscal year 2000"; and

(2) in subsection (u), by striking "September 30, 1998" and inserting "September 30, 2000".

(e) Section 538(f) of the Housing Act of 1949 (42 U.S.C. 1490p–2(f)) is amended by adding after paragraph (5) the following new flush sentence:

"The Secretary may not deny a guarantee under this section on the basis that the interest on the loan, or on an obligation supporting the loan, for which the guarantee is sought is exempt from inclusion in gross income for purposes of chapter 1 of the Internal Revenue Code of 1986.".

SEC. 751. Section 1237D(c)(1) of subchapter C of the Food Security Act of 1985 is amended by inserting after "perpetual" the following "or 30-year".

SEC. 752. Section 1237(b)(2) of subchapter C of the Food Security Act of 1985 is amended by adding the following:

"(C) For purposes of subparagraph (A), to the maximum extent practicable should be interpreted to mean that acceptance of wetlands reserve program bids may be in proportion to landowner interest expressed in program options.".

SEC. 753. (a) Section 3(d)(3) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(d)(3)) (as amended by section 253(b) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking "The Secretary" and inserting "At the request of the Governor of the State of Maine, New Hampshire, New York, or Vermont, the Secretary".

(b) Section 7(e)(2) of the Honey Research, Promotion, and Consumer Information Act (7 U.S.C. 4606(e)(2)) (as amended by section 605(f)(3) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking "$0.0075" each place it appears and inserting "$0.01".

(c)(1) Section 793(c)(2)(B) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2204f(c)(2)(B)) is amended—

(A) in clause (iii), by striking "or" at the end;

(B) in clause (iv), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(v) a State agricultural experiment station.".

(2) Section 401(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(d)) is amended—

(A) in paragraph (3), by striking "or" at the end;

(B) in paragraph (4), by striking the period at the end and inserting "; or"; and

(C) by adding at the end the following:

"(5) a State agricultural experiment station.".

(d) Section 3(d) of the Hatch Act of 1887 (7 U.S.C. 361c(d)) is amended—

(1) in paragraph (1), by striking "No" and inserting "Except as provided in paragraph (4), no"; and

(2) by adding at the end the following:

"(4) TERRITORIES.—In lieu of the matching funds requirement of paragraph (1), the Commonwealth of Puerto Rico, the Virgin Islands, and Guam shall be subject to the same matching funds requirements as those applicable to an eligible institution under section 1449 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222d).".

(e) Section 3(e) of the Smith-Lever Act (7 U.S.C. 343(e)) is amended—

(1) in paragraph (1), by inserting "paragraph (4) and" after "provided in"; and

(2) by adding at the end the following:

"(4) TERRITORIES.—In lieu of the matching funds requirement of paragraph (1), the Commonwealth of Puerto Rico, the Virgin Islands, and Guam shall be subject to the same matching funds requirements as those applicable to an eligible institution under section 1449 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3222d).".

(f) The amendments made by this section shall take effect on the date of enactment of the Agricultural Research, Extension, and Education Reform Act of 1998.

SEC. 754. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the users fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2000 appropriations Act.

SEC. 755. (a) Section 203(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) is amended by adding at the end the following: "Shell eggs packed under the voluntary grading program of the Department of Agriculture shall not have been shipped for sale previous to being packed under the program, as determined under a regulation promulgated by the Secretary.".

(b) Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture, and the Secretary of Health and Human Services, shall submit a joint status report to the Committees on Appropriations of the House of Representatives and the Senate that describes actions taken by the Secretary of Agriculture and the Secretary of Health and Human Services—

(1) to enhance the safety of shell eggs and egg products;

(2) to prohibit the grading, under the voluntary grading program of the Department of Agriculture, of shell eggs previously shipped for sale; and

(3) to assess the feasibility and desirability of applying to all shell eggs the prohibition on repackaging to enhance food safety, consumer information, and consumer awareness.

SEC. 756. Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of Public Law 104–127 in fiscal year 1999 shall not exceed $65,000,000: Provided, That section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking $193,000,000 and inserting $188,000,000.

SEC. 757. (a) The Secretary of Agriculture may use funds for tree assistance made available under Public Law 105–174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).

SEC. 758. None of the funds appropriated or otherwise made available by this Act shall be used to establish an Office of Community Food Security or any similar office within the United States Department of Agriculture without the prior approval of the Committee on Appropriations of both Houses of Congress.

SEC. 759. Notwithstanding any other provision of law, the city of Vineland, New Jersey, shall be eligible for programs administered by the Rural Housing Service and the Rural Business-Cooperative Service.

SEC. 760. (a)(1) For purposes of this section, the term "Commission" means the Commodity Futures Trading Commission.

(2) For purposes of this section, the term "qualifying hybrid instrument or swap agreement" means a hybrid instrument or swap agreement that—

(A) was entered into before the start of the restraint period or is entered into during the restraint period; and

(B) is exempt under part 34 or part 35 of title 17, Code of Federal Regulations (as in effect on January 1, 1998), qualifies for the safe harbor contained in the Policy Statement of the Commission regarding swap agreements published in the Federal Register on July 21, 1989 (54 Fed. Reg. 30694), or qualifies for the exclusion set forth in the Statutory Interpretation of the Commission concerning certain hybrid instruments published in the Federal Register on April 11, 1990 (55 Fed. Reg. 13582).

(3) For purposes of this section, the term "restraint period" means the period—

(A) beginning on the date of the enactment of this Act; and

(B) ending on March 30, 1999, or the first date on which legislation is enacted that authorizes appropriations for the Commission for a fiscal year after fiscal year 2000, whichever occurs first.

(b) During the restraint period, the Commission may not propose or issue any rule or regulation, or issue any interpretation or policy statement, that restricts or regulates activity in a qualifying hybrid instrument or swap agreement.

(c) Notwithstanding subsection (b), during the restraint period, the Commission may—

(1) act on a petition for exemptive relief under section 4(c) of the Commodity Exchange Act (7 U.S.C. 6(c));

(2) enter such cease and desist orders and take such enforcement action, including the imposition of sanctions, as the Commission considers necessary to enforce any provision of the Commodity Exchange Act (7 U.S.C. 1 et seq.) or title 17, Code of Federal Regulations, in connection with a qualifying hybrid instrument or swap agreement, to the extent such provision is otherwise applicable to that qualifying hybrid instrument or swap agreement or a transaction involving that qualifying hybrid instrument or swap agreement;

(3) take such action as the Commission considers appropriate with regard to agricultural trade options; and

(4) take such action as the Commission considers appropriate to respond to a market emergency.

(d)(1) The legal status of contracts involving a qualifying hybrid instrument or swap agreement shall not differ from the legal status afforded such contracts during the period—

(A) beginning on—

(i) in the case of swap agreements, July 21, 1989, which was the date on which the Commission adopted a Policy Statement regarding swap agreements (54 Fed. Reg. 30694); and

(ii) in the case of hybrid instruments, April 11, 1990, which was the date that the Statutory Interpretation of the Commission concerning hybrid instruments was published in the Federal Register; and

(B) ending on January 1, 1998.

(2) Neither the comment letter of the Commission submitted on February 26, 1998, to the Securities and Exchange Commission regarding

the proposal known as "Broker-Dealer Lite", nor the Concept Release of the Commission regarding over-the-counter derivatives published in the Federal Register on May 12, 1998 (63 Fed. Reg. 26114), shall alter or affect the legal status of a qualifying hybrid instrument or swap agreement under the Commodity Exchange Act (7 U.S.C. 1 et seq.).

(e) Nothing in this section shall be construed as reflecting or implying a determination that a qualifying hybrid instrument or swap agreement, or a transaction involving a qualifying hybrid instrument or swap agreement, is subject to the Commodity Exchange Act (7 U.S.C. 1 et seq.).

SEC. 761. None of the funds appropriated or otherwise made available by this or any other Act may be used to carry out provisions of section 612 of Public Law 105–185.

SEC. 762. Section 136 of the Agricultural Market Transition Act (7 U.S.C. 7236) is amended by striking "1.25 cents" each place it appears in subsections (a) and (b) and inserting "3 cents".

SEC. 763. In implementing section 1124 of subtitle C of title XI of this Act, the Secretary of Agriculture shall:

(a) provide $18,000,000 to the states for distribution of emergency aid to individuals with family incomes below the federal poverty level who have been adversely affected utilizing Federal Emergency Management Agency guidelines;

(b) transfer to the Secretary of Commerce for obligation and expenditure (1) $15,000,000 for programs pursuant to title IX of Public Law 91–304, as amended, of which six percent may be available for administrative costs; (2) $5,000,000 for the Trade Adjustment Assistance program as provided by the Trade Act of 1974, as amended; and (3) $7,000,000 for disaster research and prevention pursuant to section 402(d) of Public Law 94–265; and

(c) transfer to the Administrator of the Small Business Administration for obligation and expenditure, $5,000,000 for the cost of direct loans authorized by section 7(b) of the Small Business Act, as amended, for eligible small businesses.

SEC. 764. (a) Section 604 of the Clean Air Act is amended by inserting at the end the following:

"(h) METHYL BROMIDE.—Notwithstanding subsection (d) and section 604(b), the Administrator shall not terminate production of methyl bromide prior to January 1, 2005. The Administrator shall promulgate rules for reductions in, and terminate the production, importation, and consumption of, methyl bromide under a schedule that is in accordance with, but not more stringent than, the phaseout schedule of the Montreal Protocol Treaty as in effect on the date of the enactment of this subsection.".

(b) Section 604(d) of the Clean Air Act is amended by inserting at the end the following:

"(5) SANITATION AND FOOD PROTECTION.—To the extent consistent with the Montreal Protocol's quarantine and preshipment provisions, the Administrator shall exempt the production, importation, and consumption of methyl bromide to fumigate commodities entering or leaving the United States or any State (or political subdivision thereof) for purposes of compliance with Animal and Plant Health Inspection Service requirements or with any international, Federal, State, or local sanitation or food protection standard.

"(6) CRITICAL USES.—To the extent consistent with the Montreal Protocol, the Administrator and the Secretary of Agriculture, after notice and opportunity for public comment, may exempt the production, importation, and consumption of methyl bromide for critical uses.".

(c) Section 604(e) of the Clean Air Act is amended by inserting at the end the following:

"(3) METHYL BROMIDE.—Notwithstanding the phaseout and termination of production of methyl bromide pursuant to section 604(h), the Administrator may, consistent with the Montreal Protocol, authorize the production of limited quantities of methyl bromide, solely for use in developing countries that are Parties to the Copenhagen Amendments to the Montreal Protocol.".

TITLE VIII—AGRICULTURAL CREDIT

SEC. 801. Section 373 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h) is amended by striking subsection (b) and inserting the following:

"(b) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

"(1) PROHIBITIONS.—Except as provided in paragraph (2)—

"(A) the Secretary may not make a loan under this title to a borrower that has received debt forgiveness on a loan made or guaranteed under this title; and

"(B) the Secretary may not guarantee a loan under this title to a borrower that has received—

"(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this title; or

"(ii) received debt forgiveness on no more than 3 occasions on or before April 4, 1996.

"(2) EXCEPTIONS.—

"(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower who—

(i) was restructured with a write-down under section 353; or

(ii) is current on payments under a confirmed reorganization plan under chapters 11, 12, or 13 of Title II of the United States Code.

"(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 321 to a borrower that—

"(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this title; and

"(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this title.".

SEC. 802. Section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)) is amended—

(1) by striking "(d) All loans" and inserting the following:

"(d) REPAYMENT.—

"(1) IN GENERAL.—All loans"; and

(2) by adding at the end the following:

"(2) NO BASIS FOR DENIAL OF LOAN.—

"(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall not deny a loan under this subtitle to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if the Secretary is reasonably certain that the borrower will be able to repay the loan.

"(B) REFUSAL TO PLEDGE AVAILABLE COLLATERAL.—The Secretary may deny or cancel a loan under this subtitle if a borrower refuses to pledge available collateral on request by the Secretary.".

SEC. 803. (a) Section 508(n) of the Federal Crop Insurance Act (7 U.S.C. 1508(n)) is amended—

(1) by striking "If" and inserting the following:

"(1) IN GENERAL.—Except as provided in paragraph (2), if"; and

(2) by adding at the end the following:

"(2) EXCEPTION.—Paragraph (1) shall not apply to emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.).".

(b) Section 196(i)(3) of the Agricultural Market Transition Act (7 U.S.C. 7333(i)(3)) is amended—

(1) by striking "If" and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraph (B), if"; and

(2) by adding at the end the following:

"(B) EXCEPTION.—Subparagraph (A) shall not apply to emergency loans under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.).".

SEC. 804. Section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) is amended by adding at the end the following:

"(D) NOTICE.—Beginning with fiscal year 2000 not later than 12 months before a borrower will become ineligible for direct loans under this subtitle by reason of this paragraph, the Secretary shall notify the borrower of such impending ineligibility.".

SEC. 805. The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended—

(1) in section 302(a)(2) (7 U.S.C. 1922(a)(2)), by inserting "for direct loans only," before "have either";

(2) in section 311(a)(2) (7 U.S.C. 1941(a)(2)), by inserting "for direct loans only," before "have either"; and

(3) in section 359 (7 U.S.C. 2006a)—

(A) in subsection (a), by striking "and guaranteed"; and

(B) in subsection (c), by striking "or guaranteed" each place it appears.

SEC. 806. (a) Section 305 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1925) is amended—

(1) by striking "Sec. 305. The Secretary" and inserting the following:

"SEC. 305. LIMITATIONS ON AMOUNT OF FARM OWNERSHIP LOANS.

"(a) IN GENERAL.—The Secretary";

(2) by striking "$300,000" and inserting "$700,000 (increased, beginning with fiscal year 2000, by the inflation percentage applicable to the fiscal year in which the loan is guaranteed and reduced by the amount of any unpaid indebtedness of the borrower on loans under subtitle B that are guaranteed by the Secretary)";

(3) by striking "In determining" and inserting the following:

"(b) DETERMINATION OF VALUE.—In determining"; and

(4) by adding at the end the following:

"(c) INFLATION PERCENTAGE.—For purposes of this section, the inflation percentage applicable to a fiscal year is the percentage (if any) by which—

"(1) the average of the Consumer Price Index (as defined in section 1(f)(5) of the Internal Revenue Code of 1986) for the 12-month period ending on August 31 of the immediately preceding fiscal year; exceeds

"(2) the average of the Consumer Price Index (as so defined) for the 12-month period ending on August 31, 1996.".

(b) Section 313 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943) is amended—

(1) by striking "Sec. 313. The Secretary" and inserting the following:

"SEC. 313. LIMITATIONS ON AMOUNT OF OPERATING LOANS.

"(a) IN GENERAL.—The Secretary";

(2) by striking "this subtitle (1) that would cause" and inserting "this subtitle—

"(1) that would cause";

(3) by striking "$400,000; or (2) for the purchasing" and inserting "$700,000 (increased, beginning with fiscal year 2000, by the inflation percentage applicable to the fiscal year in which the loan is guaranteed and reduced by the unpaid indebtedness of the borrower on loans under the sections specified in section 305 that are guaranteed by the Secretary); or

"(2) for the purchasing"; and

(4) by adding at the end the following:

"(b) INFLATION PERCENTAGE.—For purposes of this section, the inflation percentage applicable to a fiscal year is the percentage (if any) by which—

"(1) the average of the Consumer Price Index (as defined in section 1(f)(5) of the Internal Revenue Code of 1986) for the 12-month period ending on August 31 of the immediately preceding fiscal year; exceeds

"(2) the average of the Consumer Price Index (as so defined) for the 12-month period ending on August 31, 1996.".

SEC. 807. Section 353(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2001(e)) is amended by adding at the end the following:

"(6) NOTICE OF RECAPTURE.—Beginning with fiscal year 2000 not later than 12 months before the end of the term of a shared appreciation arrangement, the Secretary shall notify the borrower involved of the provisions of the arrangement.".

SEC. 808. Section 353(c)(3)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2001(c)(3)(C)) is amended by striking "110 percent" and inserting "100 percent".

TITLE IX—INDIA-PAKISTAN RELIEF ACT

SEC. 901. SHORT TITLE. This title may be cited as the "India-Pakistan Relief Act of 1998".

SEC. 902. WAIVER AUTHORITY. (a) AUTHORITY.—The President may waive for a period not to exceed one year upon enactment of this Act with respect to India or Pakistan the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export Import Bank Act of 1945.

(b) EXCEPTION.—The authority provided in subsection (a) shall not apply to any restriction in section 102(b)(2) (B), (C), or (G) of the Arms Export Control Act.

(c) AVAILABILITY OF AMOUNTS.—Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. 903. CONSULTATION. Prior to each exercise of the authority provided in section 902, the President shall consult with the appropriate congressional committees.

SEC. 904. REPORTING REQUIREMENT. Not later than 30 days prior to the expiration of a one-year period described in section 902, the Secretary of State shall submit a report to the appropriate congressional committees on economic and national security developments in India and Pakistan.

SEC. 905. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED. In this title, the term "appropriate congressional committees" means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and the Committees on Appropriations of the House of Representatives and the Senate.

TITLE X—UNDER SECRETARY OF AGRICULTURE FOR MARKETING AND REGULATORY PROGRAMS

SEC. 1001. GENERAL.

Title II of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (7 U.S.C. 6901 et seq.) is amended—

(1) in section 218(a)—

(A) in paragraph (1) by adding "and" at the end;

(B) in paragraph (2) by striking "; and" and inserting a period; and

(C) by striking paragraph (3);

(2) by redesignating subtitle I as subtitle J;

(3) by inserting after subtitle H the following:

T2"SUBTITLE I—MARKETING AND REGULATORY PROGRAMS

"SEC. 285. UNDER SECRETARY OF AGRICULTURE FOR MARKETING AND REGULATORY PROGRAMS.

"(a) AUTHORIZATION.—The Secretary is authorized to establish in the Department the position of Under Secretary of Agriculture for Marketing and Regulatory Programs.

"(b) CONFIRMATION REQUIRED.—If the Secretary establishes the position of Under Secretary of Agriculture for Marketing and Regulatory Programs authorized under subsection (a), the Under Secretary shall be appointed by the President, by and with the advice and consent of the Senate.

"(c) FUNCTIONS OF UNDER SECRETARY.—

"(1) PRINCIPAL FUNCTIONS.—Upon establishment, the Secretary shall delegate to the Under Secretary of Agriculture for Marketing and Regulatory Programs those functions and duties under the jurisdiction of the Department that are related to agricultural marketing, animal and plant health inspection, grain inspection, and packers and stockyards.

"(2) ADDITIONAL FUNCTIONS.—The Under Secretary of Agriculture for Marketing and Regulatory Programs shall perform such other functions and duties as may be required by law or prescribed by the Secretary.

"(d) SUCCESSION.—Any official who is serving as Assistant Secretary of Agriculture for Marketing and Regulatory Programs on the date of the enactment of this section and who was appointed by the President, by and with the advice and consent of the Senate, shall not be required to be reappointed under subsection (b) to the successor position authorized under subsection (a) if the Secretary establishes the position, and the official occupies the new position, within 180 days after the date of enactment of this section (or such later date set by the Secretary if litigation delays rapid succession).

"(e) EXECUTIVE SCHEDULE.—Section 5314 of title 5, United States Code, is amended by inserting after the item relating to the Under Secretary of Agriculture for Food Safety (as added by section 261(c)) the following:

'Under Secretary of Agriculture for Marketing and Regulatory Programs.'."; and

(4) in section 296(b)—

(A) in paragraph (2), by striking "or";

(B) in paragraph (3), by striking the period and inserting "; or"; and

(C) by adding at the end the following:

"(4) the authority of the Secretary to establish in the Department the position of Under Secretary of Agriculture for Marketing and Regulatory Programs under section 285.".

SEC. 1002. PAY INCREASE PROHIBITED.

The compensation of any officer or employee of the Department of Agriculture on the date of enactment of this Act shall not be increased as a result of the enactment of this Act.

SEC. 1003. CONFORMING AMENDMENT.

Section 5315 of title 5, United States Code, is amended by striking "Assistant Secretaries of Agriculture (3)." and inserting "Assistant Secretaries of Agriculture (2).".

TITLE XI—EMERGENCY AND MARKET LOSS ASSISTANCE

Subtitle A—Emergency Assistance for Crop and Livestock Feed Losses Due to Disasters

SEC. 1101. GENERAL PROVISIONS.

(a) FAIR AND EQUITABLE DISTRIBUTION.—Assistance made available under this subtitle shall be distributed in a fair and equitable manner to producers who have incurred crop and livestock feed losses in all affected geographic regions of the United States.

(b) PROGRAM ADMINISTRATION.—In carrying out this subtitle, the Secretary of Agriculture (referred to in this title as the "Secretary") may determine—

(1) 1 or more loss thresholds producers on a farm must incur with respect to a crop to be eligible for assistance;

(2) the payment rate for crop and livestock feed losses incurred; and

(3) eligibility and payment limitation criteria (as defined by the Secretary) for persons to receive assistance under this subtitle, which, in the case of assistance received under any section of this subtitle, shall be in addition to—

(A) assistance made available under any other section of this subtitle and subtitle B;

(B) payments or loans received by a person under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.);

(C) payments received by a person for the 1998 crop under the noninsured crop assistance program established under section 196 of that Act (7 U.S.C. 7333);

(D) crop insurance indemnities provided for the 1998 crop under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); and

(E) emergency loans made available for the 1998 crop under subtitle C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961 et seq.).

SEC. 1102. CROP LOSS ASSISTANCE.

(a) IN GENERAL.—The Secretary shall administer a program under which emergency financial assistance is made available to producers on a farm who have incurred losses associated with crops due to disasters (as determined by the Secretary).

(b) LOSSES INCURRED FOR 1998 CROP.—Subject to section 1132, the Secretary shall use not more than $1,500,000,000 to make available assistance to producers on a farm who have incurred losses in the 1998 crop due to disasters.

(c) MULTIYEAR LOSSES.—Subject to section 1132, the Secretary shall use not more than $675,000,000 to make available assistance to producers on a farm who have incurred multiyear losses (as defined by the Secretary) in the 1998 and preceding crops of a commodity due to disasters (including, but not limited to, diseases such as scab).

(d) RELATIONSHIP BETWEEN ASSISTANCE.—The Secretary shall make assistance available to producers on a farm under either subsection (b) or (c).

(e) QUALIFYING LOSSES.—Assistance under this section may be made for losses associated with crops that are due to, as determined by the Secretary—

(1) quantity losses;

(2) quality (including, but not limited to, aflatoxin) losses; or

(3) severe economic losses due to damaging weather or related condition.

(f) CROPS COVERED.—Assistance under this section shall be applicable to losses for all crops, as determined by the Secretary, due to disasters.

(g) CROP INSURANCE.—

(1) ADMINISTRATION.—In carrying out this section, the Secretary shall not discriminate against or penalize producers on a farm who have purchased crop insurance under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.).

(2) ENCOURAGING FUTURE CROP INSURANCE PARTICIPATION.—Subject to section 1132, the Secretary, acting through the Federal Crop Insurance Corporation, may use the funds made available under subsections (b) and (c), and only those funds, to provide premium refunds or other assistance to purchasers of crop insurance for their 1998 insured crops, or their preceding (including 1998) insured crops.

(3) PRODUCERS WHO HAVE NOT PURCHASED CROP INSURANCE FOR 1998 CROP.—As a condition of receiving assistance under this section, producers on a farm who have not purchased crop insurance for the 1998 crop under that Act shall

agree by contract to purchase crop insurance for the subsequent 2 crops produced by the producers.

(4) LIQUIDATED DAMAGES.—

(A) IN GENERAL.—The contract under paragraph (3) shall provide for liquidated damages to be paid by the producers due to the failure of the producers to purchase crop insurance as provided in paragraph (3).

(B) NOTICE OF DAMAGES.—The amount of the liquidated damages shall be established by the Secretary and specified in the contract agreed to by the producers.

(5) FUNDING FOR CROP INSURANCE PURCHASE REQUIREMENT.—Subject to section 1132, such sums as may be necessary, to remain available until expended, shall be available to the Federal Crop Insurance Corporation to cover costs incurred by the Corporation as a result of the crop insurance purchase requirement of paragraph (3). Funds made available under subsections (b) and (c) may not be used to cover such costs.

SEC. 1103. EMERGENCY LIVESTOCK FEED ASSISTANCE.

Subject to section 1132, the Secretary shall use not more than $175,000,000 to make available livestock feed assistance to livestock producers affected by disasters during calendar year 1998.

Subtitle B—Market Loss Assistance

SEC. 1111. MARKET LOSS ASSISTANCE.

(a) IN GENERAL.—Subject to section 1132, the Secretary shall use $1,650,000,000 for assistance to owners and producers on a farm who are eligible for final payments for fiscal year 1998 under a production flexibility contract for the farm under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) to partially compensate the owners and producers for the loss of markets for the 1998 crop of a commodity.

(b) AMOUNT.—The amount of assistance made available to owners and producers on a farm under this section shall be proportional to the amount of the contract payment received by the owners and producers for fiscal year 1998 under a production flexibility contract for the farm under the Agricultural Market Transition Act.

(c) TIME FOR PAYMENT.—The assistance made available under this section for an eligible owner or producer shall be made as soon as practicable after the date of enactment of this Act.

Subtitle C—Other Assistance

SEC. 1121. INDEMNITY PAYMENTS FOR COTTON PRODUCERS.

(a) FEDERAL CONTRIBUTION.—Subject to subsection (b), the Secretary of Agriculture shall pay $5,000,000 to the State of Georgia to help fund an indemnity fund, to be established and managed by that State, to compensate cotton producers in that State for losses incurred in 1998 or 1999 from the loss of properly stored, harvested cotton as the result of the bankruptcy of a warehouseman or other party in possession of warehouse receipts evidencing title to the commodity, an improper conversion or transfer of the cotton, or such other potential hazards as determined appropriate by the State.

(b) CONDITIONS ON PAYMENT TO STATE.—The Secretary of Agriculture shall make the payment to the State of Georgia under subsection (a) only if the State also contributes $5,000,000 to the indemnity fund and agrees to expend all amounts in the indemnity fund by not later than January 1, 2000, to provide compensation to cotton producers as provided in such subsection. If the State of Georgia fails to make its contribution of $5,000,000 to the indemnity fund by July 1, 1999, the funds that would otherwise be paid to the State shall be available to the Secretary for the purpose of providing partial compensation to cotton producers as provided in such subsection.

(c) REPORTING REQUIREMENTS.—Upon the establishment of the indemnity fund, and not later than October 1, 1999, the State of Georgia shall submit a report to the Secretary of Agriculture and the Congress describing the State's efforts to use the indemnity fund to provide compensation to injured cotton producers.

SEC. 1122. HONEY RECOURSE LOANS.

(a) IN GENERAL.—In order to assist producers of honey to market their honey in an orderly manner during a period of disastrously low prices, the Secretary shall make available recourse loans to producers of the 1998 crop of honey on fair and reasonable terms and conditions, as determined by the Secretary.

(b) LOAN RATE.—The loan rate of the loans shall be 85 percent of the average price of honey during the 5-crop year period preceding the 1998 crop year, excluding the crop year in which the average price of honey was the highest and the crop year in which the average price of honey was the lowest in the period.

(c) NO NET COST BASIS.—Repayment of a loan under this section shall include repayment for interest and administrative costs as necessary to operate the program established under this section on a no net cost basis.

SEC. 1123. NONINSURED CROP ASSISTANCE TO RAISIN PRODUCERS.

Notwithstanding any of the provisions of section 196 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333) that would exclude the following producers from benefits thereunder, the Secretary shall make Noninsured Crop Assistance Program payments in fiscal year 1999 to raisin producers who obtained catastrophic risk protection but because of adverse weather conditions were not able to comply with the policy deadlines for laying the raisins in trays.

SEC. 1124. EMERGENCY ASSISTANCE.

In addition to amounts appropriated or otherwise made available by this Act, $50,000,000 is appropriated to the Department of Agriculture, to remain available until expended, to provide emergency disaster assistance to persons or entities who have incurred losses from a failure under section 312(a) of Public Law 94–265.

SEC. 1125. FOOD FOR PROGRESS.

The Food for Progress Act of 1985 (7 U.S.C. 1736o) is amended—

(1) in subsection (f)(3), by inserting after "$30,000,000" the following: "(or, in the case of fiscal year 1999, $35,000,000)";

(2) in subsection (l)(1), by inserting after "$10,000,000" the following: "(or, in the case of fiscal year 1999, $12,000,000)";

(3) by redesignating subsection (n) as subsection (o); and

(4) by inserting after subsection (m) the following:

"(n) During fiscal year 1999, to the maximum extent practicable, the Secretary shall utilize Private Voluntary Organizations to carry out this section.".

SEC. 1126. TEMPORARY EXPANSION OF RECOURSE LOAN AUTHORITY.

Section 137 of the Agricultural Market Transition Act (7 U.S.C. 7237) is amended—

*(1) in the section heading, by inserting "**and other fibers**" before the period at the end;*

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following:

"(c) RECOURSE LOANS AVAILABLE FOR MOHAIR.—

"(1) RECOURSE LOANS AVAILABLE.—Notwithstanding any other provision of law, during fiscal year 1999, the Secretary shall make available recourse loans, as determined by the Secretary, to producers of mohair produced during or before that fiscal year.

"(2) LOAN RATE.—The loan rate for a loan under paragraph (1) shall be equal to $2.00 per pound.

"(3) TERM OF LOAN.—A loan under paragraph (1) shall have a term of 1 year beginning on the first day of the first month after the month in which the loan is made.

"(4) WAIVER OF INTEREST.—Notwithstanding subsection (d), the Secretary shall not charge interest on a loan made under paragraph (1).".

Subtitle D—Administration

SEC. 1131. COMMODITY CREDIT CORPORATION.

Subject to section 1132, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out subtitles A, B, and C.

SEC. 1132. EMERGENCY REQUIREMENT.

Notwithstanding the last sentence of section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, amounts made available by subtitles A, B, and C of this title are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to Congress.

SEC. 1133. REGULATIONS.

(a) ISSUANCE OF REGULATIONS.—As soon as practicable after the date of enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall issue such regulations as are necessary to implement subtitles A, B, and C. The issuance of the regulations shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the "Paperwork Reduction Act").

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

TITLE XII—BIODIESEL

SEC. 1201. BIODIESEL FUEL USE CREDITS.

(a) AMENDMENT.—Title III of the Energy Policy Act of 1992 (42 U.S.C. 13211–13219) is amended by adding at the end the following new section:

"SEC. 312. BIODIESEL FUEL USE CREDITS.

"(a) ALLOCATION OF CREDITS.—

"(1) IN GENERAL.—The Secretary shall allocate one credit under this section to a fleet or covered person for each qualifying volume of the biodiesel component of fuel containing at least 20 percent biodiesel by volume purchased after the date of the enactment of this section for use by the fleet or covered person in vehicles owned or operated by the fleet or covered person that weigh more than 8,500 pounds gross vehicle weight rating.

"(2) EXCEPTIONS.—No credits shall be allocated under paragraph (1) for a purchase of biodiesel—

"(A) for use in alternative fueled vehicles; or

"(B) that is required by Federal or State law.

"(3) AUTHORITY TO MODIFY PERCENTAGE.—The Secretary may, by rule, lower the 20 percent biodiesel volume requirement in paragraph (1) for reasons related to cold start, safety, or vehicle function considerations.

"(4) DOCUMENTATION.—A fleet or covered person seeking a credit under this section shall provide written documentation to the Secretary

supporting the allocation of a credit to such fleet or covered person under paragraph (1).

"(b) USE OF CREDITS.—

"(1) IN GENERAL.—At the request of a fleet or covered person allocated a credit under subsection (a), the Secretary shall, for the year in which the purchase of a qualifying volume is made, treat that purchase as the acquisition of one alternative fueled vehicle the fleet or covered person is required to acquire under this title, title IV, or title V.

"(2) LIMITATION.—Credits allocated under subsection (a) may not be used to satisfy more than 50 percent of the alternative fueled vehicle requirements of a fleet or covered person under this title, title IV, and title V. This paragraph shall not apply to a fleet or covered person that is a biodiesel alternative fuel provider described in section 501(a)(2)(A).

"(c) CREDIT NOT A SECTION 508 CREDIT.—A credit under this section shall not be considered a credit under section 508.

"(d) ISSUANCE OF RULE.—The Secretary shall, before January 1, 1999, issue a rule establishing procedures for the implementation of this section.

"(e) COLLECTION OF DATA.—The Secretary shall collect such data as are required to make a determination described in subsection (f)(2)(B).

"(f) DEFINITIONS.—For purposes of this section—

"(1) the term 'biodiesel' means a diesel fuel substitute produced from nonpetroleum renewable resources that meets the registration requirements for fuels and fuel additives established by the Environmental Protection Agency under section 211 of the Clean Air Act; and

"(2) the term 'qualifying volume' means—

"(A) 450 gallons; or

"(B) if the Secretary determines by rule that the average annual alternative fuel use in light duty vehicles by fleets and covered persons exceeds 450 gallons or gallon equivalents, the amount of such average annual alternative fuel use.".

(b) TABLE OF CONTENTS AMENDMENT.—The table of contents of the Energy Policy Act of 1992 is amended by adding at the end of the items relating to title III the following new item:

"Sec. 312. Biodiesel fuel use credits.".

TITLE XIII—EMERGENCY APPROPRIATIONS

DEPARTMENT OF AGRICULTURE

FARM SERVICE AGENCY

SALARIES AND EXPENSES

For an additional amount for "Salaries and Expenses", $40,000,000, to remain available until expended: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

For an additional gross obligation for the principal amount of direct and guaranteed farm operating loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, $540,510,000, of which $150,000,000 shall be for unsubsidized guaranteed loans and $156,704,000 shall be for subsidized guaranteed loans.

For the additional cost of direct and guaranteed farm operating loans, including the cost of modifying such loans as defined in section 502 of the Congressional Budget Act of 1974, farm operating loans, $31,405,000, of which $15,969,000 shall be for direct loans, $13,696,000 for guaranteed subsidized loans, and $1,740,000 for unsubsidized guaranteed loans: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

NATURAL RESOURCES CONSERVATION SERVICE

FORESTRY INCENTIVES PROGRAM

For an additional amount to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, $10,000,000, to remain available until expended, as authorized by that Act: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That such amount shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

This Act may be cited as the "Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999".

And the Senate agree to the Same.

JOE SKEEN,
JAMES T. WALSH,
JAY DICKEY,
JACK KINGSTON,
GEORGE R. NETHERCUTT, Jr.,
HENRY BONILLA,
TOM LATHAM,
BOB LIVINGSTON,
MARCY KAPTUR (except CFTC derivative moratorium),
VIC FAZIO,
JOSÉ E. SERRANO,
ROSA L. DELAURO,
Managers on the Part of the House.

THAD COCHRAN,
ARLEN SPECTER,
KIT BOND,
SLADE GORTON,
MITCH MCCONNELL,
CONRAD BURNS,
TED STEVENS,
DALE BUMPERS (with exception of title XI),
TOM HARKIN (with exception of title XI),
PATRICK J. LEAHY (with exception of title XI),
BARBARA BOXER (with exception of title XI),
ROBERT C. BYRD (with exception of title XI),
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, submit the following joint statement to the House and Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report.

CONGRESSIONAL DIRECTIVES

The statement of the managers remains silent on provisions that were in both the House and Senate bills that remain unchanged by this conference agreement, except as noted in this statement of the managers.

The conferees agree that executive branch wishes cannot substitute for Congress' own statements as to the best evidence of congressional intentions—that is, the official reports of the Congress. The conferees further point out that funds in this Act must be used for the purposes for which appropriated, as required by section 1301 of title 31 of the United States Code, which provides: "Appropriations shall be applied only to the objects for which the appropriations were made except as otherwise provided by law."

The House and Senate report language that is not changed by the conference is approved by the committee of 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.

FOOD SAFETY INITIATIVE

Funding for Food Safety is of critical importance to the conferees and, accordingly, it has been given high priority. The conferees note that many of the activities described under the President's Food Safety Initiative have been funded for many years. The President's budget request, which assumes the collection of user fees that have not been authorized, further complicates the process.

The following table reflects funding increases for activities identified under the Food Safety Initiative:

Food and Drug Administration	$20,000,000
Food Safety and Inspection Service	8,412,000
Office of the Chief Economist	98,000
Economic Research Service	453,000
Food and Nutrition Service	2,000,000
Cooperative State Research, Education and Extension Service	12,135,000
Agricultural Research Service	8,802,000
Total	$51,900,000

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

The conference agreement provides $2,836,000 for the Office of the Secretary as proposed by the Senate instead of $2,941,000 as proposed by the House.

The conference agreement adopts language as proposed by the House to prohibit the use of salaries and expenses to carry out section 793(d) of Public Law 104–127, a limitation on program levels in the Fund for Rural America and section 793(c)(1)(C) of Public Law 104–127, a limitation on housing assistance. The Senate bill had no similar provision.

The conferees concur with Senate report language regarding the Food Quality Protection Act (FQPA) that says that, in implementing the FQPA, decisions should be ". . . based on sound science, and reliable, accurate and widely accepted data which reflects the Nation's agricultural production, practices, and conditions."

The conferees understand the trust responsibility the U.S. has toward Indians and Alaska Natives and directs the Department

of Agriculture to report to the Congress no later than February 1, 1999, on the progress made with Indian agriculture, Federal interagency coordination, and the level of Indian usage of Federal programs and initiatives outlined to benefit Indian agriculture.

The conferees have included in the bill a prohibition on funding to establish an Office of Community Food Security or any similar office without the prior approval of the Committees on Appropriations.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

The conference agreement provides $5,620,000 for the Chief Economist instead of $5,973,000 as proposed by the House and $5,048,000 as proposed by the Senate. Included in this amount is $219,000 for agricultural weather activities, $255,000 for the World Agricultural Outlook Board, and $98,000 to support the Food Safety Initiative.

NATIONAL APPEALS DIVISION

The conference agreement provides $11,718,000 for the National Appeals Division as proposed by the Senate instead of $12,204,000 as proposed by the House.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

The conference agreement provides $6,120,000 for the Office of Budget and Program Analysis as proposed by the House instead of $5,986,000 as proposed by the Senate.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

The conference agreement provides $613,000 for the Office of the Assistant Secretary for Administration as proposed by the Senate instead of $636,000 as proposed by the House.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

The conference agreement does not include language as proposed by the House limiting the purpose for which funds may be transferred to commercial space expansion. The conference agreement includes new language that provides flexibility for the Secretary to transfer not more than 5 percent of this appropriation to or from another agency's appropriation to allow for incremental changes in the amount of GSA or commercial space and not to finance changes in GSA billing.

DEPARTMENTAL ADMINISTRATION

The conference agreement provides $32,168,000 for Departmental Administration as proposed by the House instead of $27,034,000 as proposed by the Senate.

OFFICE OF THE INSPECTOR GENERAL

The conference agreement provides $65,128,000 for the Office of the Inspector General instead of $67,178,000 as proposed by the House and $63,128,000 as proposed by the Senate. Included in this amount is $100,000 for confidential operational expenses instead of $95,000 as proposed by the House and $125,000 as proposed by the Senate. The conference agreement includes $2,000,000 for law enforcement and related work instead of $1,965,000 as proposed by the House.

OFFICE OF THE GENERAL COUNSEL

The conference agreement provides $29,194,000 for the Office of the General Counsel instead of $30,396,000 as proposed by the House and $28,759,000 as proposed by the Senate. Included in this amount is $435,000 to provide legal support for the Department's civil rights program.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

The conference agreement provides $540,000 for the Office of the Under Secretary for Research, Education and Economics as proposed by the Senate instead of $560,000 as proposed by the House.

ECONOMIC RESEARCH SERVICE

The conference agreement provides $65,757,000 for the Economic Research Service instead of $67,282,000 as proposed by the House and $53,109,000 as proposed by the Senate. Included in this amount is $12,195,000 for studies and evaluations of the child nutrition, WIC, and food stamp programs. Of this amount, $2,000,000 is transfered to the Food Program Administration account of the Food and Nutrition Service to conduct programmatic evaluations and analyses. The conferees direct that any welfare reform studies, analyses, or evaluations undertaken by the agency shall directly relate to USDA programs.

The conferees expect a study as proposed by the House, as part of the nutrition related studies, to assess cost containment practices used by states to limit branded products sold in the WIC food package other than infant formula. The conferees direct that the total cost for this study shall not exceed $1,100,000 in fiscal year 1999 nor $1,500,000 over the next three years.

The conference agreement includes $453,000 for estimating the benefits of food safety.

The conferees are aware of a 1996 GAO study on plate waste in the school lunch program and expect the USDA to develop recommendations for eliminating this problem.

Two years ago, the U.S. Congress set U.S. farm policy through the year 2002. As international trade negotiations move into a phase critical to U.S. agriculture, it is essential that our negotiators and farmers have accurate and timely information. Therefore, in addition to the language in the Senate report, the conferees expect commodity situation and outlook reports be maintained at the reporting frequency in place at the time of enactment of the Food and Agriculture Improvement and Reform Act.

The conference agreement provides $300,000 for a study by the National Academy of Sciences concerning the appropriate amounts of fruit, fiber and sugar in the diet of the population targeted for benefit by the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC). The study will be a compilation and review of existing studies and data, including data compiled and materials prepared by the Department in developing the Dietary Guidelines and the Healthy Eating Index. It will examine, in particular, whether WIC program participants would benefit nutritionally if the six grams of sugar per ounce of dried cereal limitation in WIC program regulations were to be modified so that sugar contained in dried fruit in such cereals did not count against this limitation. The study will also examine the impact of the above modifications to the WIC dried cereal limitation on the dental health of WIC participants. A report on this study should be transmitted to the appropriate committees of Congress and to the Secretary no later than 12 months after the project is initiated by the Academy.

NATIONAL AGRICULTURAL STATISTICS SERVICE

The conference agreement provides $103,964,000 for the National Agricultural Statistics Service as proposed by the Senate instead of $105,082,000 as proposed by the House. Of this amount up to $23,599,000, is provided for the Census of Agriculture including $600,000 for the agriculture economics and land ownership survey and the aquaculture statistics census as proposed by the Senate instead of up to $23,141,000 as proposed by the House.

The conferees expect the National Agricultural Statistics Service to continue to revise the Census of Agriculture to eliminate redundancies in questions asked of farmers.

AGRICULTURAL RESEARCH SERVICE

The conference agreement provides $781,950,000 for the Agricultural Research Service instead of $755,816,000 as proposed by the House and $768,221,000 as proposed by the Senate.

The following table reflects the conference agreement:

	Amount
FY 1998 Appropriation	$744,605,000
Transfer:	
Office of Civil Rights	170,000
Department of State	16,000
Rescission	($223,000)
Adjusted FY 1998 Base	744,568,000
Emerging Diseases and Exotic Pests	7,550,000
Plants: Emerging Plant Diseases	(1,450,000)
Albany, CA	{250,000}
Beltsville, MD	{250,000}
Frederick, MD	{250,000}
College Station, TX	{250,000}
Montpellier, FR	{250,000}
Logan, UT	{200,000}
Fusarium Head Blight (ARS/Consortium of 12 Land Grant Univ	{3,000,000}
Animals: Exotic Infectious Diseases	(3,100,000)
Athens, GA	{500,000}
Ames, IA {NADC	{1,000,000}
Beltsville, MD	{500,000}
Pullman, WA	{600,000}
Laramie, WY	{500,000}
Environmental Quality/ Natural Resources	2,400,000
Bioactive Compounds	(250,000)
Gainesville, FL	{250,000}
IPM/Areawide	{1,150,000}
Beltsville, MD	{250,000}
Columbia, MO	{400,000}
Stoneville, MS	{250,000}
College Station, TX	{250,000}
Livestock Management Systems	(1,000,000)
Everglades Initiative	750,000
Canal Point, FL	{250,000}
Miami, FL	{250,000}
Ft. Lauderdale, FL	{250,000}
Food Safety	8,802,000
Preharvest	(4,802,000)
Athens, GA	{250,000}
Ames, IA	{250,000}
West Lafayette, IN	{250,000}
Beltsville, MD	{250,000}
Clay Center, NE	{600,000}
College Station, TX	{250,000}
Postharvest	(2,000,000)
Safety/Quality of Fruits/ Vegetables	1,000,000
Food Safety Engineering, Purdue Univ	1,000,000
Genetic Resources	2,100,000
Palmer, AK	{100,000}
Columbia, MO	(700,000)
Leetown, WV	{1,000,000}
Human Nutrition Initiative	2,250,000
Little Rock, AR	{750,000}
San Francisco, CA	{250,000}
Boston, MA	{250,000}
Beltsville, MD	{250,000}
Grand Forks, ND	{250,000}
Houston, TX	{500,000}
Pfiesteria	719,000
Alternative Fish Feed, Aberdeen, ID	250,000
Appalachian Fruit Research Station, Kearneysville, WV	250,000

	Amount
Aquaculture Research, AK	1,100,000
Biological Control of Western Weeds, Albany, CA	300,000
Biomedical Materials in Plants {C/A with Biotech. Foundation, Inc.	500,000
Cereal Crops Research, Madison WI	250,000
Cotton Ginning, Stoneville, MS	250,000
Endophyte Research {C/A with Univ. of AR, MO and OSU	200,000
Fish Diseases, Auburn, AL	750,000
Fish Farming Experiment Laboratory, Stuttgart, AR	750,000
Floriculture and Nursery Crop Res {USNA, Washington, DC/OSU/Cornell and CA Univ	1,000,000
Ft. Pierce, FL {Horticulture	500,000
Forage Crops, Woodward, OK	250,000
Garden Unit, USNA, Washington, DC	250,000
Golden Nematode, Ithaca, NY	150,000
Grape Rootstock, Geneva, NY	300,000
Grasshopper Research, AK	750,000
Grazinglands Research, El Reno, OK	250,000
Honeybee Research Varroa/Tracheal Mites, Baton Rouge, LA	300,000
Lettuce Geneticist/Breeding, Salinas, CA	250,000
Lyme Disease {Tick Control Project, Beltsville, MD	200,000
Manure Handling and Disposal, Starkville, MS	500,000
Meadowfoam Research, Peoria, IL	200,000
Mycoplasma Research, Starkville, MS	250,000
National Warmwater Aquaculture Center, Stoneville, MS	1,100,000
National Agricultural Library	250,000
Natural Products, Oxford, MS	750,000
New England Plant, Soil and Water Lab, Orono, ME	250,000
Non-Chemical Control of Pecan Insect Pests, Byron, GA	250,000
Peach Varieties Research, Byron, GA	150,000
Peanut Quality Research Dawson, GA/Raleigh, NC	1,000,000
Pear Thrips, Ithaca, NY	100,000
Potato Breeder Position, Aberdeen, ID	150,000
Range Research, Burns, OR	250,000
Rice Research:	
Stuttgart, AR	1,400,000
Davis, CA	250,000
Beaumont, TX	200,000
Root Diseases of Wheat and Barley, Pullman, WA	500,000
Small Fruits Research, Poplarville, MS	250,000
Small Fruits Research, Corvallis, OR	250,000
Soil Tilth Research, Ames, IA	500,000
Soybean and Corn Research, Stoneville, MS	750,000
Subtropical Animal Research Station, Brooksville, FL	500,000
Subtropical Horticultural Research Station, Miami, FL	300,000
Sugarbeet Research, Ft. Collins, CO	200,000
U.S. Plant Stress and Water Conserv. Lab, Lubbock, TX	500,000
Vegetable Research, East Lansing, MI	200,000
Wild Rice Research, St. Paul, MN	100,000
Wind Erosion Research, Manhattan, KS	250,000
Termination of ongoing projects	−1,419,000
Children's nutrition study	−5,000,000
Food safety study	−420,000
Citrus Tristeza Virus {transfer	−500,000
Total, ARS	781,950,000

The conference agreement concurs in the following program terminations: global environmental change, CO; and water and agrochemical management, LA.

The conferees understand that ARS and the Institute for Technology Development are collaborating to develop promising imaging technology to help assure food quality and safety. The conferees encourage the continuation of this important research and expect ARS to increase its support for this cooperative project from the increased funding provided for food safety.

The conferees are aware of the important research carried out by ARS National Animal Disease Center at Ames, Iowa, on corn insects and crop genetics, plant introduction, soil tilth, and national programs to control and prevent avian and animal diseases. The conferees continue funding for these important ARS projects in FY 1999 and have provided an additional $2,000,000 for ARS research as reflected in the table.

The amount recommended does not provide funding for program and operations supporting the mission of the newly-constructed swine facility which has been deeded to Iowa State University (ISU). In the Department's report to the Committees regarding funding options for the facility, the conferees understand (1) ISU is presently investing funds in research that is related or complementary to the research proposed for the new facility, and (2) the swine industry is prepared to work toward obtaining other sources of funds to support operational costs and the program of research planned for this facility. The National Swine Research Center was conveyed to ISU in March, 1998, as directed under the Emergency Supplemental Appropriations and Rescissions Act, P.L. 104–19, October 17, 1995. Under this agreement, the conference report stated "that any future costs of operation associated with that facility be provided by sources other than the Federal government."

The conferees expect the Department to consult with the Strategic Planning Task Force on the appropriateness of establishing a human nutrition research center in preventive nutrition, diet, and obesity.

The conferees recognize the important research being done at the ARS-Athens Russell Research Center on competitive exclusion of enteritidis food safety pathogens and encourage the Department to extend this important research to swine.

BUILDINGS AND FACILITIES

The conference agreement provides $56,437,000 for Agricultural Research Service, Buildings and Facilities instead of $61,380,000 as proposed by the House and $31,930,000 as proposed by the Senate.

The following table reflects the conference agreement:

Arizona: Water Conservation and Western Cotton, Maricopa	$500,000
California: Western Human Nutrition Laboratory, Davis	6,150,000
Hawaii: U.S. Pacific Basin Agricultural Research Center	4,500,000
Illinois: National Center for Agricultural Utilization, Peoria	8,200,000
Iowa: National Animal Disease Center, Ames	2,957,000
Kansas: U.S. Grain Marketing Research Laboratory, Manhattan	1,400,000
Louisiana: Southern Regional Research Center, New Orleans	6,000,000
Maryland:	
National Agricultural Library, Beltsville	1,200,000
Beltsville Agricultural Research Center, Beltsville	2,500,000
Mississippi: Biocontrol and Insect Rearing Laboratory, Stoneville	200,000
Montana: Pest Quarantine/Integrated Pest Management Facility, Sidney	7,300,000
New Mexico: Jornada Range Research Station, Las Cruces	6,700,000
New York: Plum Island Animal Disease Center, Greenport	3,500,000
Pennsylvania: Eastern Regional Research Center, Philadelphia	3,300,000
Utah: Poisonous Plant Laboratory, Logan	30,000
West Virginia: National Center for Cool and Cold Water Aquaculture, Leetown	2,000,000
Total	56,437,000

The conference agreement provides $500,000 in additional planning funds for the relocation and replacement of ARS research laboratory from the Phoenix, Arizona location to the Maricopa Agriculture Center. The conferees direct the agency to further review and evaluate the size, capacity and costs associated with replacing the existing research laboratory. This effort is essential to determine the required scope and the most cost-efficient facility required to meet the needs of ARS water and cotton research. The conference agreement provides $2,957,000 for the National Animal Disease Center and expects the ARS to use $1,943,000 in available unobligated funds to complete the project.

The conference agreement does not include funding for the avian disease laboratory in Michigan without any prejudice toward the project.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

The conference agreement provides $481,216,000 for research and education activities instead of $431,125,000 as proposed by the House and $432,982,000 as proposed by the Senate.

The conference agreement reflects a 7% increase from the fiscal year 1998 level for payments under the Hatch Act, cooperative forestry research, payments to 1890 Colleges and Universities, animal health and disease grants, and payments to 1994 institutions; and an increase of $32,100,000 for the National Research Initiative. The following table reflects the conference agreement:

Research and education activities

[In thousands of dollars]

Payments Under Hatch Act	180,545
Cooperative forestry research (McIntire-Stennis)	21,932
Payments to 1890 colleges and Tuskegee	29,676
Special Research Grants (P.L. 89-106):	
Aegilops cylindricum (WA)	360
Aflatoxin (IL)	113
Agriculture-based industrial lubricants (IA)	250
Agricultural diversification (HI)	131
Agricultural diversity/Red River Corridor (MN/ND)	250
Agriculture water usage (GA)	300
Alliance for food protection (NE, GA)	300
Alternative crops (ND)	550
Alternative crops for arid lands (TX)	100
Alternative marine and fresh water species (MS)	308
Alternative salmon products (AK)	400
Animal science food safety consortium (AR, IA, KS)	1,521
Apple fire blight (NY, MI)	500
Aquaculture (LA)	330
Aquaculture (MS)	592
Aquaculture (VA)	100
Aquaculture product and marketing development (WV)	750
Babcock Institute (WI)	400
Binational agriculture research and development	400
Biodiesel research (MO)	152
Brucellosis vacinos (MT)	150
Center for animal health and productivity (PA)	113
Center for innovative food technology (OH)	381
Center for rural studies (VT)	200
Chesapeake Bay agroecology (MD)	150
Chesapeake Bay aquaculture	385
Citrus tristeza	500
Competitiveness of agricultural products (WA)	680
Contagious equine metitis (KY)	250
Cool season legume research (ID, WA)	329
Cotton research (TX)	200
Cranberry/blueberry (MA)	150
Cranberry/blueberry disease & breeding (NJ, MA)	220
Dairy and meat goat research (TX)	63
Delta rural revitalization (MS)	148
Designing foods for health (TX)	250
Drought mitigation (NE)	200
Ecosystems (AL)	500
Environmental research (NY)	486
Environmental risk factors/cancer (NY)	100
Expanded wheat pasture (OK)	285
Farm and rural business finance (IL)	87
Feed barley for rangeland cattle (MT)	600

Research and education activities—Continued

Floriculture (HI)	250
Food and Agriculture Policy Institute (IA, MO)	800
Food irradiation (IA)	200
Food marketing policy center (CT)	400
Food processing center (NE)	42
Food quality (AK)	350
Food safety	5,000
Food safety (AL)	300
Food systems research group (WI)	225
Forestry (AR)	523
Fruit and vegetable market analysis (AZ, MO)	320
Generic commodity promotion research and evaluation (NY)	212
Global change	1,000
Global marketing support service (AR)	127
Grain sorghum (KS)	106
Grass seed cropping systems for a sustainable agriculture (WA, OR, ID)	423
Human nutrition (IA)	473
Human nutrition (LA)	752
Human nutrition (NY)	622
Hydroponic tomato production (OH)	200
Illinois-Missouri Alliance for Biotechnology	1,184
Improved dairy management practices (PA)	296
Improved fruit practices (MI)	445
Infectious disease research (CO)	250
Institute for Food Science and Engineering (AR)	1,250
Integrated production systems (OK)	180
International agricultural market structures and institutions (KY)	250
International arid lands consortium	400
Iowa biotechnology consortium	1,564
Livestock and dairy policy (NY, TX)	475
Lowbush blueberry research (ME)	220
Maple research (VT)	100
Meadowfoam (OR)	300
Michigan biotechnology consortium	675
Midwest advanced food manufacturing alliance	423
Midwest agricultural products (IA)	592
Milk safety (PA)	250
Minor use animal drugs (IR-4)	550
Molluscan shellfish (OR)	400
Multi-commodity research (OR)	364
Multi-cropping strategies for aquaculture (HI)	127
National biological impact assessment	254
Nematode resistance genetic engineering (NM)	127
Non-food uses of agricultural products (NE)	64
Oil resources from desert plants (NM)	175
Organic waste utilization (NM)	100
Pasture and forage research (UT)	225
Peach tree short life (SC)	162
Pest control alternatives (SC)	106
Phytophthora root rot (NM)	127
Plant, drought, and disease resistance gene cataloging (NM)	150
Postharvest rice straws (CA)	300
Potato research	1,300

Research and education activities—Continued

Precision agriculture (KY)	500
Precision agriculture (MS)	1,000
Preharvest food safety (KS)	212
Preservation and processing research (OK)	226
Rangeland ecosystems (NM)	200
Regional barley gene mapping project	400
Regionalized implications of farm programs (MO, TX)	294
Rice Modeling (AR)	296
Rural devel. cntrs. (PA, IA (ND), MS, OR, LA)	523
Rural policies institute (NE, MO)	644
Russian wheat aphid (CO)	200
Seafood and aquaculture harvesting, processing and marketing (MS)	305
Small fruit research (OR, WA, ID)	300
Southwest consortium for plant genetics and water resources	338
Soybean cyst nematode (MO)	475
STEEP III—water quality in Northwest	500
Sustainable agriculture (MI)	445
Sustainable agriculture and natural resources (PA)	95
Sustainable agriculture systems (NE)	59
Sustainable beef supply (MT)	500
Sustainable pest management for dryland wheat (MT)	400
Swine waste management (NC)	500
Tillage, silviculture, waste management (LA)	212
Tomato wilt virus (GA)	200
Tropical and subtropical	2,724
Turkey carnavirus (IN)	200
Urban pests (GA)	64
Vidalia onions (GA)	100
Viticulture consortium (NY, CA)	1,000
Water conservation (KS)	79
Water quality	3,461
Weed control (ND)	423
Wetland plants (LA)	600
Wheat genetic research (KS)	261
Wood utilization research (OR, MS, NC, MN, ME, MI, ID, TN)	5,136
Wool research (TX, MT, WY)	300
Total, Special Research Grants	63,116
Improved pest control:	
Critical issues	200

Emerging pest and disease issues	1,623
Expert IPM decision support issues	177
Integrated pest management	2,731
Pesticide clearance (IR–4)	8,990
Pesticide impact assessment	1,327
Total, Improved pest control	15,048
Competititve research grants: .	
Animal systems	29,000
Markets, trade and policy	4,600
Nutrition, food quality and health	16,000
Natural resources and the environment	20,500
Plant systems	41,000
Processes and new products	8,200
Total, Competitive research grants	119,300
Animal Health and Disease (Sec. 1433)	5,109
Critical Agricultural Materials Act	600
Aquaculture Centers (Sec. 1475)	4,000
Alternative Crops	750
Sustainable agriculture	8,000
Capacity building grants	9,200
Payments to the 1994 Institutions	1,552
Graduate fellowship grants	3,000
Institution challenge grants	4,350
Multicultural scholars program	1,000
Hispanic-serving institutions	2,850
Secondary/2-year post-secondary	500
Federal Administration:	
Agriculture development in American Pacific	564
Agriculture waste utilization (WV)	250
Alternative fuels characterization laboratory (ND)	218
Animal waste management (OK)	250
Center for Agricultural and Rural Development (IA)	355
Center for North American Studies (TX)	87
Data information system	1,000
Geographic information system	844
Mariculture (NC)	250
Mississippi Valley State University	583
National Center for Peanut Competitiveness	300
Office of grants and program systems	310
Pay costs and FERS (prior)	1,100
Peer panels	350
PM–10 study (CA, WA)	873
Shrimp aquaculture (AZ, HI, MS, MA, SC)	3,354
Total, Federal Administration	10,688
Total, Research and Education Activities	481,216

The conferees direct the USDA to consult with the Food and Drug Administration regarding food safety research objectives of that agency and recommend that $5,000,000 of the funds provided for the food safety component of the National Research Initiative be used to meet those needs.

The conference agreement includes $523,000 for Rural Development Centers, of which $100,000 is for a new center in Louisiana. The conference agreement includes $750,000 for alternative crops, of which $550,000 is for canola and $200,000 is for hesperaloe. The conference agreement includes $1,000,000 for the wood utilization special grant for the establishment of two new centers in Idaho and Tennessee with the remainder of the increase to be shared on a proportionate basis by the existing centers.

The conference agreement includes $5,000,000 for the special grant for food safety as requested by the President and an increase of $7,400,000 in the National Research Initiative category for nutrition, food quality and health.

EXTENSION ACTIVITIES

The conference agreement provides $434,122,000 for extension activities instead of $416,789,000 as proposed by the House and $432,181,000 as proposed by the Senate.

The following table reflects the conference agreement:

Extension activities

[In thousands of dollars]

	Conference agreement
Smith Lever 3(b) & 3(c)	276,548
Smith Lever: 3(d):	
Farm safety	3,000
Food and nutrition education (EFNEP)	58,695
Food safety	3,500
Indian reservation agents	1,714
Pest management	10,783
Pesticide impact assessment	3,214
Rural development centers	908
Sustainable agriculture	3,309
Water quality	9,561
Youth at risk	9,000
1890's Colleges and Tuskegee	25,843
1890's facilities grants	8,426
Renewable Resources Extension Act	3,192
Rural health and safety education	2,628
Extension services at the 1994 institutions	2,060
Subtotal	422,381
Federal Administration and special grants:	
Ag in the classroom	208
Beef producers' improvement (AR)	197
Delta teachers academy	3,500
Diabetes detection, prevention (WA)	550
Extension specialist (AR)	99
Extension specialist (MS)	100
General administration	4,787
Income enhancement demonstration (OH)	246
Integrated cow/calf resources management (IA)	300
National Center for Agriculture Safety (IA)	195
Pilot tech. transfer (OK, MS)	326
Pilot tech. transfer (WI)	163
Range improvement (NM)	197
Rural development (NM)	280
Rural development (OK)	150
Rural rehabilitation (GA)	246
Wood biomass as an alternative farm product (NY)	197
Total, Federal Administration	11,741
Total, Extension Activities	434,122

The conferees are concerned that funds for cooperative agriculture extension services are being used to promote Federal welfare programs. Such activities are appropriate only to the extent that they fall within the traditional educational role of extension for home economics and similar missions.

The conference agreement includes a 3% increase for the formula grant programs as proposed by the Senate.

The conference agreement has provided an increase for water quality and expects the projects in North Dakota and Illinois to compete for these funds.

The conference agreement includes an increase of $500,000 for the Farm*A*Sys program, and an increase of $145,000 for the Agribility project.

MARKETING AND REGULATORY PROGRAMS

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

The conference agreement provides $618,000 for the Office of the Assistant Secretary for Marketing and Regulatory Programs as proposed by the Senate instead of $642,000 as proposed by the House.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

The conference agreement provides $425,803,000 for the Animal and Plant Health Inspection Service (APHIS) instead of $424,500,000 as proposed by the House and $419,473,000 as proposed by the Senate.

The following table reflects the conference agreement:

[In thousands of dollars]

	Conference agreement
Pest and disease exclusion:	
Agricultural quarantine inspection	30,648
User fees	88,000
Subtotal, Agricultural quarantine inspection	118,648
Cattle ticks	4,627
Foot-and-mouth disease	3,803
Import-export inspection	6,815
International programs	6,630
Fruit fly exclusion and detection	22,970
Screwworm	30,301
Tropical bont tick	407
Total, Pest and disease exclusion	194,201
Plant and animal health monitoring:	
Animal health monitoring and surveillance	63,389
Animal and plant health regulatory enforcement	5,855
Pest detection	6,426
Total, Plant and animal health monitoring	75,670

Pest and disease management programs:	
Aquaculture	567
Biocontrol	8,160
Boll weevil	16,209
Brucellosis eradication	11,864
Golden nematode	435
Gypsy moth	4,366
Imported fire ant	1,000
Miscellaneous plant diseases	1,410
Noxious weeds	424
Pink bollworm	1,048
Pseudorabies	4,567
Scrapie	2,991
Silverleaf whitefly	
Tuberculosis	4,920
Wildlife services—operations	28,797
Witchweed	1,506
Total, Pest and disease management programs	88,264
Animal care:	
Animal welfare	9,175
Horse protection	361
Total, Animal care	9,536
Scientific and technical services:	
Aviation safety	1,200
Biotechnology/environmental protection	7,393
Integrated systems acquisition project	3,500
International cooperative administrative service	909
Plant methods development laboratories	4,693
Veterinary biologics	10,345
Veterinary diagnostics	15,622
Wildlife services—methods development	10,365
Total, Scientific and technical services	54,027
Contingency fund	4,105
Total, Salaries and expenses	425,803

The conference agreement includes $909,000 for the International Cooperative Administrative Support Service Program.

The conferees direct APHIS to conduct an analysis of the existing Medfly exclusion and detection program in the State of Florida and include in that analysis a review of various potential alternatives, including the feasibility of implementing a year-round sterile Medfly release program. Specifically, the analysis should identify the scope, annual cost, and method of implementation for such programs. APHIS shall report its findings to both the House and Senate Appropriations Committees no later than May 1, 1999.

Infestations of red imported fire ants have been found in Dona Ana County, New Mexico and, as a result, the county has been quarantined. In order to properly survey and monitor the remaining counties of New Mexico for red imported fire ants, the conferees direct APHIS to provide the necessary financial and technical assistance to the State of New Mexico to carry out the necessary activities.

The conferees request APHIS to grant a six-month extension of the comment period for the proposed rule published in the *Federal Register* on August 12, 1998, concerning importation of grapefruits, lemons, and oranges from Argentina. Additional time is needed to allow independent scientists to review the scientific data submitted on behalf of Argentina's petition and to review the risk mitigation measures advocated by APHIS.

The conferees direct the Department to publish rules regarding the compensation of Arizona wheat producers, seed companies, seed producers, and handlers for their economic loss for the 1997–1998 crop due to Karnal bunt.

The conferees direct the Department to work with the Arizona wheat industry and Arizona regulatory agencies to develop a plan for de-regulation of Karnal bunt in Arizona, to be submitted to the Committees on Appropriations no later than November 15, 1998, to allow for appropriate grower decisions for planting wheat for 1999.

The conferees direct APHIS to establish protocols containing appropriate verification procedures including permanent country of origin marking requirements for each country or region requesting to export livestock into the United States.

The conference agreement adopts House report language providing $1,500,000 for rabies control activities. The Senate report provided $800,000 for specific states.

The conference agreement adopts House report language providing $450,000 for trap testing and related activities to meet U.S. obligations under international standards. The Senate report had no similar language. The conferees expect the agency to work toward the development of more humane trapping methods.

The conference agreement adopts Senate report language providing $300,000 for an assessment of the economic threat from a newly-described contagious equine metritis-like bacterium to the U.S. horse industry. The House report had no similar provision.

The conference agreement adopts Senate report language providing $500,000 for operation of the bison quarantine facility and all associated operations including the testing of bison which have left Yellowstone National Park. The House report had no similar provision.

The conference agreement adopts Senate report language providing $300,000 to establish and operate a Wildlife Services office in Hawaii. The House report had no similar provision.

The conference agreement provides an increase of $175,000 to offset the impact of expanding wolf populations and the reintroduction of wolves in the northern Rocky Mountains.

The conference report adopts Senate report language providing $400,000 to require the Secretary to prevent the inadvertent introduction of brown tree snakes into Hawaii and other states. The House had no similar language.

The conferees urge the Secretary to delay the implementation of regulations issued by the Animal and Plant Health and Inspection Service (Fed. Reg. Vol. 63, No. 172, September 4, 1998) entitled "Swim with the Dolphin" as applied to wading programs. The managers expect the Department to solicit input from affected parties and ensure that the regulations will not impose unreasonable requirements, economic hardship, or conflict with State laws.

BUILDINGS AND FACILITIES

The conference agreement provides $7,700,000 for the Animal and Plant Health Inspection Service, Buildings and Facilities, instead of $5,200,000 as proposed by the House and $4,200,000 as proposed by the Senate.

The conference agreement includes $3,500,000 for completion of a wing at the National Wildlife Research Center in Fort Collins, CO.

The conferees direct the agency to consider locations in Montana and Iowa for construction of a large animal biosafety level-3 containment facility.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

The conference agreement provides $46,000,000 for the Agricultural Marketing Service instead of $46,567,000 as proposed by the House and $45,567,000 as proposed by the Senate. The conferees expect that, of the funds available for the National Organic Standards Program, amounts as may be necessary shall be used to offset the initial costs of accreditation services.

El Nino and the Asian currency crisis have caused significant problems to West Coast tuna fishermen. The USDA should use its surplus removal authorities to assist with this problem.

LIMITATION ON ADMINISTRATIVE EXPENSES

The conference agreement provides $60,730,000 for the Limitation on Administrative Expenses as proposed by the House instead of $59,521,000 as proposed by the Senate.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement provides $26,787,000 for the Grain Inspection, Packers and Stockyards Administration instead of $27,542,000 as proposed by the House and $26,390,000 as proposed by the Senate. Included in this amount is $2,500,000 as proposed by the Senate for restructuring the Packers and Stockyards Administration and $397,000 as proposed by the House for packer concentration and industry structure.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

The conference agreement provides $446,000 for the Office of the Under Secretary for Food Safety as proposed by the Senate. The House bill provided an unspecified amount of funding for the Office of the Under Secretary from the Food Safety and Inspection Service account.

FOOD SAFETY AND INSPECTION SERVICE

The conference agreement provides $609,250,000 for the Food Safety and Inspection Service as proposed by the House instead of $605,149,000 as proposed by the Senate.

The conference agreement includes the full amount requested in the fiscal year 1999 budget for the Food Safety Initiative and inspection costs.

The conferees note that the report on ratites was not delivered until six months after the requested submission date and, although a cost-benefit analysis was requested, it was not supplied. While citing significant potential health risks and the existence of industry microbiological data, the Department did not perform a risk assessment to quantify public health benefits. The Department is directed to resubmit the report with the cost-benefit analysis, as requested, by December 31, 1998, or to provide the conferees a detailed accounting of the projected cost and time required to determine the merits and effectiveness of a mandatory ratite inspection program.

The conference agreement adopts language as proposed by the House disagreeing with the Administration's proposal to waive cost-sharing limitations for cooperative state inspection programs. The Senate report had no similar provision.

The conferees direct the Secretary of Agriculture to report to the House and Senate Committees on Appropriations by March 1, 1999, recommendations on lifting the ban on

the interstate distribution of State inspected meat.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

The conference agreement provides $572,000 for the Office of the Under Secretary for Farm and Foreign Agricultural Services as proposed by the Senate instead of $597,000 as proposed by the House.

The conferees are concerned that the USDA is administering the forfeiture penalty provisions of 7 U.S.C. 7272(g) in a manner inconsistent with the intent of Congress. These provisions were intended only to act as a disincentive to program loan forfeitures. Unfortunately, as evidenced in the fiscal year 1999 Budget Summary, the Department has interpreted the provisions to have "effectively reduced sugar loan rates." The conferees direct the Secretary of Agriculture to administer the program consistent with Congressional intent, and to ensure that the forfeiture penalty shall not apply for any purpose other than an actual loan forfeiture resulting in the reduction of the statutory price support loan levels for sugarcane (18 cents per pound of raw cane sugar) or sugar beets (22.9 cents per pound of refined beet sugar). In addition, the conferees direct that the penalty shall not be considered in the calculation of any sugar forfeiture price level by the Secretary or by any other official responsible for the administration of the sugar program under 7 U.S.C. 7272, the no-cost provision in section 902(a) of P.L. 99-198, and any related authorities.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

The conference agreement provides $714,499,000 for salaries and expenses of the Farm Service Agency instead of $724,499,000 as proposed by the House and $710,842,000 as proposed by the Senate. The conference agreement does not include $10,000,000 as proposed by the House for the Common Computing Environment.

The conferees expect the Secretary, to the extent practicable, to avoid the use of reductions-in-force or furloughs for both Federal and non-Federal employees or any county office closings.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

The following table reflects the conference agreement:

Farm Ownership Loans:	
Direct	($85,651,000)
Subsidy	12,822,000
Guaranteed	(425,031,000)
Subsidy	6,758,000
Farm Operating Loans:	
Direct	(500,000,000)
Subsidy	34,150,000
Subsidized Guaranteed	(200,000,000)
Subsidy	17,480,000
Unsubsidized Guaranteed	(948,276,000)
Subsidy	11,000,000
Boll Weevil Eradication	(100,000,000)
Subsidy	1,440,000
Credit Sales of Acquired Property	
Subsidy	

DISASTER ASSISTANCE/RESERVE INVENTORIES

The conference agreement does not include $521,000,000 as proposed by the Senate for disaster assistance and reserve inventories. Disaster related problems are addressed in Titles XI—XIII.

RISK MANAGEMENT AGENCY

The conferees note that risk management tools are limited for livestock producers. The conferees expect the Risk Management Agency to provide a report to the appropriate Committees of Congress on the feasibility of a crop insurance program that livestock producers can utilize for forages and native pasture.

TITLE II—CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

The conference agreement provides $693,000 for the Office of the Under Secretary for Natural Resources and Environment as proposed by the Senate instead of $719,000 as proposed by the House.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

The conference agreement provides $641,243,000 for the Natural Resources Conservation Service Conservation Operations as proposed by the House instead of $638,664,000 as proposed by the Senate. Included in this amount is not less than $5,990,000 for snow survey and water forecasting as proposed by the House instead of $5,835,000 as proposed by the Senate and not less than $9,025,000 for operation and establishment of plant materials centers as proposed by the Senate instead of $7,825,000 as proposed by the House.

In addition to the items in the House and Senate reports that are not changed by the conference agreement, funding is included for the following items: $100,000 increase for native plants on the Island of Kahoolawe in Hawaii; $300,000 increase for the Loess Hills Erosion Control in Iowa; $300,000 for the Long Beach Water Management District Project in Mississippi; $400,000 increase for the Delta Water Resources Study in Mississippi; $500,000 for the Tri-Valley watershed in Utah; $500,000 for the Great Lakes Basin Program for Soil and Erosion Sediment Control; $100,000 increase for the Potomac Ohio River Basin Soil Nutrient Project; $100,000 for the Trees Forever Program in Iowa; and $443,000 increase for construction of the Plant Materials Center at Alderson, West Virginia.

The conferees do not agree with the Senate report language citing problems that have arisen with the Wetlands Reserve Program (WRP). However, the conferees concur with Senate report language that encourages the USDA to structure the terms of WRP contracts so that high priority is given to the consideration of adjacent landowners, including but not limited to the maintenance of watershed protection.

The conferees encourage the agency to provide any technical assistance for construction and repairs to the spillway and roads for Lake Peltier at Salmen Scout Reservation, Hancock County, Mississippi.

WATERSHED SURVEYS AND PLANNING

The conference agreement provides $10,368,000 for Watershed Surveys and Planning instead of $9,545,000 as proposed by the House and $11,190,000 as proposed by the Senate.

WATERSHED AND FLOOD PREVENTION OPERATIONS

The conference agreement provides $99,443,000 for Watershed and Flood Prevention Operations instead of $97,850,000 as proposed by the House and $101,036,000 as proposed by the Senate. The conference agreement includes House language providing that not more than $47,000,000 shall be available for technical assistance. The conference agreement includes continued progress and assistance for the Chino Dairy Preserve Project, San Bernardino County, CA.

The conferees expect the NRCS to provide for corrective action to the North Powder-Rock Creek South pipeline in the Powder Valley Water Control District, OR, to prevent the premature deterioration of the pipeline. The conferees note that since the Powder Valley Water Control District cost-shared in the construction of the current pipeline the cost-share requirements shall not apply to the corrective action necessary since the NRCS has admitted their design flaw.

RESOURCE CONSERVATION AND DEVELOPMENT

The conference agreement provides $35,000,000 for the Resource Conservation and Development program as proposed by the House instead of $34,377,000 as proposed by the Senate. The conferees expect the Department to present to the House and Senate Appropriations Committees no later than March 1, 1999, options to fund new Resource Conservation and Development districts, including a graduation component, while considering program effectiveness, efficiency, and necessary structural changes.

FORESTRY INCENTIVES PROGRAM

The conference agreement provides $6,325,000 for the Forestry Incentives Program as proposed by the Senate. The House bill provided no funds for this account.

TITLE III—RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

The conference agreement provides $588,000 for the Office of the Under Secretary for Rural Development as proposed by the Senate instead of $611,000 as proposed by the House.

The conferees expect the Secretary, to the extent practicable, to avoid the use of reductions-in-force and furloughs in the rural development work force. The conferees further expect that no reductions-in-force or furloughs will take place unless the Secretary provides detailed justifications for such actions to the House and Senate Committees on Appropriations.

The conferees note that it has become necessary in annual appropriations bills to declare certain communities eligible for rural development programs. This is because of anomalies in the criteria for eligibility, such as population and average income levels, that have made these communities ineligible under a strict interpretation of regulations. The conferees believe that there may not be sufficient flexibility under current law and regulations to address this problem. Therefore, the conferees direct the Department to develop a plan that will address this situation including changes in current law or regulation and present this plan to the House and Senate Committees on Appropriations.

The House and Senate reports recommend projects for consideration under various rural development programs and the conferees expect the Department to apply established review procedures when considering applications.

The conferees further expect the Department to give consideration to business enterprise and housing preservation projects in the city of Bayview, VA; applications for rural business enterprise grants from TELACU, for a project in Selma, CA; for assistance for a community improvement program in Arkansas; water and sewer improvements for the City of Vaughn, NM; the Shulerville/Honey Hill Water project, S.C.; and a rural enterprise grant for Indian Hills Community College, IA.

The conferees direct the agency to exercise its authority to consider the effects of economic circumstances and high unemployment in calculating median household income for the community of Wrangell, AK, for the purpose of determining whether the community is eligible for loans and grants.

The Department should consider a request, subject to normal review procedures, from the Water Environment Research Foundation for water quality research.

The conferees are aware that the Territory of American Samoa is currently in the grip of a severe, prolonged drought, and that the island's water system is rapidly becoming infiltrated by salt water and is unsafe for human consumption. Even with aggressive water conservation and service curtailment efforts, there will soon be insufficient safe drinking water to sustain human needs in the Territory. If assistance is not provided expeditiously, there is an imminent threat that waterborne illnesses will reach epidemic proportions which will severely overburden American Samoa's limited health care facilities. The drought crisis poses an immediate and rapidly escalating threat to human life in this most remote part of American Territories.

It has come to the attention of the conferees that the American Samoa Power Authority (the Territory's water, electric, and sanitary sewer utility) has applied to USDA for assistance in obtaining and installing water filtration and treatment equipment. This project would provide approximately one million gallons per day of safe drinking water necessary to sustain basic human needs and prevent life-threatening illness.

The conferees urge the Secretary to utilize creative and flexible solutions under the existing water and sewer loan and grants program, the community facilities loan and grants program, and such other rural development programs as the Secretary in his discretion may determine appropriate to meet this critical need in American Samoa.

RURAL DEVELOPMENT

RURAL COMMUNITY ADVANCEMENT PROGRAM

The conference agreement provides $722,686,000 for the Rural Community Advancement Program (RCAP) instead of $702,601,000 as proposed by the Senate and $745,172,000 as proposed by the House.

The following table reflects the conference agreement:

RCAP accounts

Water/Sewer	$645,007,000
Community Facilities	29,786,000
Business-Cooperative Development	47,893,000
Total	722,686,000
Earmarks:	
Tech. Asst. (water/sewer)	16,215,000
Circuit Rider	5,300,000
EZ/EC	33,926,000
Tech. Asst. (transportation)	500,000

The conference agreement adopts House bill language that does not include section 381O of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f) from authorized activities included in RCAP funding. The Senate bill had no similar provision.

The conference agreement does not include language in the Senate report directing USDA to provide for rural venture capital demonstration projects in Kentucky and Vermont. The House report had no similar provision.

The conference agreement also adopts Senate bill language providing that funds not obligated for empowerment zones and enterprise communities by June 30, 1999, will remain available for other purposes under this heading. The House bill had no similar provision.

The conference agreement does not provide the requested three percent earmark for Federally-recognized Indian tribes. The conferees note that, according to USDA, Indian tribes now receive approximately five percent of funding under the RCAP and the conferees believe the three percent earmark would arbitrarily restrict rural development benefits to the tribes.

The conferees expect the Department to use funds provided for technical assistance for water and sewer projects to maintain the number of circuit riders at the same level as fiscal year 1998.

The conferees have agreed to permanently increase the authorization of funding for water and sewer projects benefiting Alaska Natives under the Federal Agriculture Improvement and Reform Act of 1996 from $15,000,000 to $20,000,000 and to make the state match required under the program consistent with the 25 percent requirement for the Colonias. The conferees direct the Department, in awarding grants to various regions of the country, to give priority consideration to areas which lack flush toilets and running water . It shall also give highest priority to areas without modern sewage disposal systems, with open sewers, and high rates of disease caused by poor sanitation.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $197,285,000 (providing for an estimated loan program level of $4,251,717,000) for activities under the Rural Housing Insurance Fund Program Account instead of $186,855,000 (providing for an estimated loan program level of $4,235,601,000) as proposed by the House and $207,601,000 (providing for an estimated program level of $4,284,398,000) as proposed by the Senate.

The conference agreement provides $10,380,000 from the total amount available for empowerment zones and enterprise communities instead of $10,380,100 as proposed by the Senate. The House bill had no similar provision.

The following table reflects the conference agreement:

Rural Housing Insurance Fund Program Account

Loan authorizations:	
Single family (sec. 502)	(965,313,000)
Unsubsidized guaranteed	(3,000,000,000)
Housing repair (sec. 504)	(25,001,000)
Farm labor (sec. 514)	(20,000,000)
Rental housing (sec. 515)	(114,321,000)
Multi-family housing guarantees (sec. 538)	(100,000,000)
Site loans (sec. 524)	(5,152,000)
Credit sales of acquired property	(16,930,000)
Self-help housing land development fund	(5,000)
Total, Loan authorizations	(4,251,717,000)
Loan subsidies:	
Single family (sec. 502)	114,100,000
Unsubsidized guaranteed	2,700,000
Housing repair (sec. 504)	8,808,000

Rural Housing Insurance Fund Program Account—Continued

Multi-family housing guarantees (sec. 538)	2,320,000
Farm labor (sec. 514)	10,406,000
Rental housing (sec. 515)	55,160,000
Site loans (sec. 524)	17,000
Credit sales of acquired property	3,492,000
Self-help housing land development fund	282,000
Total, Loan subsidies	197,285,000
RHIF administrative expenses (transfer to RHS)	360,785,000
Total, Rural Housing Insurance Fund	1,141,467,000
(Loan authorization)	(4,251,717,000)

The conferees direct that the Department give preference to projects with the lowest interest rates in the section 538 program to ensure that the program serves tenants with low incomes.

The conferees recognize the importance of providing assistance to the economically distressed areas of the Lower Mississippi Delta. The conferees encourage the Secretary to consider using the reprogramming authority provided in section 724 of this Act to fund applications for Rural Housing Service programs in those areas where there is a shortage of affordable rental and home ownership opportunities. One of the areas to be considered is West Tallahatchie, MS, where there is a shortage of housing for teachers.

MUTUAL AND SELF-HELP HOUSING GRANTS

The conference agreement provides $1,000,000 from the total amount available for Mutual and Self-Help Housing Grants for empowerment zones and enterprise communities as proposed by the Senate. The House bill had no similar provision.

RURAL HOUSING ASSISTANCE GRANTS

The conference agreement provides $41,000,000 for Rural Housing Assistance Grants as proposed by the House instead of $45,720,000 as proposed by the Senate.

The conference agreement provides $1,200,000 from the total amount available for empowerment zones and enterprise communities as proposed by the House instead of $1,372,000 as proposed by the Senate. The House bill had no similar provision.

SALARIES AND EXPENSES

The conference agreement provides $60,978,000 for salaries and expenses as proposed by the Senate instead of $57,958,000 as proposed by the House. The conference agreement also provides for a transfer of $360,785,000 from the Rural Housing Insurance Fund as proposed by the Senate instead of $354,785,000 as proposed by the House. The total provided for Rural Housing Service salaries and expenses is $421,763,000 as proposed by the Senate instead of $412,743,000 as proposed by the House.

The conference agreement includes a provision that allows the Administrator of the Rural Housing Service to spend not more than $10,000 for non-monetary awards to non-employees of the Department of Agriculture. The House bill had no similar provision.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $16,615,000 (providing for an estimated loan program level of $33,000,000) for the Rural Development Loan Fund Program Account as proposed by the Senate instead of $17,622,000 (providing for an estimated loan program level of $35,000,000) as proposed by the House.

The conference agreement also provides from the total amount available a subsidy of $3,215,520 (providing for an estimated loan program level of $7,246,000) for empowerment zones and enterprise communities as proposed by the Senate.

The conference agreement also provides $3,482,000 for administrative expenses as proposed by the Senate instead of $3,499,000 as proposed by the House.

The conference agreement adopts Senate language that provides that funds not obligated for empowerment zones/enterprise communities by June 30, 1999, will remain available for other authorized purposes. The House bill had no similar provision.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

The conference agreement rescinds $3,783,000 of funds derived from interest on the cushion of credit payments established in the Rural Electrification Act (7 U.S.C. 901) and further provides $3,783,000 (providing for an estimated loan program level of $15,000,000) for the cost of loans under the Rural Economic Development Loans Program Account as proposed by the House instead of $5,801,000 (providing for an estimated loan program level of $23,000,000) as proposed by the Senate.

RURAL COOPERATIVE DEVELOPMENT GRANTS

The conference agreement provides a total of $3,300,000 for rural cooperative development grants as proposed by the House instead of $3,000,000 as proposed by the Senate. Both House and Senate bills provide $1,300,000 from the total amount available for cooperative agreements for the Appropriate Technology Transfer for Rural Areas Program. The conference agreement also provides $250,000 for a cooperative development program as proposed by the Senate.

The conference agreement has not earmarked projects under this title but the conferees expect the Department to give consideration to the following projects requesting assistance under the Rural Cooperative Development Grants program: agricultural diversification, to be conducted by the Jefferson Institute, MO; Silos and Smokestacks, IA; and the Pennsylvania Cooperative Development Center. The conferees expect the Department to use established review procedures in considering these projects.

SALARIES AND EXPENSES

The conference agreement provides a direct appropriation of $25,680,000 for salaries and expenses of the Rural Business-Cooperative Service. The conference agreement further provides for transfers of $3,482,000 to this account from the Rural Development Loan Fund Program Account as proposed by the Senate instead of $3,499,000 as proposed by the House.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $43,319,000 (providing for an estimated loan program level of $1,561,500,000) for activities under the Rural Electrification and Telecommunications Loans Program Account as proposed by the House instead of $43,184,000 (providing for an estimated loan program level of $1,511,500,000) as proposed by the Senate.

The following table reflects the conference agreement:

Rural Electrification and Telecommunications Loans Program Account

Loan authorizations:	
Direct loans:	
Electric 5%	(71,500,000)
Telecommuincations 5%	(75,000,000)
Subtotal	(146,500,000)
Treasury rates: Telecommunications	(300,000,000)
Muni-rate: Electric	(295,000,000)
FFB loans:	
Electric, regular	(700,000,000)
Telecommunications	(120,000,000)
Subtotal	(820,000,000)
Total, Loan authorizations	(1,561,500,000)
Loan subsidies:	
Direct loans:	
Electric 5%	9,325,000
Telecommunications 5%	7,342,000
Subtotal	16,667,000
Treasury rates: Telecommunications	810,000
Mini-rate: Electric	25,842,000
FFB loans: Electric, regular	.....
Total, Loan subsidies	43,319,000
RETLP administrative expenses (transfer to RUS)	29,982,000
Total, Rural Electrification and Telecommunications Loans Program Account	73,301,000
(Loan authorization)	(1,561,500,000)

By increasing the amount available for Federal Financing Bank lending, it is the intent of the conferees that the Rural Utilities Service will fully utilize the authorities of section 306 of the Rural Electrification Act by issuing guarantees to private sector lenders such as the Cooperative Finance Corporation and other legally organized organizations to ensure the financial needs of borrowers are met in a timely and efficient manner.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

The conference agreement provides a total subsidy of $4,174,000 (providing for an estimated loan program level of $157,509,000) for the Rural Telephone Bank Program Account instead of $4,638,000 (providing for an estimated loan program level of $175,000,000) as proposed by the House and $3,710,000 (providing for an estimated program level of $140,000,000) as proposed by the Senate.

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

The conference agreement provides $12,680,000 for the Distance Learning and Telemedicine Program as proposed by the Senate instead of $10,180,000 as proposed by the House. The conference agreement also provides that $12,500,000 of the total amount shall be available for grants under this program as proposed by the Senate instead of $10,000,000 as proposed by the House. Both House and Senate bills provide a subsidy of $180,000 from the total amount available, which provides for an estimated loan level of $150,000,000.

TITLE IV—DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

The conference agreement provides $554,000 for the Office of the Under Secretary for Food, Nutrition and Consumer Services as proposed by the Senate. The House bill provided an unspecified amount of funding for the Office of the Under Secretary from the Food Program Administration account.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

The conference agreement provides a total of $9,176,897,000 for child nutrition programs instead of $9,218,647,000 as proposed by the House and $9,219,897,000 as proposed by the Senate. Included in this amount is an appropriated amount of $4,128,747,000 and an amount transferred from section 32 of $5,048,150,000.

The conference agreement includes language as proposed by the Senate providing that no funds are available for the commodity procurement program unless the value of section 32 commodities and section 416 commodities are calculated in meeting the minimum commodity assistance requirement of section 6(g) of the School Lunch Act.

The conference agreement provides the following:

Total Obligational Authority

Child Nutrition Programs:	
School lunch program	$5,384,452,000
School breakfast program	1,396,955,000
Child and adult care food program	1,611,520,000
Summer food service program	294,414,000
Special milk program	18,055,000
State administrative expenses	118,074,000
Commodity procurement and computer support	337,127,000
School meals initiative	10,000,000
Coordinated review effort	4,300,000
Food safety education	2,000,000
Total	9,176,897,000

The conference agreement provides $10,000,000 for the school meals initiative. Included in this amount is $4,000,000 for food service training grants to states, $1,600,000 for technical assistance materials, $800,000 for National Food Service Management Institute cooperative agreements, $400,000 for print and electronic food service resource systems, and $3,200,000 for other activities.

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

The conference agreement provides $3,924,000,000 for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) as proposed by the House instead of $3,948,000,000 as proposed by the Senate. The conference agreement includes bill language that directs USDA to obligate $10,000,000 for the farmers' market nutrition program within 45 days of enactment of this Act, and an additional $5,000,000 for the farmers' market nutrition program from any funds not needed to maintain current caseload levels.

The conferees direct that USDA reduce to 120 days the time period in which states are required to report on monthly obligation of funds as proposed by the House. The Senate had no similar language.

The conferees direct the Department to review the methodology and data used to estimate participation and funding levels for WIC and to report to the House and Senate Committees on Appropriations its recommendations for improvements no later than April 1, 1999, as proposed by the House. The Senate had no similar language.

The conferees address the need for a study on WIC cost containment activity under the Economic Research Service.

The conference agreement does not include bill language as proposed by the House regarding the allocation of fiscal year 1998 recovered funds.

The conference agreement includes bill language as proposed by the House that state agencies required to procure infant formula using a competitive bidding system award a contract only to the bidder offering the lowest net price.

FOOD STAMP PROGRAM

The conference agreement provides $22,585,106,000 for the Food Stamp Program instead of $22,591,806,000 as proposed by the House and $23,781,806,000 as proposed by the Senate. Included in this amount is a contingency reserve of $100,000,000. Also included in this amount is $1,236,000,000 for nutrition assistance to Puerto Rico and $90,000,000 for TEFAP commodity purchases.

COMMODITY ASSISTANCE PROGRAM

The conference agreement provides $131,000,000 for the Commodity Assistance Program instead of $141,000,000 as proposed by the House and Senate. Included in the amount is $45,000,000 for administration of TEFAP. The conferees provide that these funds may be used for administration or food costs at the discretion of the states. The conferees note that there is a $10,000,000 carryover from fiscal year 1998 in this account for the Commodity Supplemental Food Program and have adjusted the appropriation accordingly.

FOOD PROGRAM ADMINISTRATION

The conference agreement provides $108,561,000 for Food Program Administration instead of $108,311,000 as proposed by the House and $109,069,000 as proposed by the Senate. Included in this amount is $252,000 for publication of Dietary Guidelines and $725,000 for program and financial integrity advancement. The conference agreement includes language that withholds $2,000,000 of this appropriation until a final rule is promulgated to curb vendor-related fraud in the WIC program as proposed by the House.

The conferees understand USDA is reviewing the Dietary Guidelines and should ensure that scientific messages on dietary and nutritional behaviors are consistent among the Dietary Guidelines, the Food Guide Pyramid, and any related nutritional publications.

The conferees direct that the funds transferred to this account from the Economic Research Service be used for programmatic studies and evaluations directly related to USDA programs, and that any welfare reform studies, analyses, or evaluations undertaken shall directly relate to USDA programs.

TITLE V—FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

The conference agreement includes a direct appropriation of $136,203,000 instead of $131,295,000 as proposed by the House and $131,795,000 as proposed by the Senate.

The conference agreement adopts a Senate provision which provides for the transfer of $3,231,000 from the Export Loan Program and $1,035,000 from the P.L. 480 program account under the P.L. 480 and Export Loan program accounts. The House bill provided for these transfers under this heading.

The conference agreement does not include a Senate provision providing up to $2,000,000 solely for the purpose of offsetting international exchange rate fluctuations. The House bill had no similar provision. The conferees note that the deletion of this provision does not indicate a judgment on the merits of the request but reflects the fact that the agency has not developed a plan for this activity as requested in the fiscal year 1998 conference agreement. The conferees expect such a plan to be submitted with the fiscal year 2000 President's Budget.

The amount provided includes $4,408,000 for the International Cooperative Administrative Support Service Program.

The conference agreement includes $128,000 of the total provided for a representation allowance as proposed by the Senate instead of $140,000 as proposed by the House. The conferees also provide $3,500,000 for the Cochran Fellowship Program.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

The following table reflects the conference agreement for Public Law 480 Program Accounts:

Public Law 480 Program and Grant Accounts

Title I—Credit sales:	
Program level	(219,724,000)
Direct loans	(203,475,000)
Ocean freight differential	(16,249,000)
Title II—Commodities for disposition abroad:	
Program level	(837,000,000)
Appropriation	837,000,000
Title III—Commodity grants:	
Program level	(25,000,000)
Appropriation	25,000,000
Loan subsidies	176,596,000
Salaries and expenses:	
General Sales Manager (transfer to FAS)	1,035,000
Farm Service Agency (transfer to FSA)	815,000
Subtotal	1,850,000
Total, Public Law 480:	
Program level	(1,081,724,000)
Appropriation	1,056,695,000

The conferees are concerned that Agency for International Development (AID) and Title II operational policies are not fully meeting both statutory mandates and the program's primary humanitarian objective of providing U.S. agricultural products and commodities for feeding the needy worldwide. While encouraged by recent aid commitments to increase relief-type feeding programs, the conferees expect AID, to the extent practicable, in utilizing the funds provided herein, to ensure that the non-emergency programs, including monetization programs, comply with the statutory requirement that 75% of the commodities provided be in the form of highly nutritious value-added agricultural commodities.

TITLE VI—RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

The conference agreement includes a direct appropriation of $1,098,140,000 for the salaries and expenses of the Food and Drug Administration, instead of $998,340,000 as proposed by the House and $1,062,642,000 as proposed by the Senate.

The following table reflects the conference agreement:

Food Safety & Applied Nutrition	$226,580,000
Human Drugs	200,305,000
Biologics	96,279,000
Animal Drugs and Feeds	41,973,000
Devices & Radiological Products	145,736,000
National Center for Toxicological Research	31,579,000
Tobacco	34,000,000
Rent and related activities	25,855,000
Other activities	80,694,000
Rental Payments to GSA	82,866,000
Sub-Total	965,867,000
Prescription Drug User Fees [1]	132,273,000
Total	1,098,140,000

[1] Of the total $132,273,000 in PDUFA collections, $91,676,000 is for Human Drugs, $28,816,000 is for Biologics, $6,353,000 is for other activities, and $5,428,000 is for payments to the General Services Administration.

The conference agreement includes an increase of $2,500,000 for the Office of Cosmetics and Color; $500,000 to begin development of a new approval process for food packaging materials; $1,000,000 for the Office of Generic Drugs; and $250,000 for the Office of Seafood Inspection. Within the amount for the Office of Seafood Inspection $200,000 is for a grant to the Interstate Shellfish Sanitation Commission.

The conference agreement includes an increase of $20,000,000 for the Food Safety Initiative. The FDA should use $19,500,000 for increased food inspection and $500,000 for research at the National Center for Toxicological Research.

The conferees expect the FDA to publish a proposed rule concerning the use of foreign marketing data in the review of new sunscreen active ingredients in the sunscreen over-the-counter drug monograph. The conferees expect the proposed rule will be published not later than June 1, 1999.

The conferees note that the Food and Drug Administration will soon consider a citizen petition requesting approval of disjunctive labeling for surimi. The conferees strongly urge the agency to act in an expeditious manner to propose a rule in response to the petition, but in no case shall the FDA propose such a rule later than six months after the receipt of the citizen petition, nor shall the agency finalize such a rule later than twelve months after the receipt of the citizen petition.

Included within the amount is $700,000 for the Clinical Pharmacology program. The conferees expect these funds to be used for competitive grants.

The conferees note that recent court decisions (Mova Pharmaceutical Corp. v. Shalala, 104 F.3d 1061 (D.C. Cir. 1998); Granutec, Inc. v. Shalala, No. 97-1873 and No. 97-1874, 1998 U.S. App. LEXIS 6685 (4th Cir. Apr 3, 1998)) have invalidated an element of the Food and Drug Administration's regulations regarding the 180-day exclusivity period for first applicants under section 505(j)(5)(B)(iv) of the Federal Food, Drug, and Cosmetic Act. The conferees strongly urge the FDA to use the funds provided to issue new regulations and guidance for industry to fulfill the intent of the Generic Drug Act (Waxman/Hatch) for the broadest possible availability of generic drugs to consumers consistent with the Act.

BUILDINGS AND FACILITIES

The conference agreement provides $11,350,000 for Food and Drug Administration Buildings and Facilities as proposed by the House instead of $12,350,000 as proposed by the Senate.

The conference agreement provides $3,000,000 for construction of Phase III at the National Center for Toxicological Research

as proposed by the House instead of $4,000,000 as proposed by the Senate. The conferees expect these funds, in addition to any Phase II remaining balances, to be sufficient to initiate Phase III construction.

RENTAL PAYMENTS

The conference agreement provides $88,294,000 for FDA rental costs in the salaries and expenses account as proposed by the Senate. The House proposed these funds in a separate account.

INDEPENDENT AGENCIES

COMMODITY FUTURES TRADING COMMISSION

The conference agreement provides $61,000,000 for the Commodity Futures Trading Commission as proposed by the Senate instead of $62,140,000 as proposed by the House.

FARM CREDIT ADMINISTRATION

LIMITATION OF ADMINISTRATIVE EXPENSES

The conference agreement adopts the limitation of $35,800,000 on the expenses of the Farm Credit Administration as proposed by the House. The Senate bill had no limitation on expenses.

TITLE VII—GENERAL PROVISIONS

Senate Section 705.—The conference agreement includes language (Section 705) proposed by the Senate to allow up to $2,000,000 for costs associated with collocation of APHIS regional offices to remain available until expended. The House bill had no similar provision.

House Section 710.—The conference agreement does not include language proposed by the House that limits agencies' reimbursement to General Services Administration for costs for rental space. The Senate bill had no similar provision.

House Section 716 and Senate Section 715.—The conference agreement includes language (Section 715) proposed by the House that allows the Grain Inspection, Packers and Stockyards Administration to use cooperative agreements to carry out programs.

Senate Section 716.—The conference agreement includes language that allows the Natural Resources Conservation Service to use contracts, grants or cooperative agreements for goods or services.

Senate Section 717 and House Section 718.—The conference agreement includes language (Section 718) proposed by the Senate that permanently prohibits funds of the Market Access Program from being used to promote mink product exports.

House Section 719 and Senate Section 718.—The conference agreement includes language (Section 719) to allow up to $1,800,000 for expenses of advisory committees, panels, commissions, and task forces. The House bill recommended a limit of $1,400,000 and the Senate bill recommended a limit of $1,350,000.

Senate Section 722.—The conference agreement includes language (Section 723) to require the approval of the Chief Information Officer for purchases of information technology systems or upgrades by the Department of Agriculture. The language also includes a provision to prohibit any transfers of funds to the Office of the Chief Information Officer without the prior approval of the Committees on Appropriation of both Houses.

House Section 724.—The conference agreement does not include language relating to common support services. The conferees concur that the Department has sufficient authority to carry out such a program. The Senate bill had no similar provision.

Senate Section 724.—The conference agreement modifies language (Section 727) to prohibit contract acreage payments to a producer who plants wild rice on contract acreage unless the contract payment is reduced by an acre for each contract acre planted to wild rice. The agreement deletes the Senate provision that made this permanent law. The House bill had no similar provision.

Senate Section 725.—The conference agreement includes language (Section 728) that names the National Rice Germplasm Evaluation and Enhancement Center the "Dale Bumpers National Rice Research Center." The House bill had no similar provision.

Senate Section 726.—The conference agreement includes language (Section 729) proposed by the Senate to allow the Secretary of Agriculture to transfer, subject to reprogramming requirements, up to $26,000,000 for authorized programs to benefit the Lower Mississippi Delta Region. This amount should include any and all funds provided to that region as part of the total. The House bill had no similar provision.

House Section 725 and Senate Section 727.—The conference agreement includes language (Section 725) to prohibit funding for the Fund for Rural America.

House Section 726.—The conference agreement does not include language proposed by the House that prohibited funding for the Wildlife Habitat Incentive Program.

House Section 727.—The conference agreement includes language (Section 726) proposed by the House that limits funding for the Environmental Quality Incentives Program to $174,000,000.

House and Senate Section 728.—The conference agreement includes language (Section 730) to limit acreage enrolled in the Wetlands Reserve Program to 120,000 acres as proposed by the Senate. The House proposed a limit of 130,000 acres.

House and Senate Section 729.—The conference agreement includes language (Section 731) to limit funding for The Emergency Food Assistance Program to $90,000,000 as proposed by the House instead of $80,000,000 as proposed by the Senate.

Senate Section 730 and House Section 739.—The conference agreement includes language (Section 740) that prohibits funding for the Conservation Farm Option Program as proposed by both the House and Senate.

House Section 730.—The conference agreement includes language (Section 732) that prohibits funding for the Initiative for Future Agricultural and Food Systems (P.L. 105–185) as proposed by the House. The Senate bill had no similar provision.

Senate Section 731.—The conference agreement includes language (Section 743) proposed by the Senate that amended Public Law 102–237 with regard to control of the brown tree snake. The House bill had no similar provision.

House Section 731.—The conference agreement includes language (Section 733) proposed by the House to make the City of Big Spring, Texas eligible for rural housing programs.

House Section 732.—The conference agreement includes language (Section 734) that makes the municipality of Carolina, Puerto Rico eligible for grants and loans administered by the Rural Utilities Service.

Senate Section 732.—The conference agreement includes language (Section 744) as proposed by the Senate that makes funds in this or any other Act available for financial and technical assistance for Franklin County, Mississippi.

House Section 734 and Senate Section 736.—The conference agreement includes language (Section 736) as proposed by the House that does not allow funds from this Act to be used to carry out any commodity purchase program that would prohibit eligibility or participation by a farmer-owned cooperative.

Senate Section 733.—The Conference agreement includes language (Section 745) that makes the cost share requirement for Alaska water and wastewater loan and grants 25% and the authorized level $20,000,000.

Senate Section 735.—The conference agreement includes language (Section 746) as proposed by the Senate that prohibits the Food and Drug Administration from closing or relocating the Division of Drug Analysis in St. Louis, MO.

House Section 735.—The conference agreement includes language (Section 737) as proposed by the House that amends the technical definition of the word "antibacterial" in the Federal Food, Drug, and Cosmetic Act.

House Section 736.—The conference agreement includes language (Section 738) as proposed by the House that prohibits funds from being used to issue a final rule to implement the amendments to the Federal milk marketing orders as required by subsection (a) of the Agricultural Market Transition Act other than during the period February 1, 1999 through April 4, 1999. The conference agreement also modifies the House provision to include language clarifying marketing order reform in the state of California.

House Section 737 and Senate Section 738.—The conference agreement does not include language proposed by both the House and Senate related to sanctions for the sales of agricultural products. A similar provision has been enacted into law.

Senate Section 737.—The conference agreement includes language (Section 747) proposed by the Senate that requires the Secretary of Agriculture to inspect and certify agricultural processing equipment and to impose a fee for the inspection and certification in a manner that is similar to the inspection and certification of agricultural products under the Agricultural Marketing Act of 1946.

House Section 738.—The conference agreement includes language (Section 739) which requires that when the Secretary of Agriculture announces the basic formula price for milk, the Secretary shall include in the announcement an estimate of the costs incurred by milk producers to produce milk in the different regions of the United States.

Senate Section 739.—The conference agreement includes language (Section 748) as proposed by the Senate to prohibit funds from being used to require a producer to pay an administrative fee of 10 per cent for catastrophic insurance protection. The language also makes the provision permanent law.

House Section 740 and Senate Section 761.—The conference agreement includes bill language (Section 741) that waives the statute of limitations on non-employment complaints of discrimination in certain programs of the Department of Agriculture, and modifies the House language to include expedited procedure in processing the complaints as proposed in Senate Section 761.

Senate Section 741.—The conference agreement includes language (Section 749) as proposed by the Senate that mandates the indefinite continuation of a personnel management demonstration project.

House Section 741.—The conference agreement includes language (Section 750) as proposed by the House that provides that the Secretary may not deny certain guarantees in housing on the basis that the interest on the loan for which the guarantee is sought is

exempt from inclusion in gross income for purposes of Chapter 1 of the Internal Revenue Code of 1986.

Senate Section 742.—The conference agreement modifies language proposed by the Senate (Section 750) that extends the authorization of certain provisions of the Housing Act of 1949 through September 30, 2000. The Senate proposed an extension until September 30, 1999.

Section 742.—The conference agreement includes language that makes the Secretary of Agriculture liable for compensatory damages to farmers who are found to have been discriminated against under any farm loan program or activity conducted by the USDA in violation of section 504 of the Rehabilitation Act of 1973.

House Section 742.—The conference agreement does not include language to prohibit the Food and Drug Administration from using funds for the testing, development, or approval of any drug for the chemical inducement of abortion.

Senate Section 743.—The conference agreement does not include bill language as proposed by the Senate requiring a review of methyl bromide alternatives research. The House bill had no similar provision. The conferees expect the Agricultural Research Service to conduct a review of the methyl bromide alternatives research conducted by the Department. The review should include: 1) the total amount of funds expended by the Department for methyl bromide alternatives research for each fiscal year 1990 to 1997 and estimates for fiscal years 1998 and 1999, including a description of how funds are distributed and utilized; 2) descriptions of plot and field scale testing of methyl bromide alternatives conducted in fiscal years 1990 through 1998, including: a) total amount of funds expended for plot and field scale testing; and b) the results of the testing and the impact of the results on future research; and 3) a description of the variables that impact the effectiveness of methyl bromide alternatives and the Department's strategy for addressing them.

The conferees expect the Department to submit a report describing the results of its review to the appropriate committees of both Houses of Congress not later than 180 days after enactment of this Act.

Senate Section 744.—The conference agreement does not include language proposed by the Senate regarding the need to provide drought relief in Texas. The conference agreement includes language related to all agriculture disasters in Titles XI–XIII.

Senate Section 745.—The conference agreement includes language (Section 751) proposed by the Senate that amends the 1985 farm bill to exempt 30-year easements from payment limitations for the Wetlands Reserve Program.

Senate Section 746.—The conference agreement includes language (Section 752) proposed by the Senate that acceptance of Wetlands Reserve Program bids may be in proportion to landowner interest expressed in program operations.

Senate Section 748.—The conference agreement includes language (Section 754) proposed by the Senate that prohibits funds from being used to prepare a budget submission to Congress that assumes reductions from the previous year's budget due to user fee proposals unless the submission also identifies spending reductions which should occur if the user fees are not enacted. The House bill had no similar provision.

Senate Sections 747 and 752.—The conference agreement includes language (Section 753) that makes several technical corrections to the Agriculture Research, Extension, and Education Reform Act.

Senate Section 749.—The conference agreement does not include language to establish a pilot program to permit haying and grazing on conservation reserve land.

Senate Section 750.—The conference agreement includes language proposed by the Senate (Section 755) that amends the Agricultural Marketing Act of 1946 regarding shipment of shell eggs and mandates a report on egg safety and repackaging.

Senate Section 751.—The conference agreement does not include the sense of the Senate provision regarding economic hardships faced by agricultural producers and rural communities. The conference agreement includes language related to agriculture disasters in Titles XI–XIII.

Senate Section 753.—The conference agreement does not include language proposed by the Senate that exempts food, other agricultural products, medicines and medical equipment from export control sanctions except where the country repeatedly provided support for the acts of terrorism.

Senate Section 754.—The conference agreement does not include language proposed by the Senate regarding mandatory price reporting.

The conferees direct the Secretary of Agriculture to take steps to increase the voluntary reporting of fed cattle, and wholesale beef carcass prices and volumes on a quality and yield grade basis, as well as the prices and volumes of boxed beef (on carcass equivalent basis) sales by quality grades and trim categories, on a daily basis. These reports may include all domestic and international forward sales for delivery period currently reported, prices for branded products, sales delivered as priced basis to a futures contract, sales of less than carlot volume and formulated sales. The Secretary shall encourage the reporting of the price differential for USDA Prime, the upper ⅔ of USDA Choice, and a sub-select price category. Reports should include imported beef products and livestock.

With regard to lamb, the conferees direct the Secretary of Agriculture to expand current voluntary reporting of live lamb and wholesale lamb carcass prices and volumes on a yield grade basis, as well as the prices and volumes of boxed lamb and other fabricated lamb cut sales. Price should be reported on a weekly basis, for the period currently reported, and should include prices for certified and branded products, sales of less than carlot volume and formulated sales. Reports should include imported lamb products.

The Secretary of Agriculture shall compile and publish price, volume sales, and the shipment information regarding all exports and imports of beef, veal, lamb and products thereof which is collected via the expanded voluntary process. The livestock, carcass, boxed product, primal, sub-primal and other meat cut descriptions currently being used by AMS Market News Service should serve as a basis for describing and reporting imported and exported products for price and volume purposes. The Secretary shall also standardize AMS price reporting data collection activities to ensure uniformity and complete sales data capture and to maximize the information available to all aspects of the industry. The Secretary shall report to Congress, not more than six months after enactment, on the feasibility or need for mandatory price reporting. The Secretary is also directed to implement new, electronic export certificate issuance and data-reporting programs. The Secretary shall encourage the information to be reported not later than one week after the end of the week during which exports occurred consistent with the advanced notice of rule-making published by USDA during 1997.

Senate Section 755.—The conference agreement does not include language related to metered dose inhalers. The House bill had no similar provision. The conferees note the Senate's interest in a transition from the use of chlorofluorocarbons (CFCs) in metered-dose inhalers (MDIs) to less environmentally damaging substances, as required by international treaty. The use of CFCs has been shown to be harmful to the atmospheric ozone layer, which protects humans from skin cancer, although the magnitude of the environmental impact of the amount of CFCs used in MDIs is unclear. Metered-dose inhalers, which contain CFCs as propellants, are used primarily for the treatment of asthma and other chronic pulmonary disorders. Asthma and pulmonary patients and physicians rightfully believe that the Food and Drug Administration (FDA) must consider their concerns, as well as the need to have a range of suitable substitutes in place before current products are withdrawn from the market, as the agency moves forward with a proposal to manage the transition from CFC to non-CFC products. At the same time, clear and timely guidance about a transition process is needed by both patients and caregivers. Therefore, the conferees direct FDA to devote the resources necessary to ensure that a proposed rule is issued no later than September 1, 1999.

Senate Section 756.—The conference agreement does not include language proposed by the Senate directing the Secretary, in consultation with the Comptroller General, to submit a report on the Market Access Program (MAP) to the appropriate committees of Congress not later than 180 days after enactment of this Act.

The conferees direct the Secretary to produce a report on the MAP which should include an analysis of the costs and benefits of the program for compliance with OMB circular A–94; estimate the impact of MAP on the agricultural sector, on consumers, and other sectors of the economy in the United States; assess the relation between the priorities and spending levels of programs carried out under MAP and the privately funded market promotion activities undertaken by participants in the programs; and evaluate the additional spending of participants and the amount of export additionality resulting from the MAP.

Senate Section 757.—The conference agreement does not include Sense of the Senate language regarding the economic effect of low commodity prices. The conference agreement includes language regarding agricultural disasters in Titles XI–XIII.

Senate Section 758.—The conference agreement does not include language as proposed by the Senate that amends the law regarding reserve inventories. The conference agreement includes language relating to agricultural disasters in Titles XI–XIII.

Senate Section 759.—The conference agreement does not include language proposed by the Senate that provided for an assessment on tobacco programs and reductions in several Department of Agriculture programs and increased funding for food safety related activities.

Senate Section 760.—The conference agreement (Section 756) modifies Senate Section 760 and reduces the spending cap on computer-related activities funding through the CCC.

Senate Section 762.—The conference agreement does not include language proposed by the Senate to amend the Census of Agriculture Act of 1997. This issue is addressed under the National Agricultural Statistics Service.

Senate Section 763.—The conference agreement includes language (Section 757) as proposed by the Senate that makes certain owners of trees with fire blight eligible for disaster assistance.

Senate Section 764.—The conference agreement does not include language as proposed by the Senate that requires the Secretary of Agriculture to make assistance and information available to the Commission on 21st Century Production Agriculture. The conferees expect the Secretary to assist and cooperate as necessary with the Commission.

Senate Section 765.—The conference agreement does not include bill language requiring country of origin labeling for fresh produce.

The conferees direct the General Accounting Office (GAO) to conduct a comprehensive study on the potential effects of mandatory country of origin labeling of fresh produce. This report should assess the impact of such mandatory labeling requirements on importers, producers, consumers, and retailers, including a cost/benefit analysis. The report should identify U.S. trading-partner countries which currently have country of origin practices in place, the nature and scope of such practices, and a record of U.S. challenges to those requirements. The GAO report should also address the ability of the Federal government and the public to respond to warnings about the outbreak of food-borne illness arising from imported produce. The final report should be submitted to the Congress no later than six months after the enactment of this Act.

Senate Section 766.—The conference agreement does not include the Sense of the Senate provision that certain programs in the bill receive additional funding in the event that additional allocation becomes available.

Senate Section 767.—The conference agreement does not include a provision requiring creation of a new Office of the Small Farms Advocate as provided in the Senate bill. The conferees believe that better management of existing programs within the Department, generally, would result in a more efficient and effective use of limited resources as they apply to small farm and other considerations. Accordingly, the conferees urge the Secretary to coordinate activities and to encourage policy considerations within existing programs of the Department that promote the needs of small farm operators and that may help reverse the unwarranted decline in small farm operations.

Senate Section 768.—The conference agreement does not include Senate language addressing the inadvertent planting of ineligible beans. The conferees are aware that there may be instances in which producers, in good faith or in reliance on information provided by agricultural consultants, inadvertently planted crops in violation of section 118 of the Federal Agriculture Improvement and Reform Act of 1996 (FAIR). The FAIR Act encouraged producers to exercise planting flexibility in order to adapt to new markets and to promote sound conservation and agronomic practices. Accordingly, the Secretary is urged to exercise reasonable treatment of producers in order to avoid harmful consequences.

Senate Section 769.—The conference agreement does not include language as proposed by the Senate that requires a report to Congress on a recommendation to lift the ban on interstate distribution of state inspected meat. The conferees direct the Secretary of Agriculture to report to the House and Senate Committees on Appropriations by March 1, 1999, with recommendations on lifting the ban on the interstate distribution of State-inspected meat.

Senate Section 770.—The conference agreement includes language under Title VIII regarding loans to borrowers who have received debt forgiveness.

Senate Section 771.—The conference agreement does not include language related to the definition of family farm.

Senate Section 772.—The conference agreement includes language under Title VIII regarding the basis for denial of loans.

Senate Section 773.—The conference agreement does not include language as proposed by the Senate that amends the Federal Food, Drug, and Cosmetic Act regarding medical drug and device recalls.

Section 759.—The conference agreement includes language proposed by the House to make the city of Vineland, New Jersey eligible for programs administered by the Rural Housing Service and the Rural Business-Cooperative Service.

Section 760.—The conference agreement includes language that places a moratorium on the rule-making authority of the Commodity Futures Trading Commission (CFTC) over swaps and derivatives until March 30, 1999. The conferees do not intend to preclude the CFTC's participation in the President's Working Group on Financial Markets. Further, the conferees do not intend to preclude the Commission from taking action pursuant to any determination by the President's Working Group on Financial Markets regarding regulatory restraints with respect to qualifying hybrid instruments and swap agreements.

In light of recent market events, including the need for financial rescue measures to avert the collapse of a large hedge fund, the conferees strongly urge the President's Working Group on Financial Markets to undertake an immediate review and study of over-the-counter transactions of entities such as hedge funds and their relationships with their creditors. This provision would not interfere with the Commission's ability to take action in furtherance of any determination by the President's Working Group.

Section 761.—The conference agreement includes language providing a limitation on the use of funds to carry out section 612 of Public Law 105-185.

Section 762.—The conference agreement includes language amending section 136 of the Agricultural Market Transition Act (7 U.S.C. 7236) by striking "1.25 cents" each place it appears in subsection (a) and (b) and inserting "3 cents".

Section 763.—The conference agreement includes language regarding the distribution of funds made available by section 1124 of subtitle C of Title XI of this Act.

Section 764.—The conference agreement includes language regarding methyl bromide.

TITLE VIII—AGRICULTURAL CREDIT

The conference agreement includes several changes to agricultural credit laws including eligibility for emergency loans, notification of ineligibility for loans, training requirement exemptions, limitations on amount of farm loans, and cash flow requirements.

TITLE IX—INDIA-PAKISTAN RELIEF ACT

The conference agreement adopts Senate language (Title IX) allowing waivers of certain export control laws for India and Pakistan.

(SENATE TITLE X)

The conference agreement does not include language proposed by the Senate requiring meat labeling.

The conferees direct the Secretary to conduct a comprehensive study on the potential effects of mandatory country of origin labeling of imported fresh muscle cuts of beef and lamb. The report shall include the impact of such requirements on imports, exports, livestock producers, consumers, processors, packers, distributors and grocers. The report shall also include, but is not limited to, the following: any additional costs to the Federal government which would be incurred as a result of mandatory country of origin labeling of imported fresh muscle cuts of beef and lamb; the projected costs for beef and lamb distributors, retailers or consumers; any projected gains that may result from country of origin labeling of imported fresh muscle cuts of beef and lamb; and any empirical evidence of benefit or harm, to producers, processors, distributors, retailers or consumers produced by similar labeling programs in other countries. The report shall be submitted to Congress no later than 6 months after the enactment of this Act and shall contain a detailed statement of the findings and conclusions of the Secretary, together with his recommendations for such legislation and administrative actions as he considers appropriate.

The study may also consider the economic effects of exempting imported beef and lamb, including meat produced from animals imported directly for slaughter in sealed trucks and containers, from eligibility for USDA quality grades. The Secretary is directed to differentiate "meat produced from animals in sealed trucks and containers directly for slaughter" from "U.S. production" in all market reports.

TITLE X—UNDER SECRETARY OF AGRICULTURE FOR MARKETING AND REGULATORY PROGRAMS

The conferees have included bill language that gives the Secretary of Agriculture the authority to create an Under Secretary for Marketing and Regulatory Programs position at USDA.

TITLE XI—EMERGENCY AND MARKET LOSS ASSISTANCE

The conference agreement includes funding to provide assistance to agricultural producers who have suffered financial hardship due to adverse weather conditions and loss of markets.

The conference agreement provides $1,500,000,000 in assistance directed to producers who have incurred losses in the 1998 crop due to disaster. An additional $675,000,000 is provided to make available assistance to producers who have incurred multiyear losses in the 1998 and preceding crop years. The Secretary may make assistance available for crop losses associated with crops due to losses in quantity, quality or severe economic losses due to damaging weather or related conditions.

The conference agreement requires that producers receiving crop loss assistance who have not purchased crop insurance for the 1998 crop shall agree to purchase crop insurance for the subsequent two crops produced by the producers.

The conference agreement makes available $175,000,000 to provide livestock feed assistance to livestock producers affected by disasters during calendar year 1998.

The conferees have granted the Secretary broad authority to create and implement a crop loss assistance program with the funds

made available. This will allow the Secretary to complete an assessment of 1998 crop losses and provide the maximum flexibility to expedite the delivery of assistance.

The conference agreement provides $1,650,000,000 to partially compensate producers for loss of markets in 1998 due to circumstances beyond their control, such as regional economic dislocation, unilateral trade sanctions and failure of the government to pursue trade opportunities aggressively. Payments shall be proportional to the amount of the production flexibility contract payment made to producers in fiscal year 1998.

The agreement includes $50,000,000 for emergency disaster assistance to persons or entities who have incurred losses from a failure under section 312 (a) of P.L. 94-265, $5,000,000 for cotton warehouse losses, temporary recourse loans for honey and mohair, and adjustments to crop insurance for raisin producers. The conference agreement includes language providing additional funding for the Food for Progress program.

The conferees direct the Farm Service Agency to take into consideration the history of flooding in a watershed in determining emergency conservation program eligibility in Vermont.

The conferees expect the Secretary of Agriculture to extend for two years the time period that a participant in the Conservation Reserve Program (CRP) has for completion of pruning, thinning, and stand improvement of trees on lands subject to a contract under CRP. Such pruning, thinning, or stand improvement activities are otherwise required to be completed under the contract in 1998 or 1999.

The conferees expect the Secretary of Agriculture to provide guaranteed loans for purposes of installing irrigation systems if a farmer operates a farm within an area that has been declared an agricultural disaster due to drought conditions.

The conferees understand that in addition to the devastating forest fires that occurred in Florida earlier this year, the drought in Texas has also had a significant impact on timber production and forest health. The conferees also understand that it may take several planting seasons to complete the reforestation due to lack of available planting stock.

The conferees are concerned about the weather-related crop losses that have devastated New York State fruit and onion growers in 1998. The Secretary shall make funding available to assist producers who have incurred losses during the 1998 crop year to fruit crops and to the trees and vines on which those fruit crops are produced.

The Secretary is also directed to develop a crop disaster assistance program suitable for the New York State fruit and onion growers. The Secretary shall provide financial assistance to apple producers proportioned according to their volume of apples sold in fresh, processing and juice markets, based on 1997 marketing data, and shall not deduct a salvage value when the cost of harvesting a crop in that marketing category approximates the 1998 cash market value at the time of harvest.

The Secretary shall make eligible for the Emergency Conservation Program fruit drops in orchards as well as replacement of trellises in orchards and vineyards that were damaged by storms.

The managers direct that in carrying out the disaster relief activities funded by this conference agreement, the Secretary of Agriculture shall give particular attention to assessing and meeting the needs of Puerto Rico and the United States Virgin Islands following Hurricane Georges. The Secretary should take all necessary steps to help the territories recover from the 1998 hurricane season and restore their agricultural economies, such as covering losses in livestock and non-program crops, including but not limited to coffee, bananas, and tropical fruits.

TITLE XII—BIODIESEL

The conference agreement includes language that creates a biodiesel program. The Senate bill included similar language.

TITLE XIII—EMERGENCY APPROPRIATIONS

The conference agreement includes additional funding for emergency related costs including $40,000,000 for salaries and expenses for the Farm Service Agency, $31,405,000 for subsidy costs for additional operating loans for a total loan amount of $540,510,000, and $10,000,000 for the Forestry Incentives Program.

CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1999 recommended by the committee of conference, with comparisons to the fiscal year 1998 amount, the 1999 budget estimates, and the House and Senate bills for 1999 follow:

New budget (obligational) authority, fiscal year 1998	$49,793,563,000
Budget estimates of new (obligational) authority, fiscal year 1999	59,567,544,000
House bill, fiscal year 1999	55,883,142,000
Senate bill, fiscal year 1999	56,820,368,000
Conference agreement, fiscal year 1999	59,949,240,000
Conference agreement compared with:	
New budget (obligational) authority, fiscal year 1998	+10,155,677,000
Budget estimates of new (obligational) authority, fiscal year 1999	+381,696,000
House bill, fiscal year 1999	+4,066,098,000
Senate bill, fiscal year 1999	+3,128,872,000

JOE SKEEN,
JAMES T. WALSH,
JAY DICKEY,
JACK KINGSTON,
GEORGE R. NETHERCUTT, Jr.,
HENRY BONILLA,
TOM LATHAM,
BOB LIVINGSTON,
MARCY KAPTUR (except CFTC derivative moratorium),
VIC FAZIO,
JOSE E. SERRANO,
ROSA L. DELAURO,
Managers on the Part of the House.

THAD COCHRAN,
ARLEN SPECTER,
KIT BOND,
SLADE GORTON,
MITCH MCCONNELL,
CONRAD BURNS,
TED STEVENS,
DALE BUMPERS (with exception of title XI),
TOM HARKIN (with exception of title XI),
PATRICK J. LEAHY (with exception of title XI),
BARBARA BOXER (with exception of title XI),
ROBERT C. BYRD (with exception of title XI),
Managers on the Part of the Senate.

PROVIDING FOR CONSIDERATION OF H.R. 4274, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION APPROPRIATIONS ACT, 1999

The SPEAKER pro tempore (Mr. DICKEY). The pending business is the question of agreeing to the resolution, House Resolution 564, on which the yeas and nays are ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the resolution.

Without objection, the time for a recorded vote, if ordered, on the Speaker's Approval of the Journal will be reduced to 5 minutes immediately following this vote.

There was no objection.

RECORDED VOTE

The vote was taken by electronic device, and there were—yeas 216, nays 200, not voting 18, as follows:

[Roll No. 476]

YEAS—216

Aderholt	Cunningham	Horn
Archer	Davis (VA)	Hostettler
Armey	Deal	Houghton
Bachus	DeLay	Hulshof
Baker	Diaz-Balart	Hunter
Ballenger	Dickey	Hutchinson
Barr	Doolittle	Hyde
Barrett (NE)	Dreier	Inglis
Bartlett	Duncan	Istook
Barton	Dunn	Jenkins
Bass	Ehlers	John
Bateman	Ehrlich	Johnson (CT)
Bereuter	Emerson	Johnson, Sam
Bilbray	English	Jones
Bilirakis	Ensign	Kasich
Bliley	Everett	Kelly
Blunt	Ewing	Kim
Boehlert	Fawell	Kingston
Boehner	Foley	Klug
Bonilla	Forbes	Knollenberg
Bono	Fossella	Kolbe
Brady (TX)	Franks (NJ)	LaHood
Bryant	Frelinghuysen	Largent
Bunning	Gallegly	Latham
Burr	Ganske	LaTourette
Burton	Gekas	Lazio
Buyer	Gibbons	Lewis (CA)
Calvert	Gilchrest	Lewis (KY)
Camp	Gillmor	Linder
Campbell	Gilman	LoBiondo
Canady	Goode	Lucas
Cannon	Goodlatte	Manzullo
Castle	Goodling	McCollum
Chabot	Graham	McCrery
Chambliss	Granger	McDade
Chenoweth	Greenwood	McInnis
Christensen	Gutknecht	McIntosh
Coble	Hall (TX)	McKeon
Coburn	Hansen	Metcalf
Collins	Hastert	Mica
Combest	Hastings (WA)	Miller (FL)
Cook	Hayworth	Moran (KS)
Cooksey	Herger	Myrick
Cox	Hill	Nethercutt
Crane	Hilleary	Neumann
Crapo	Hobson	Northup
Cubin	Hoekstra	Norwood

Nussle
Oxley
Packard
Pappas
Paul
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pombo
Porter
Portman
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryun
Salmon
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Talent
Taylor (MS)
Taylor (NC)
Thomas
Thornberry
Thune
Tiahrt
Upton
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NAYS—200

Abercrombie
Ackerman
Allen
Andrews
Baesler
Baldacci
Barcia
Barrett (WI)
Becerra
Bentsen
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (CA)
Brown (FL)
Brown (OH)
Capps
Cardin
Carson
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Cummings
Danner
Davis (FL)
Davis (IL)
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Farr
Fattah
Fazio
Filner
Ford
Fox
Frank (MA)
Frost
Furse
Gejdenson
Gephardt
Gonzalez
Gordon
Green
Gutierrez
Hall (OH)
Hamilton
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Holden
Hooley
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (WI)
Johnson, E. B.
Kanjorski
Kaptur
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Leach
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Manton
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McHugh
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller (CA)
Minge
Mink
Moakley
Mollohan
Moran (VA)
Morella
Murtha
Nadler
Neal
Ney
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Sherman
Sisisky
Skaggs
Skelton
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stark
Stokes
Strickland
Stupak
Tanner
Tauscher
Thompson
Thurman
Tierney
Torres
Towns
Traficant
Turner
Velázquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weller
Wexler
Weygand
Wise
Woolsey
Wynn
Yates

NOT VOTING—18

Callahan
Clay
DeFazio
Evans
Fowler
Goss
Harman
Hefley
Kennelly
King (NY)
Lipinski
Livingston
Martinez
Parker
Pitts
Poshard
Pryce (OH)
Tauzin

□ 1402

Ms. McCARTHY of Missouri and Messrs. MINGE, LEACH, and FOX of Pennsylvania changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

THE JOURNAL

The SPEAKER pro tempore (Mr. DICKEY). 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.

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

RECORDED VOTE

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 15-minute vote, notwithstanding the Chair's prior announcement.

The vote was taken by electronic device, and there were—ayes 346, noes 60, answered "present" 1, not voting 27, as follows:

[Roll No. 477]

AYES—346

Abercrombie
Ackerman
Allen
Andrews
Armey
Bachus
Baesler
Baker
Baldacci
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Castle
Chabot
Chambliss
Christensen
Clayton
Clement
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Cox
Coyne
Cramer
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fawell
Foley
Forbes
Ford
Fossella
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Graham
Granger
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Herger
Hill
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kilpatrick
Kim
Kind (WI)
Kingston
Kleczka
Klug
Knollenberg
Kolbe
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Lofgren
Lowey
Lucas
Luther
Maloney (NY)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
Meehan
Meek (FL)
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Moakley
Mollohan
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Owens
Oxley
Packard
Pappas
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pombo
Pomeroy
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Redmond
Regula
Reyes
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Salmon
Sánchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stokes
Stump
Sununu
Talent
Tanner
Taylor (NC)
Thomas
Thornberry
Thune
Thurman
Tiahrt
Tierney
Torres
Traficant
Turner
Upton
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weldon (FL)
Weldon (PA)
Wexler
Weygand
White
Whitfield
Wilson
Wise
Wolf
Woolsey
Yates
Young (AK)
Young (FL)

NOES—60

Aderholt
Becerra
Bonior
Borski
Brown (CA)
Chenoweth
Costello
Crane
Dickey
English
Fazio
Filner
Fox
Gephardt
Gibbons
Green
Gutierrez
Hastings (FL)
Hefner
Hilleary
Hilliard
Hinchey
Hulshof
Johnson (WI)
Klink
Kucinich
LaFalce
Lee
Lewis (GA)
LoBiondo
Maloney (CT)
McDermott
McNulty
Menendez
Miller (CA)
Moran (KS)
Oberstar
Obey
Olver
Pallone
Pickett
Ramstad

Rangel	Strickland	Vento
Rogan	Tauscher	Visclosky
Sabo	Taylor (MS)	Waters
Schaffer, Bob	Thompson	Weller
Slaughter	Towns	Wicker
Stenholm	Velázquez	Wynn

ANSWERED "PRESENT"—1

Carson

NOT VOTING—27

Archer	Goss	Parker
Ballenger	Harman	Pickering
Bryant	Hefley	Pitts
Callahan	Kennelly	Poshard
Clay	King (NY)	Pryce (OH)
Clyburn	Lipinski	Snowbarger
DeFazio	Livingston	Stupak
DeLay	Martinez	Tauzin
Fowler	Moran (VA)	Waxman

□ 1421

So the Journal was approved.

The result of the vote was announced as above recorded.

REREFERRAL OF H.R. 4614, FEDERAL LAND TRANSFER IN NEW CASTLE, NEW HAMPSHIRE TO COMMITTEE ON GOVERNMENT REFORM AND OVERSIGHT

Mr. GILCHREST. Mr. Speaker, I ask unanimous consent that the Committee on Transportation and Infrastructure be discharged from further consideration of the bill (H.R. 4614) to provide for the conveyance of Federal land in New Castle, New Hampshire to the town of New Castle, New Hampshire, and to require the release of certain restrictions with respect to land in such town, and that the bill be rereferred to the Committee on Government Reform and Oversight.

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

Mr. CLEMENT. Reserving the right to object, Mr. Speaker, I yield to the gentleman from Maryland (Mr. GILCHREST) to explain the request.

Mr. GILCHREST. Mr. Speaker, I make the request because H.R. 4614 directs the administrator of general services to convey this property and specifically waives section 203 of the Federal Property and Administrative Services Act of 1949.

Mr. CLEMENT. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1995

Mrs. CUBIN. Mr. Speaker, I ask unanimous consent to have my name removed as a cosponsor of H.R. 1995.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Wyoming?

There was no objection.

PERSONAL EXPLANATION

Ms. LEE. Mr. Speaker, on September 14, I inadvertently voted "yea" on rollcall vote 428. I ask that the RECORD reflect I intended a "nay" vote on House Concurrent Resolution 254.

CONFERENCE REPORT ON H.R. 4101, AGRICULTURE, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

Mr. SOLOMON, from the Committee on Rules, submitted a privileged report (Rept. No. 105–764) on the resolution (H. Res. 567) waiving points of order against the conference report to accompany the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, which was referred to the House Calendar and ordered to be printed.

Mr. SOLOMON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 567 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 567

Resolved, That up adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

SEC. 2. House Resolution 551 is laid on the table.

The SPEAKER pro tempore. The gentleman from New York (Mr. SOLOMON) is recognized for 1 hour.

Mr. SOLOMON. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the very distinguished gentleman from Dayton, Ohio (Mr. HALL), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, this rule waives all points of order against the agriculture appropriations conference report in order to allow its prompt consideration today on the House floor. Today is the second day of fiscal year 1999, and it is important to get this conference report through Congress and on its way to the White House as soon as possible.

In order to further expedite the process, this rule provides that the conference report will be considered as read.

Finally the rule lays on the table the old rule providing for consideration of H.R. 4618, the separate agriculture emergency spending bill. The provisions of that bill have been incorporated in this conference report and, therefore, the old rule is no longer necessary.

Mr. Speaker, I want to commend the distinguished gentleman from New Mexico (Mr. SKEEN), chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies, and the very distinguished gentlewoman from Ohio (Ms. KAPTUR), ranking minority member, for the long hours that they have put into producing this conference report.

I particularly want to thank them for upholding the 1995 farm bill as it concerns milk marketing orders, the lifeblood of every dairy farmer in America. This provision will prohibit the Department of Agriculture from changing the rules until we have gone through both a legislative and an appropriations cycle next year.

Mr. Speaker, the agricultural appropriations conference agreement provides necessary funding for agricultural programs and related programs, such as school lunch programs and assistance for Women, Infants and Children, the WIC program. It also provides for rural development.

I support the rule and the conference report it will permit this House to consider.

Mr. Speaker, I ask unanimous consent that the gentleman from Washington (Mr. HASTINGS) be allowed to manage the balance of my time.

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

There was no objection.

Mr. HALL of Ohio. Mr. Speaker, I yield myself such time as I may consume, and I thank my colleague, the gentleman from New York (Mr. SOLOMON), for yielding me the time.

As he explained, this rule waives all points of order against the conference report to accompany H.R. 4104, which is the agriculture appropriations bill. The bill appropriates funds for agriculture, rural development and food and nutrition programs.

This is one of the most important of the 13 appropriation bills that we pass each year. It contains funding to help American farmers, and it is the crops they grow which feed the world.

This bill also funds food and nutrition assistance programs for the Nation's poor and hungry, so it is not an exaggeration to say that the programs funded by this bill are life sustaining for millions of people in America and around the world.

Unfortunately, this bill does not go far enough. We have had a year of droughts and flooding and other natural disasters that has created a crisis on our Nation's farms. However, the emergency aid to farmers contained in this bill is too little to offset the massive crop loss. The conferees rejected a

proposal to remove caps from loan rates, and this would have enabled farmers to receive an infusion of capital to pay bills while waiting for markets to rebound. Although we are blessed with a prosperous economy and a declining poverty rate, one out of every five American children still live in poverty, and 21 million of our citizens face hunger on a regular basis.

□ 1430

Emergency food needs have risen dramatically over the past 2 years, and private donations are not keeping pace with demand at our Nation's food banks. It is estimated that more than 15 percent of requests for emergency food are being turned down because of insufficient supplies.

This bill provides hunger relief for the poor through the emergency food assistance program known as TEFAP. The conference level for the program is $90 million, which represents a cut from the administration's request of $100 million. While I would like to have seen full funding, this level is better than the Senate bill, which appropriated only $80 million.

I am very grateful to the gentleman from New Mexico (Mr. SKEEN), the chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Committee on Appropriations for maintaining the funding at the higher level. He kept his word and I appreciate it.

Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. JOHNSON).

Mr. JOHNSON of Wisconsin. Mr. Speaker, I appreciate the gentleman yielding me this time.

Mr. Speaker, I rise today to vigorously oppose this rule because the agriculture appropriations bill continues to punish dairy farmers in Wisconsin and, indeed, across the Midwest.

For years the dairy producers in Wisconsin have been forced to work under an outdated dinosaur policy that our government calls the dairy policy. It is a policy that has disregarded the advance of time and transportation and technology. In spite of all the talk here about a global economy, the government has spent more than 60 years rewarding dairy farmers with higher prices based on the distance of their farm and their cows located from Eau Claire, Wisconsin. As a result, Wisconsin farmers who live and work in America's dairyland have struggled, and dairy producers elsewhere have thrived.

This Congress seems to like ripping up the government by the root, yet when it comes to dairy pricing, this Congress sticks with the status quo, even when the status quo penalizes the dairy farmers in Wisconsin and, indeed, in the Midwest.

Back in 1996, Wisconsin dairy farmers were promised real reform by April of 1999. And now, as the reform just nears, Congress backs out of the agreement and delays reform for another 6 months. We have waited long enough for dairy price reform. The delay has added insult to hard-working Wisconsin farmers.

And to make matters worse, the Congress has also agreed to extend the Northeast Dairy Compact, a cartel that gives further unfair leverage to farmers in the Northeast at the expense of those in the Midwest.

With our pricing system and this Northeast Compact, this Congress is pitting region against region and, unfortunately, farmer against farmer. The Senate was right to resist placing riders in the appropriations bill, but the House leadership used their back room tactics to negotiate an unfair position in this conference that is before us.

This bill represents not a forward movement but, I think, indeed a giant leap backward. I have said it before, the Congress wants a return to the Stone Ages of dairy policy, and I ask people to oppose this rule.

Mr. HALL of Ohio. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. MINGE).

Mr. MINGE. Mr. Speaker, I thank my colleague from Ohio for yielding me this time. I would also like to associate myself with the remarks of my colleague from Wisconsin.

The Minnesota-Wisconsin, or the M-W, price for milk is a price that we all know has been the lowest in the country. We have discriminated against the heart of America's dairy production for decades. A Congress which we thought was going to address these grievances has abandoned the principle of equity when it comes to dairy production in America and is driving this policy backwards. I think the time has come for us to make sure that all of our colleagues in the country understand what we are being asked to accept here this afternoon.

I would also like to address another aspect of this bill, and that is the emergency or the disaster assistance portion of the legislation. I also expect that most of us are now well aware that we have a combination of a crop production failure or yield failure, and a price collapse that is affecting much of American agriculture. Those crops that are hardest hit are wheat, corn, and oilseeds, particularly soybeans. Hog prices and cattle prices are also very low.

It is important that we take responsive measures to deal with this price collapse and the yield problems, and this bill does make a good start in that direction. However, I am very disappointed that on the price side of it we have chosen to put all of our eggs, so to speak, in one basket, and that is by inserting an additional AMTA, or transition payment, to agriculture.

These transition payments are the ones established in the '96 farm bill that replaced the old crop-specific subsidy programs. The disadvantages of using this transitional payment approach at this time are four, and I would like to briefly list them.

First, the amount of money for the typical American family farmer is nominal. A farmer in my district came up to me and said, and this fellow farms a fair amount of land, "I won't even be able to fill my tractor's tank with gasoline, or diesel fuel, for the amount of money I will be receiving." This is not an assist. This may well be interpreted by many American farmers as an insult. I think we should go back to the drawing board and reexamine that portion of the bill.

Secondly, oilseed production does not benefit at all from this approach. The transition payments do not include soybeans as base crops. So as a consequence, American soybean farmers are not being included, even though the collapse of soybean prices is one of the unfortunate conditions that they face. So the second consideration that I think counsels against this approach is the problem of not including oilseed, or specifically soybeans.

The third is, the U.S. Department of Agriculture has carefully examined the effectiveness of the transition payments in helping America's family farmers, especially those that are actually growing the crops as opposed to those that may have retired owning land, and they have determined that the transition payments have largely benefitted land ownership in the form of higher rents and higher land prices.

Query: Do we need to be investing more money for this type of benefit when we are trying to respond to our price disaster situation?

And finally, some ag economists, in looking at where commodity prices are headed, have indicated that cotton and rice does not appear to be suffering from the same price problems as the feed grains and wheat. If this is the case, query: Is this a good investment of the American taxpayer dollar, to send money out through the transition payments which benefit those crops as well as the ones where assistance is needed?

For these reasons, I submit that this committee ought to be reexamining the disaster program that it is bringing to the floor.

Mr. HALL of Ohio. Mr. Speaker, I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to Section 2 of House Resolution 567, House Resolution 551 is laid on the table.

Mr. SKEEN. Mr. Speaker, pursuant to House Resolution 567, I call up the conference report on the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 567, the conference report is considered as having been read.

(For conference report and statement, see prior proceedings of the House of today.)

The SPEAKER pro tempore. The gentleman from New Mexico (Mr. SKEEN), and the gentlewoman from Ohio (Ms. Kaptur) each will control 30 minutes.

The Chair recognizes the gentleman from New Mexico (Mr. SKEEN).

GENERAL LEAVE

Mr. SKEEN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report to accompany the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, and that I may include tabular and extraneous material.

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

There was no objection.

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

Mr. Speaker, I am pleased to bring before the House today the conference report on H.R. 4101, making appropriations for Agriculture, Rural Development, the Food and Drug Administration, and Related Agencies.

The House approved our bill on June the 24th by a vote of 373 to 48. This conference report has almost $55 million in additional discretionary spending which we have put into research, food safety and rural development.

Although the budget situation is extremely tight, we did manage to hold the higher House number of $90 million on The Emergency Food Assistance Program. WIC is fully funded to meet the expected participation levels, with a nearly $200 million carryover for emergencies. School lunch and school breakfast and the Child and Adult Food Program are all funded at the administration request.

The Food Safety Initiative is increased by almost $51.9 million over last year and the two main food safety agencies in the government, the Food and Drug Administration and the Food Safety and Inspection Service, have both received substantial increases.

Research, which is the foundation of our agricultural system, has strong support in this bill. The Agricultural Research Service is funded at $37 million over last year, and the Cooperative State Research, Education and Extension Service has a $61 million increase.

Many of our rural development programs remain at the same levels as the previous years, as requested by the administration. And, frankly, I think we need to do better next year. But in this bill we have been able to improve some of the most critical programs, such as water and sewer and farm labor housing.

I am sure that every Member is aware of the problems in rural America caused by the extreme weather, low prices and loss of important overseas markets. This bill also includes approximately $4.2 billion in emergency assistance to farmers, ranchers and fishermen for losses due to natural disasters and other emergencies.

And while I have highlighted some of the individual program increases, Mr. Speaker, I do not want to give the impression that we have reversed the course on spending. In fact, we have to deal with another very difficult budget situation and the discretionary spending level in this bill, $13.65 billion, is $100 million less than last year.

Mr. Speaker, I would say to my colleagues that every one of our constituents needs this bill every day of their lives. This bill delivers a safe and bountiful food supply. It supports feeding and nutrition programs for mothers, infants and senior citizens. And it ensures consumers of safe supplies of medicine and medical devices.

This bill also protects and enhances our soil and water resources, which are critical not only to rural areas but to suburban and urban areas as well. This bill not only serves farmers and ranchers, indeed, they get only a small percentage of the benefits in this bill. This bill serves all Americans, no matter where they live.

I deeply appreciate the help that Members from both sides of the aisle have given us in putting this bill together. It has always been a bipartisan effort and I want it to stay that way. I ask all to vote "aye" on this conference report.

Mr. Speaker, I provide for the RECORD tabular material regarding H.R. 4101:

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
TITLE I - AGRICULTURAL PROGRAMS						
Production, Processing, and Marketing						
Office of the Secretary	3,379,000	2,941,000	2,941,000	2,836,000	2,836,000	-543,000
Executive Operations:						
Chief Economist	5,048,000	5,823,000	5,973,000	5,048,000	5,620,000	+572,000
Commission on 21st Century Production Agriculture	.....	350,000	.....	.....	.....	.....
National Appeals Division	11,718,000	13,297,000	12,204,000	11,718,000	11,718,000	.....
Office of Budget and Program Analysis	5,986,000	6,045,000	6,120,000	5,986,000	6,120,000	+134,000
Office of the Chief Information Officer	4,773,000	7,222,000	5,551,000	5,551,000	5,551,000	+778,000
Total, Executive Operations	27,525,000	32,737,000	29,848,000	28,303,000	29,009,000	+1,484,000
Office of the Chief Financial Officer	4,283,000	4,562,000	4,283,000	4,283,000	4,283,000	.....
Office of the Assistant Secretary for Administration	613,000	636,000	636,000	613,000	613,000	.....
Agriculture buildings and facilities and rental payments	131,085,000	147,689,000	137,184,000	137,184,000	137,184,000	+6,099,000
Payments to GSA	(98,600,000)	(108,057,000)	(108,057,000)	(108,057,000)	(108,057,000)	(+9,457,000)
Building operations and maintenance	(24,785,000)	(24,127,000)	(24,127,000)	(24,127,000)	(24,127,000)	(-658,000)
Repairs, renovations, and construction	(5,000,000)	(15,505,000)	(5,000,000)	(5,000,000)	(5,000,000)	.....
Relocation expenses	(2,700,000)	.....	.....	.....	.....	(-2,700,000)
Hazardous waste management	15,700,000	15,700,000	15,700,000	15,700,000	15,700,000	.....
Departmental administration	29,231,000	32,168,000	32,168,000	27,034,000	32,168,000	+2,937,000
Outreach for socially disadvantaged farmers	3,000,000	10,000,000	3,000,000	3,000,000	3,000,000	.....
Office of the Assistant Secretary for Congressional Relations	3,668,000	3,814,000	3,668,000	3,668,000	3,668,000	.....
Office of Communications	8,138,000	8,319,000	8,138,000	8,138,000	8,138,000	.....
Office of the Inspector General	63,128,000	87,689,000	67,178,000	63,128,000	65,128,000	+2,000,000
Office of the General Counsel	28,759,000	30,446,000	30,396,000	28,759,000	29,194,000	+435,000
Office of the Under Secretary for Research, Education and Economics	540,000	560,000	560,000	540,000	540,000	.....
Economic Research Service	71,604,000	55,839,000	67,282,000	53,109,000	65,757,000	-5,847,000
National Agricultural Statistics Service	118,048,000	107,190,000	105,082,000	103,964,000	103,964,000	-14,084,000
Census of Agriculture	(36,327,000)	(23,741,000)	(23,141,000)	(23,599,000)	(23,599,000)	(-12,728,000)
Agricultural Research Service	744,382,000	776,828,000	755,816,000	768,221,000	781,950,000	+37,568,000
Buildings and facilities	80,630,000	35,900,000	61,380,000	31,930,000	56,437,000	-24,193,000
Total, Agricultural Research Service	825,012,000	812,728,000	817,196,000	800,151,000	838,387,000	+13,375,000
Cooperative State Research, Education, and Extension Service:						
Research and education activities	431,410,000	412,589,000	431,125,000	432,982,000	481,216,000	+49,806,000
Native American Institutions Endowment Fund	(4,600,000)	(4,600,000)	(4,600,000)	(4,600,000)	(4,600,000)	.....
Extension activities	423,376,000	418,651,000	416,789,000	432,181,000	434,122,000	+10,746,000
Total, Cooperative State Research, Education, and Extension Service	854,786,000	831,240,000	847,914,000	865,163,000	915,338,000	+60,552,000
Office of the Assistant Secretary for Marketing and Regulatory Programs	618,000	642,000	642,000	618,000	618,000	.....
Animal and Plant Health Inspection Service:						
Salaries and expenses	425,932,000	417,752,000	424,500,000	419,473,000	425,803,000	-129,000
AQI user fees	(88,000,000)	(100,000,000)	(88,000,000)	(88,000,000)	(88,000,000)	.....
Buildings and facilities	4,200,000	5,200,000	5,200,000	4,200,000	7,700,000	+3,500,000
Total, Animal & Plant Health Inspection Service	430,132,000	422,952,000	429,700,000	423,673,000	433,503,000	+3,371,000
Agricultural Marketing Service:						
Marketing Services	46,567,000	58,469,000	46,567,000	45,567,000	46,000,000	-567,000
New user fees	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)	.....
(Limitation on administrative expenses, from fees collected)	(59,521,000)	(60,730,000)	(60,730,000)	(59,521,000)	(60,730,000)	(+1,209,000)
Funds for strengthening markets, income, and supply (transfer from section 32)	10,890,000	10,998,000	10,998,000	10,998,000	10,998,000	+308,000
Payments to states and possessions	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	.....
Total, Agricultural Marketing Service	58,457,000	70,667,000	58,765,000	57,765,000	58,198,000	-259,000
Grain Inspection, Packers & Stockyards Administration	25,390,000	11,797,000	27,542,000	26,390,000	26,787,000	+1,397,000
Inspection and Weighing Services (limitation on administrative expenses, from fees collected)	(43,092,000)	(42,557,000)	(42,557,000)	(42,557,000)	(42,557,000)	(-535,000)
Office of the Under Secretary for Food Safety	446,000	598,000	.....	446,000	446,000	.....
Food Safety and Inspection Service	588,761,000	149,566,000	609,250,000	605,149,000	609,250,000	+20,489,000
Lab accreditation fees 1/	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)	.....
Total, Production, Processing, and Marketing	3,292,303,000	2,840,480,000	3,299,073,000	3,259,614,000	3,383,709,000	+91,406,000
Farm Assistance Programs						
Office of the Under Secretary for Farm and Foreign Agricultural Services	572,000	597,000	597,000	572,000	572,000	.....

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)— continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Farm Service Agency:						
Salaries and expenses	699,579,000	723,478,000	724,499,000	710,842,000	714,499,000	+14,920,000
(Transfer from export loans)	(589,000)	(672,000)	(589,000)	(589,000)	(589,000)	.....
(Transfer from P.L. 480)	(815,000)	(845,000)	(815,000)	(815,000)	(815,000)	.....
(Transfer from ACIF)	(209,861,000)	(227,673,000)	(209,861,000)	(209,861,000)	(209,861,000)	.....
Total, salaries and expenses	(910,844,000)	(952,868,000)	(935,764,000)	(922,107,000)	(925,764,000)	(+14,920,000)
State mediation grants	2,000,000	4,000,000	2,000,000	2,000,000	2,000,000	.....
Dairy indemnity program	550,000	450,000	450,000	450,000	450,000	-100,000
Total, Farm Service Agency	702,129,000	727,928,000	726,949,000	713,292,000	716,949,000	+14,820,000
Agricultural Credit Insurance Fund Program Account:						
Loan authorizations:						
Farm ownership loans:						
Direct	(78,320,000)	(85,000,000)	(75,000,000)	(85,649,000)	(85,651,000)	(+7,331,000)
Guaranteed	(425,000,000)	(425,031,000)	(425,031,000)	(425,000,000)	(425,031,000)	(+31,000)
Subtotal	(503,320,000)	(510,031,000)	(500,031,000)	(510,649,000)	(510,682,000)	(+7,362,000)
Farm operating loans:						
Direct	(565,000,000)	(500,000,000)	(500,000,000)	(560,472,000)	(500,000,000)	(-65,000,000)
Guaranteed unsubsidized	(992,906,000)	(1,700,000,000)	(1,276,000,000)	(992,906,000)	(948,276,000)	(-44,630,000)
Guaranteed subsidized	(235,000,000)	(200,000,000)	(200,000,000)	(235,000,000)	(200,000,000)	(-35,000,000)
Subtotal	(1,792,906,000)	(2,400,000,000)	(1,976,000,000)	(1,788,378,000)	(1,648,276,000)	(-144,630,000)
Indian tribe land acquisition loans	(1,000,000)	(1,003,000)	(1,000,000)	(1,000,000)	(1,000,000)	.....
Emergency disaster loans	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	(25,000,000)	.....
Boll weevil eradication loans	(53,467,000)	(30,000,000)	(100,000,000)	(40,000,000)	(100,000,000)	(+46,533,000)
Credit sales of acquired property	(25,000,000)	(25,000,000)	(25,000,000)	.....	.....	(-25,000,000)
Total, Loan authorizations	(2,400,693,000)	(2,991,034,000)	(2,627,031,000)	(2,365,027,000)	(2,284,958,000)	(-115,735,000)
Loan subsidies:						
Farm ownership loans:						
Direct	8,329,000	12,725,000	11,228,000	12,822,000	12,822,000	+4,493,000
Guaranteed	16,407,000	6,758,000	6,758,000	6,758,000	6,758,000	-9,649,000
Subtotal	24,736,000	19,483,000	17,986,000	19,580,000	19,580,000	-5,156,000
Farm operating loans:						
Direct	36,823,000	34,150,000	34,150,000	38,280,000	34,150,000	-2,673,000
Guaranteed unsubsidized	11,617,000	19,720,000	11,000,000	11,518,000	11,000,000	-617,000
Guaranteed subsidized	22,654,000	17,480,000	17,480,000	20,539,000	17,480,000	-5,174,000
Subtotal	71,094,000	71,350,000	62,630,000	70,337,000	62,630,000	-8,464,000
Indian tribe land acquisition	132,000	153,000	153,000	153,000	153,000	+21,000
Emergency disaster loans	6,008,000	5,900,000	5,900,000	5,900,000	5,900,000	-108,000
Boll weevil loans subsidy	472,000	432,000	1,440,000	576,000	1,440,000	+968,000
Credit sales of acquired property	3,255,000	3,260,000	3,260,000	.....	.....	-3,255,000
Total, Loan subsidies	105,697,000	100,578,000	91,369,000	96,546,000	89,703,000	-15,994,000
ACIF expenses:						
Salaries and expense (transfer to FSA)	209,861,000	227,673,000	209,861,000	209,861,000	209,861,000	.....
Administrative expenses	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	.....
Total, ACIF expenses	219,861,000	237,673,000	219,861,000	219,861,000	219,861,000	.....
Total, Agricultural Credit Insurance Fund	325,558,000	338,251,000	311,230,000	316,407,000	309,564,000	-15,994,000
(Loan authorization)	(2,400,693,000)	(2,991,034,000)	(2,627,031,000)	(2,365,027,000)	(2,284,958,000)	(-115,735,000)
Total, Farm Service Agency	1,027,687,000	1,066,179,000	1,038,179,000	1,029,699,000	1,026,513,000	-1,174,000
Risk Management Agency:						
Administrative and operating expenses	64,000,000	66,000,000	64,000,000	64,000,000	64,000,000	.....
Sales commission of agents	188,571,000	.....	.....	.....	.....	-188,571,000
Total, Risk Management Agency	252,571,000	66,000,000	64,000,000	64,000,000	64,000,000	-188,571,000
Total, Farm Assistance Programs	1,280,830,000	1,132,776,000	1,102,776,000	1,094,271,000	1,091,085,000	-189,745,000

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)—continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Corporations						
Federal Crop Insurance Corporation:						
Federal crop insurance corporation fund	1,584,135,000	1,504,036,000	1,504,036,000	1,504,036,000	1,504,036,000	-80,099,000
Commodity Credit Corporation Fund:						
Reimbursement for net realized losses	783,507,000	8,439,000,000	8,439,000,000	8,439,000,000	8,439,000,000	+7,655,493,000
Operations and maintenance for hazardous waste management (limitation on administrative expenses)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	.....
Total, Corporations	2,367,642,000	9,943,036,000	9,943,036,000	9,943,036,000	9,943,036,000	+7,575,394,000
Total, title I, Agricultural Programs	6,940,775,000	13,916,292,000	14,344,885,000	14,296,921,000	14,417,830,000	+7,477,055,000
(By transfer)	(211,265,000)	(229,190,000)	(211,265,000)	(211,265,000)	(211,265,000)	.....
(Loan authorization)	(2,400,693,000)	(2,991,034,000)	(2,627,031,000)	(2,365,027,000)	(2,284,958,000)	(-115,735,000)
(Limitation on administrative expenses)	(107,613,000)	(108,287,000)	(108,287,000)	(107,078,000)	(108,287,000)	(+674,000)
TITLE II - CONSERVATION PROGRAMS						
Office of the Under Secretary for Natural Resources and Environment	693,000	719,000	719,000	693,000	693,000	.....
Natural Resources Conservation Service:						
Conservation operations	632,853,000	742,231,000	641,243,000	638,664,000	641,243,000	+8,390,000
Watershed surveys and planning 2/	11,190,000	.....	9,545,000	11,190,000	10,368,000	-822,000
Watershed and flood prevention operations 3/	101,036,000	49,000,000	97,850,000	101,036,000	99,443,000	-1,593,000
Resource conservation and development	34,377,000	34,377,000	35,000,000	34,377,000	35,000,000	+623,000
Forestry incentives program	6,325,000	.....	.....	6,325,000	6,325,000	.....
Total, Natural Resources Conservation Service	785,781,000	825,608,000	783,638,000	791,592,000	792,379,000	+6,598,000
Total, title II, Conservation Programs	786,474,000	826,327,000	784,357,000	792,285,000	793,072,000	+6,598,000
TITLE III - RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS						
Office of the Under Secretary for Rural Development	588,000	611,000	611,000	588,000	588,000	.....
Rural community advancement program	652,197,000	715,172,000	745,172,000	702,601,000	722,686,000	+70,489,000
Delta region economic development program	.....	26,000,000	.....	.....	.....	.....
Rural Housing Service:						
Rural Housing Insurance Fund Program Account:						
Loan authorizations:						
Single family (sec. 502)	(1,000,000,000)	(1,000,000,000)	(930,600,000)	(1,000,000,000)	(965,313,000)	(-34,687,000)
Unsubsidized guaranteed	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	(3,000,000,000)	.....
Housing repair (sec. 504)	(30,000,000)	(25,001,000)	(25,001,000)	(30,000,000)	(25,001,000)	(-4,999,000)
Farm labor (sec. 514)	(15,000,000)	(32,108,000)	(20,000,000)	(15,758,000)	(20,000,000)	(+5,000,000)
Rental housing (sec. 515)	(128,640,000)	(100,000,000)	(100,000,000)	(128,640,000)	(114,321,000)	(-14,319,000)
Multi-family housing guarantees (sec. 538)	(19,700,000)	(150,000,000)	(125,000,000)	(75,000,000)	(100,000,000)	(+80,300,000)
Site loans (sec. 524)	(600,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,152,000)	(+4,552,000)
Credit sales of acquired property	(25,000,000)	(30,007,000)	(25,000,000)	(25,000,000)	(16,930,000)	(-8,070,000)
Self-help housing land development fund	(587,000)	(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)	(+4,413,000)
Total, Loan authorizations	(4,219,527,000)	(4,347,116,000)	(4,235,601,000)	(4,284,398,000)	(4,251,717,000)	(+32,190,000)
Loan subsidies:						
Single family (sec. 502)	128,100,000	118,200,000	110,000,000	118,200,000	114,100,000	-14,000,000
Unsubsidized guaranteed	6,900,000	2,700,000	2,700,000	2,700,000	2,700,000	-4,200,000
Housing repair (sec. 504)	10,300,000	8,808,000	8,808,000	10,569,000	8,808,000	-1,492,000
Multi-family housing guarantees (sec. 538)	1,200,000	3,480,000	2,900,000	1,740,000	2,320,000	+1,120,000
Farm labor (sec. 514)	7,388,000	16,706,000	10,406,000	8,199,000	10,406,000	+3,018,000
Rental housing (sec. 515)	68,745,000	48,250,000	48,250,000	62,069,000	55,160,000	-13,585,000
Site loans (sec. 524)	.....	17,000	17,000	16,000	17,000	+17,000
Credit sales of acquired property	3,492,000	4,672,000	3,492,000	3,826,000	3,492,000	.....
Self-help housing land development fund	17,000	282,000	282,000	282,000	282,000	+265,000
Total, Loan subsidies	226,142,000	203,115,000	186,855,000	207,601,000	197,285,000	-28,857,000
RHIF administrative expenses (transfer to RHS)	354,785,000	367,857,000	354,785,000	360,785,000	360,785,000	+6,000,000
Rental assistance program:						
(Sec. 521)	535,497,000	577,497,000	577,497,000	577,497,000	577,497,000	+42,000,000
(Sec. 502(c)(5)(D))	5,900,000	5,900,000	5,900,000	5,900,000	5,900,000	.....
Total, Rental assistance program	541,397,000	583,397,000	583,397,000	583,397,000	583,397,000	+42,000,000
Total, Rural Housing Insurance Fund	1,122,324,000	1,154,369,000	1,125,037,000	1,151,783,000	1,141,467,000	+19,143,000
(Loan authorization)	(4,219,527,000)	(4,347,116,000)	(4,235,601,000)	(4,284,398,000)	(4,251,717,000)	(+32,190,000)
Mutual and self-help housing grants	26,000,000	26,000,000	26,000,000	26,000,000	26,000,000	.....
Rural community fire protection grants	2,000,000	.....	.....	.....	.....	-2,000,000
Rural housing assistance grants	45,720,000	46,900,000	41,000,000	45,720,000	41,000,000	-4,720,000
Subtotal, grants and payments	73,720,000	72,900,000	67,000,000	71,720,000	67,000,000	-6,720,000

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)— continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
RHS expenses:						
Salaries and expenses	57,958,000	60,978,000	57,958,000	60,978,000	60,978,000	+3,020,000
(Transfer from RHIF)	(354,785,000)	(367,857,000)	(354,785,000)	(360,785,000)	(360,785,000)	(+6,000,000)
Total, RHS expenses	(412,743,000)	(428,835,000)	(412,743,000)	(421,763,000)	(421,763,000)	(+9,020,000)
Total, Rural Housing Service	1,254,002,000	1,288,247,000	1,249,995,000	1,284,481,000	1,269,445,000	+15,443,000
(Loan authorization)	(4,219,527,000)	(4,347,116,000)	(4,235,601,000)	(4,284,398,000)	(4,251,717,000)	(+32,190,000)
Rural Business-Cooperative Service:						
Rural Development Loan Fund Program Account:						
(Loan authorization)	(35,000,000)	(35,000,000)	(35,000,000)	(33,000,000)	(33,000,000)	(-2,000,000)
Loan subsidy	16,888,000	17,622,000	17,622,000	16,615,000	16,615,000	-273,000
Administrative expenses (transfer to RBCS)	3,482,000	3,547,000	3,499,000	3,482,000	3,482,000	.....
Total, Rural Development Loan Fund	20,370,000	21,169,000	21,121,000	20,097,000	20,097,000	-273,000
Rural Economic Development Loans Program Account:						
(Loan authorization)	(25,000,000)	(15,000,000)	(15,000,000)	(23,000,000)	(15,000,000)	(-10,000,000)
Direct subsidy	5,978,000	3,783,000	3,783,000	5,801,000	3,783,000	-2,195,000
Alternative Agricultural Research and Commercialization Revolving Fund	7,000,000	10,000,000	.....	7,000,000	3,500,000	-3,500,000
Rural cooperative development grants	3,000,000	5,700,000	3,300,000	3,000,000	3,300,000	+300,000
RBCS expenses:						
Salaries and expenses	25,680,000	26,396,000	25,680,000	25,680,000	25,680,000	.....
(Transfer from RDLFP)	(3,482,000)	(3,547,000)	(3,499,000)	(3,482,000)	(3,482,000)	.....
Total, RBCS expenses	(29,162,000)	(29,943,000)	(29,179,000)	(29,162,000)	(29,162,000)	.....
Total, Rural Business-Cooperative Service	62,028,000	67,048,000	53,884,000	61,578,000	56,360,000	-5,668,000
(By transfer)	(3,482,000)	(3,547,000)	(3,499,000)	(3,482,000)	(3,482,000)	.....
(Loan authorization)	(60,000,000)	(50,000,000)	(50,000,000)	(56,000,000)	(48,000,000)	(-12,000,000)
Rural Utilities Service:						
Rural Electrification and Telecommunications Loans Program Account:						
Loan authorizations:						
Direct loans:						
Electric 5%	(125,000,000)	(55,000,000)	(71,500,000)	(71,500,000)	(71,500,000)	(-53,500,000)
Telecommunications 5%	(75,000,000)	(50,000,000)	(75,000,000)	(75,000,000)	(75,000,000)	.....
Subtotal	(200,000,000)	(105,000,000)	(146,500,000)	(146,500,000)	(146,500,000)	(-53,500,000)
Treasury rates: Telecommunications	(300,000,000)	(300,000,000)	(300,000,000)	(250,000,000)	(300,000,000)	.....
Muni-rate: Electric	(500,000,000)	(250,000,000)	(295,000,000)	(295,000,000)	(295,000,000)	(-205,000,000)
FFB loans:						
Electric, regular	(300,000,000)	(300,000,000)	(700,000,000)	(700,000,000)	(700,000,000)	(+400,000,000)
Telecommunications	(120,000,000)	(120,000,000)	(120,000,000)	(120,000,000)	(120,000,000)	.....
Subtotal	(420,000,000)	(420,000,000)	(820,000,000)	(820,000,000)	(820,000,000)	(+400,000,000)
Total, Loan authorizations	(1,420,000,000)	(1,075,000,000)	(1,561,500,000)	(1,511,500,000)	(1,561,500,000)	(+141,500,000)
Loan subsidies:						
Direct loans:						
Electric 5%	9,325,000	7,172,000	9,325,000	9,325,000	9,325,000	.....
Telecommunications 5%	2,940,000	4,895,000	7,342,000	7,342,000	7,342,000	+4,402,000
Subtotal	12,265,000	12,067,000	16,667,000	16,667,000	16,667,000	+4,402,000
Treasury rates: Telecommunications	60,000	810,000	810,000	675,000	810,000	+750,000
Muni-rate: Electric	21,100,000	21,900,000	25,842,000	25,842,000	25,842,000	+4,742,000
FFB loans: Electric, regular	2,760,000	.....	.....	.....	.....	-2,760,000
Total, Loan subsidies	36,185,000	34,777,000	43,319,000	43,184,000	43,319,000	+7,134,000
RETLP administrative expenses (transfer to RUS)	29,982,000	32,000,000	29,982,000	29,982,000	29,982,000	.....
Total, Rural Electrification and Telecommunications Loans Program Account	66,167,000	66,777,000	73,301,000	73,166,000	73,301,000	+7,134,000
(Loan authorization)	(1,420,000,000)	(1,075,000,000)	(1,561,500,000)	(1,511,500,000)	(1,561,500,000)	(+141,500,000)
Rural Telephone Bank Program Account:						
(Loan authorization)	(175,000,000)	(175,000,000)	(175,000,000)	(140,000,000)	(157,509,000)	(-17,491,000)
Direct loan subsidy	3,710,000	4,638,000	4,638,000	3,710,000	4,174,000	+464,000
RTP administrative expenses (transfer to RUS)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	.....
Total	6,710,000	7,638,000	7,638,000	6,710,000	7,174,000	+464,000

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)— continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Distance learning and telemedicine program:						
(Loan authorization)	(150,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	(150,000,000)	.....
Direct loan subsidy	30,000	180,000	180,000	180,000	180,000	+150,000
Grants	12,500,000	15,000,000	10,000,000	12,500,000	12,500,000	.....
Total	12,530,000	15,180,000	10,180,000	12,680,000	12,680,000	+150,000
RUS expenses:						
Salaries and expenses	33,000,000	33,445,000	33,000,000	33,000,000	33,000,000	.....
(Transfer from RETLP)	(29,982,000)	(32,000,000)	(29,982,000)	(29,982,000)	(29,982,000)	.....
(Transfer from RTP)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	(3,000,000)	.....
Total, RUS expenses	(65,982,000)	(68,445,000)	(65,982,000)	(65,982,000)	(65,982,000)	.....
Total, Rural Utilities Service	118,407,000	123,040,000	124,119,000	125,556,000	126,155,000	+7,748,000
(By transfer)	(32,982,000)	(35,000,000)	(32,982,000)	(32,982,000)	(32,982,000)	.....
(Loan authorization)	(1,745,000,000)	(1,400,000,000)	(1,886,500,000)	(1,801,500,000)	(1,869,009,000)	(+124,009,000)
Total, title III, Rural Economic and Community Development Programs	2,087,222,000	2,220,118,000	2,173,781,000	2,174,804,000	2,175,234,000	+88,012,000
(By transfer)	(391,249,000)	(406,404,000)	(391,266,000)	(397,249,000)	(397,249,000)	(+6,000,000)
(Loan authorization)	(6,024,527,000)	(5,797,116,000)	(6,172,101,000)	(6,141,898,000)	(6,168,726,000)	(+144,199,000)
TITLE IV - DOMESTIC FOOD PROGRAMS						
Office of the Under Secretary for Food, Nutrition and Consumer Services	554,000	573,000	.....	554,000	554,000	.....
Food and Consumer Service:						
Child nutrition programs	2,612,675,000	3,887,703,000	4,166,747,000	4,171,747,000	4,128,747,000	+1,516,072,000
Discretionary spending	3,750,000	10,000,000	3,750,000	.....	.....	-3,750,000
Transfer from section 32	5,151,391,000	5,332,194,000	5,048,150,000	5,048,150,000	5,048,150,000	-103,241,000
Total, Child nutrition programs	7,767,816,000	9,229,897,000	9,218,647,000	9,219,897,000	9,176,897,000	+1,409,081,000
Special supplemental nutrition program for women, infants, and children (WIC)	3,924,000,000	4,081,000,000	3,924,000,000	3,948,000,000	3,924,000,000	.....
Reserve	.....	(20,000,000)	.....	.....	.....	.....
Food stamp program:						
Expenses	23,736,479,000	22,365,806,000	21,165,806,000	22,365,806,000	21,159,106,000	-2,577,373,000
Reserve	100,000,000	1,000,000,000	100,000,000	100,000,000	100,000,000	.....
Nutrition assistance for Puerto Rico	1,204,000,000	1,236,000,000	1,236,000,000	1,236,000,000	1,236,000,000	+32,000,000
The emergency food assistance program	100,000,000	100,000,000	90,000,000	80,000,000	90,000,000	-10,000,000
Total, Food stamp program	25,140,479,000	24,701,806,000	22,591,806,000	23,781,806,000	22,585,106,000	-2,555,373,000
Commodity assistance program	141,000,000	317,081,000	141,000,000	141,000,000	131,000,000	-10,000,000
Food donations programs for selected groups:						
Needy family program	1,165,000	.....	1,081,000	1,081,000	1,081,000	-84,000
Elderly feeding program	140,000,000	.....	140,000,000	140,000,000	140,000,000	.....
Total, Food donations programs 4/	141,165,000	.....	141,081,000	141,081,000	141,081,000	-84,000
Food program administration	107,505,000	111,848,000	108,311,000	109,069,000	108,561,000	+1,056,000
Total, Food and Consumer Service	37,221,965,000	38,441,632,000	36,124,845,000	37,340,853,000	36,066,645,000	-1,155,320,000
Total, title IV, Domestic Food Programs	37,222,519,000	38,442,205,000	36,124,845,000	37,341,407,000	36,067,199,000	-1,155,320,000
TITLE V - FOREIGN ASSISTANCE AND RELATED PROGRAMS						
Foreign Agricultural Service and General Sales Manager:						
Direct appropriation	131,295,000	141,087,000	131,295,000	131,795,000	136,203,000	+4,908,000
(Transfer from export loans)	(3,231,000)	(3,413,000)	(3,231,000)	(3,231,000)	(3,231,000)	.....
(Transfer from P.L. 480)	(1,035,000)	(1,093,000)	(1,035,000)	(1,035,000)	(1,035,000)	.....
Total, Program level	(135,561,000)	(145,593,000)	(135,561,000)	(136,061,000)	(140,469,000)	(+4,908,000)
Public Law 480 Program and Grant Accounts:						
Title I - Credit sales:						
Program level	(244,508,000)	(111,558,000)	(197,514,000)	(221,083,000)	(219,724,000)	(-24,784,000)
Direct loans	(226,900,000)	(102,163,000)	(182,624,000)	(203,475,000)	(203,475,000)	(-23,425,000)
Ocean freight differential	17,608,000	9,395,000	14,890,000	17,608,000	16,249,000	-1,359,000
Title II - Commodities for disposition abroad:						
Program level	(837,000,000)	(837,000,000)	(837,000,000)	(837,000,000)	(837,000,000)	.....
Appropriation	837,000,000	837,000,000	837,000,000	837,000,000	837,000,000	.....
Title III - Commodity grants:						
Program level	(30,000,000)	(30,000,000)	(25,000,000)	(30,000,000)	(25,000,000)	(-5,000,000)
Appropriation	30,000,000	30,000,000	25,000,000	30,000,000	25,000,000	-5,000,000
Loan subsidies	176,596,000	88,867,000	158,499,000	176,596,000	176,596,000	.....

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)— continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Salaries and expenses:						
General Sales Manager (transfer to FAS)	1,035,000	1,093,000	1,035,000	1,035,000	1,035,000	.....
Farm Service Agency (transfer to FSA)	815,000	845,000	815,000	815,000	815,000	.....
Subtotal	1,850,000	1,938,000	1,850,000	1,850,000	1,850,000	.....
Total, Public Law 480:						
Program level	(1,111,508,000)	(978,558,000)	(1,059,514,000)	(1,088,083,000)	(1,081,724,000)	(-29,784,000)
Appropriation	1,063,054,000	967,000,000	1,037,239,000	1,063,054,000	1,056,695,000	-6,359,000
CCC Export Loans Program Account:						
Export credit: Loan subsidy	407,630,000	253,000,000	252,500,000	.....	.....	-407,630,000
(Loan authorization)	(5,500,000,000)	(4,615,000,000)	(4,615,000,000)	.....	.....	(-5,500,000,000)
Emerging markets export credit	(200,000,000)	.....	.....	.....	.....	(-200,000,000)
Salaries and expenses (Export Loans):						
General Sales Manager (transfer to FAS)	3,231,000	3,413,000	3,231,000	3,231,000	3,231,000	.....
Farm Service Agency (transfer to FSA)	589,000	672,000	589,000	589,000	589,000	.....
Total, CCC Export Loans Program Account	411,450,000	257,085,000	256,320,000	3,820,000	3,820,000	-407,630,000
Total, title V, Foreign Assistance and Related Programs	1,605,799,000	1,365,172,000	1,424,854,000	1,198,669,000	1,196,718,000	-409,081,000
(By transfer)	(4,266,000)	(4,506,000)	(4,266,000)	(4,266,000)	(4,266,000)	.....
TITLE VI - RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION						
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Food and Drug Administration						
Salaries and expenses, direct appropriation	857,501,000	878,884,000	871,499,000	940,367,000	965,867,000	+108,366,000
Prescription drug user fee act	(117,122,000)	(126,845,000)	(126,845,000)	(132,273,000)	(132,273,000)	(+15,151,000)
Mammography clinics user fee	(13,966,000)	(14,385,000)	(14,385,000)	(14,385,000)	(14,385,000)	(+419,000)
Subtotal, program level	(988,589,000)	(1,020,114,000)	(1,012,729,000)	(1,087,025,000)	(1,112,525,000)	(+123,936,000)
Buildings and facilities	21,350,000	8,350,000	11,350,000	12,350,000	11,350,000	-10,000,000
Rental payments (FDA)	46,294,000	82,866,000	82,866,000	.....	.....	-46,294,000
By transfer from PDUFA	.....	(5,428,000)	(5,428,000)	.....	.....	.....
Subtotal, program level	(46,294,000)	(88,294,000)	(88,294,000)	.....	.....	(-46,294,000)
Total, Food and Drug Administration	925,145,000	970,100,000	965,715,000	952,717,000	977,217,000	+52,072,000
DEPARTMENT OF THE TREASURY						
Financial Management Service: Payments to the Farm Credit System Financial Assistance Corporation	7,728,000	2,565,000	2,565,000	2,565,000	2,565,000	-5,163,000
INDEPENDENT AGENCIES						
Commodity Futures Trading Commission	58,101,000	63,360,000	62,140,000	61,000,000	61,000,000	+2,899,000
Farm Credit Administration (limitation on administrative expenses)	(34,423,000)	(35,800,000)	(35,800,000)	.....	(35,800,000)	(+1,377,000)
Total, title VI, Related Agencies and Food and Drug Administration	990,974,000	1,036,025,000	1,030,420,000	1,016,282,000	1,040,782,000	+49,808,000
TITLE VII - EMERGENCY APPROPRIATIONS						
DEPARTMENT OF AGRICULTURE						
Farm Service Agency						
Emergency conservation program	34,000,000	.....	.....	.....	.....	-34,000,000
Tree assistance program	14,000,000	.....	.....	.....	.....	-14,000,000
Agricultural Credit Insurance Fund Program Account:						
Emergency insured loans:						
Loan subsidy	21,000,000	.....	.....	.....	.....	-21,000,000
(Loan authorization)	(87,400,000)	.....	.....	.....	.....	(-87,400,000)
Total, Farm Service Agency	69,000,000	.....	.....	.....	.....	-69,000,000
Commodity Credit Corporation						
Livestock disaster assistance fund	4,000,000	.....	.....	.....	.....	-4,000,000
Dairy production indemnity assistance program	6,800,000	.....	.....	.....	.....	-6,800,000
Total, Commodity Credit Corporation	10,800,000	.....	.....	.....	.....	-10,800,000

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)— continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Natural Resources Conservation Service						
Watershed and flood prevention operations	80,000,000					-80,000,000
Total, title VII, Emergency appropriations	159,800,000					-159,800,000
TITLE XI - EMERGENCY APPROPRIATIONS						
DEPARTMENT OF AGRICULTURE						
Farm Service Agency						
Salaries and expenses		40,000,000			40,000,000	+40,000,000
Agricultural Credit Insurance Fund Program Account:						
Loan authorizations:						
Farm operating loans:						
Direct					(133,806,000)	(+133,806,000)
Guaranteed unsubsidized					(150,000,000)	(+150,000,000)
Guaranteed subsidized					(156,704,000)	(+156,704,000)
Total, Loan authorizations					(440,510,000)	(+440,510,000)
Loan subsidies:						
Farm operating loans:						
Direct		15,969,000			15,969,000	+15,969,000
Guaranteed unsubsidized		1,740,000			1,740,000	+1,740,000
Guaranteed subsidized		13,696,000			13,696,000	+13,696,000
Total, Agricultural Credit Insurance Fund		31,405,000			31,405,000	+31,405,000
(Loan authorization)					(440,510,000)	(+440,510,000)
Total, Farm Service Agency		71,405,000			71,405,000	+71,405,000
Federal Crop Insurance Corporation						
Federal crop insurance corporation fund		1,545,000,000				
Purchase requirement					66,000,000	+66,000,000
Commodity Credit Corporation						
Natural disasters					1,500,000,000	+1,500,000,000
Multi-year losses					675,000,000	+675,000,000
Livestock disaster assistance fund		85,000,000			175,000,000	+175,000,000
Multi-year flooding		50,000,000				
Market loss					1,650,000,000	+1,650,000,000
Total, Commodity Credit Corporation		135,000,000			4,066,000,000	+4,066,000,000
Natural Resources Conservation Service						
Forestry incentives program					10,000,000	+10,000,000
Forest Service						
State and private forestry		10,000,000				
Total, title XI, emergency appropriations		1,761,405,000			4,147,405,000	+4,147,405,000
TITLE XIII - EMERGENCY APPROPRIATIONS						
DEPARTMENT OF AGRICULTURE						
Office of the Secretary (cotton warehouse)					5,000,000	+5,000,000
Federal Crop Insurance Corporation						
Federal crop insurance corporation fund (raisins)					3,000,000	+3,000,000
Commodity Credit Corporation						
Economic loss (Alaska)					50,000,000	+50,000,000
Honey					1,000,000	+1,000,000
Mohair fiber					27,000,000	+27,000,000
Total, Commodity Credit Corporation					78,000,000	+78,000,000
Foreign Agricultural Service and General Sales Manager						
Food for progress					25,000,000	+25,000,000
Total, title XIII, emergency appropriations					111,000,000	+111,000,000

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS BILL, 1999 (H.R. 4101)— continued

	FY 1998 Enacted	FY 1999 Estimate	House	Senate	Conference	Conference compared with enacted
Grand total:						
New budget (obligational) authority	49,793,563,000	59,567,544,000	55,883,142,000	56,820,368,000	59,949,240,000	+10,155,677,000
Appropriations	(49,633,763,000)	(57,806,139,000)	(55,883,142,000)	(56,820,368,000)	(55,690,835,000)	(+6,057,072,000)
Emergency appropriations	(159,800,000)	(1,761,405,000)	.....	.....	(4,258,405,000)	(+4,098,605,000)
(By transfer)	(606,780,000)	(640,100,000)	(606,797,000)	(612,780,000)	(612,780,000)	(+6,000,000)
(Loan authorization)	(14,012,620,000)	(13,403,150,000)	(13,414,132,000)	(8,506,925,000)	(8,894,194,000)	(-5,118,426,000)
(Limitation on administrative expenses)	(142,036,000)	(144,087,000)	(144,087,000)	(107,078,000)	(144,087,000)	(+2,051,000)

1/ In addition to appropriation.
2/ Budget proposes to fund this account under Conservation Operations.
3/ Budget proposes to fund technical assistance for WFPO under Conservation Operations.
4/ Budget proposes to include funding for these programs under the Commodity Assistance Program in FY 1998.

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

Ms. KAPTUR. Mr. Speaker, I yield myself such time as I may consume, and I rise in support of this conference report on H.R. 4101, which is the 1999 appropriations bill for Agriculture and Related Agencies.

Mr. Speaker, I want to say how pleased we are today also that our fine and distinguished colleague, the gentleman from the State of Texas (Mr. HENRY GONZALEZ), is here for this debate, and how very much we enjoy working with him on every single issue that comes before the Nation.

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Mr. Speaker, I rise today to commend our chairman, the gentleman from New Mexico (Mr. SKEEN), and as well as all the members of our subcommittee, and the committee staff, Tim, Sally, and Bobby, for their outstanding leadership in helping us put this bill together.

Without question, it keeps our Nation at the leading edge for food, fiber, fuel, and forest production as well as research, trade, and food safety. Really a full plate. Our bill contains this year $55.88 billion in total budget authority for the fiscal year 1999, where the clock has already begun running, of which $13.65 billion is for discretionary programs, with the vast majority, $42.2 billion, for mandatory programs.

Over two-thirds of this bill's spending, in fact, is dedicated to mandatory programs, largely the nutrition programs, like the school lunch and the school breakfast programs and the food stamp program, which comprise nearly 70 percent of all the funding incorporated in this measure.

Now, this is a balanced bill that attempts to address the needs of farmers, food and drug safety, rural community development, consumers, and those in our population most nutritionally at risk. The chairman has fashioned a bill with our committee that is the best possible bill within the allocation that we were all dealt.

I have to say, I appreciate the bipartisanship and sensitivity of the gentleman from New Mexico (Mr. SKEEN) to balancing the burden of these tight funding levels between various constituencies served by our bill, Members who may represent Bronx, New York, all the way to the southern third of New Mexico and Arizona. So we have a very diverse committee and a very diverse Congress.

I would be remiss if I did not point out that there remains a veto threat on this bill because of the level provided for disaster assistance in agriculture. I would hope that there would be another opportunity for this Congress to perhaps incorporate additional disaster assistance in an omnibus supplemental appropriations bill.

Funding levels are also still well below the administration's request for several of our most critically important programs in this bill. For example, in the area of food safety; the Women, Infants, and Children's feeding program; our conservation program, so important to today and tomorrow; youth tobacco prevention; all of the rural water and sewer needs that each of us knows so well from our respective States, and certainly The Emergency Feeding and Assistance Program known as TEFAP.

Without an additional allocation of resources, we continue to betray our commitment to American farmers and to all consumers who benefit from the bounty that our farmers produce.

I am going to reference a few of the major points in the bill right now, beginning with disaster assistance.

Mr. Speaker, there is a real crisis facing most American farmers in rural communities today, and many have been unduly affected by the drought and other extreme and unusual weather conditions. Some are suffering the impact of repeated crop disease year after year, and others have been impacted by very low farm prices, falling farm prices, and increasing inability to obtain credit at prices that really work on the balance sheet.

While the rest of the country may be experiencing economic recovery, thousands and thousands of farm and ranch families, certainly so many of our dairy farmers that the gentleman from Wisconsin (Mr. OBEY), our ranking member, has so eloquently represented in these debates, and the communities that depend on them have been left behind. The gentleman from Wisconsin (Mr. JOHNSON) just talked about that a bit earlier during the debate on the rule.

I am pleased that we were able to provide over $4 billion in emergency assistance to farmers in this conference report, but I remain concerned that this level of funding still remains insufficient to deal with the magnitude of the real farm crisis facing this country. We must keep in mind that this bill will provide only a 1-year fix and that prices are projected to be low again next year.

In fact, at a meeting earlier today, one of our Ohio members told me he had taken his third cutting on hay and alfalfa. That is terrific, except it means that prices are going to continue to go down. Farmers need a long-term safety net and we may need to look to other options for assistance in the future.

Let me move on to the area of food safety. Each year over 9,000 Americans die, that is 9,000, die in this country and another 33 million become ill from food-borne pathogens. Currently less than two-tenths of 1 percent, less than 1 percent of imported produce is being inspected for pathogen contamination.

This bill provides a $51 million increase for the President's Food Safety Initiative, and we thank the administration for that initiative, with $20 million targeted to import inspection through our Food and Drug Administration. This will go a long way toward bolstering our Nation's food safety inspection and research efforts to assure that our food and produce are of higher quality.

I regret, however, that the conferees were unable to adopt country-of-origin labeling for produce and meat, specifically beef and lamb, which we feel is so important for our people to know where their food is coming from. Consumers have a right to know where the food that they eat originates from.

Let me move on, finally, to the area of derivatives and say I remain concerned about a provision in the bill that places a moratorium on the ability of the Commodity Futures Trading Corporation to regulate over-the-counter derivatives.

We have all seen in the recent headlines the default and bailout of the company called Long-Term Capital Management, which in essence was a hedge fund. They play in the area of risk with no assets. Many of the Members in this Chamber may already know about this situation. An emergency financial rescue of over $3.5 billion was hurriedly put together by the Federal Reserve and several New York banks on behalf of a very few large financial institutions and wealthy individuals.

In effect, the largest banks in this country, who lent organizations money to invest in these hedge funds, are at risk because their fundamental deposits are insured by the Federal Deposit Insurance Corporation, which means the taxpayers of this country, because our Nation guarantees bank deposits up to $100,000. That creates the risk pool for insurance, and they are going to be faced with drawing on it very heavily if they are not able to make whole the people who play in those markets.

This federally backed rescue involved Long-Term Capital Management from Connecticut, which was not even regulated by the Federal Government. Yet the package put together was a Federal package. In essence, the taxpayers of America are becoming the insurance company of last resort for a handful of very high risk takers, institutions and individuals that are involved in the highest stakes game and are completely over-leveraged in the international markets.

Mr. Speaker, where are we, where is this Congress and where is our government when it comes to helping out all of the people of this land, including our farmers who are strung out, many of them, to their very last acre?

I find it ironic that this conference report includes nearly $4 billion in emergency assistance for America's farmers, barely much more than is

being provided to some of America's wealthiest individuals and largest institutions connected to long-term capital management. It is an interesting ratio to think about.

Drought and floods and deteriorating world markets are ravaging America's farm sector. Our dairy farmers are being wiped out one after another, and regularly we see on television incidents and acts of God beyond the control of those who are making a living, a hard and difficult living, off the land. Thousands and thousands of farmers and farm families and ranchers are looking to us for this much needed assistance.

Those who speculate on financial trends, those who take major risks and never get their hands dirty, based on which direction currency and commodity prices will go, are taken care of in an instant. One could say that they are bailed out in less than a New York minute by the New York Fed's intervention.

In closing, I want to express my appreciation to the gentleman from New Mexico (Mr. SKEEN) again for putting together the best bill that we could under the circumstances.

Let me just reiterate my continuing concern that we have not been able to provide in this bill country-of-origin labeling on meat, especially beef and lamb. Also, our hope to provide some certainty in the market, for mandatory price reporting in the livestock area, which would be such a simple thing for us to do, it was not included in this legislation. Those are shortcomings in this bill that we hope to overcome in future years.

Overall, it is a good bill. It is worthy of the Members' support.

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

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

Mr. Speaker, I want to return the bouquet to the lady, the gentlewoman from Ohio (Ms. KAPTUR), the ranking member, and thank her for all the service and the help that she has been, and also the rest of the members of the committee. They are a great bunch to work with.

Mr. Speaker, I yield 4 minutes to the gentleman from Oregon (Mr. SMITH), who is chairman of the Committee on Agriculture.

Mr. SMITH of Oregon. Mr. Speaker, I want to compliment the gentleman from New Mexico (Mr. SKEEN) and the ranking member for bringing forth a responsible and reasonable package that is in favor of agriculture across this country, but especially I want to visit for a moment about the disaster relief which is a portion of this program.

Seldom in our history have we ever had a situation that has occurred to us in agriculture as it has in this year, and that simply is drought and flood and disaster conditions throughout much of the country, especially in the South, and a loss of revenue at the same time which was caused by loss of markets.

The problems that we face with disasters, of course, we cannot control, and we have stepped up here today with this program, which certainly is not adequate to fulfill all the needs of farmers and ranchers but certainly will take care of many, many of the problems in disaster as we have been able to identify them around the country.

The other portion of this bill, which is brand new to us, is the restoration of some revenue loss because of market loss. The reason we are doing that is simply because it is the government's responsibility, we feel, to provide markets for agriculture and for farmers and for commodities.

We passed the 1996 Freedom in Farm bill which said no more intervention by the Federal Government in commodities, which gave freedom for the farmer to plant and to harvest and to decide his own fate and future. As a part of that, we also gave the responsibility to the government to provide markets for his products, and that he cannot provide markets for, obviously.

That has been attempted, and we have simply lost that race for the moment. We have lost 30 percent of our market in Asia, as we well know. Japan, which is a huge market for us, is fumbling in economic, questionable situations. South America is combining with their own programs, through MERCOUR and others, to trade with themselves. And we cannot get any commodities into the European Union. So here we are.

This is an adequate and important program for revenue redistribution, and that is why $1.65 billion has been returned through increased AMTA payments to farmers who have lost revenue, who have lost some of their crops through loss of revenue. A part of that, of course, is a recognition that livestock feed is important, and part of this disaster relief goes to emergency feed for livestock people.

All in all, Mr. Speaker, I believe that this program is fair, it is reasonable. It answers farmers' questions, wherever they may be in this country, whatever kind of commodities and crops they may grow. And beyond that, it is fair to the taxpayer and to the budget.

I suggest that we pass this bill. It is important to us. It is important to farmers and it is essential to this nation.

Ms. KAPTUR. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. STENHOLM) the very distinguished ranking member of the Committee on Agriculture, a rancher and farmer himself, from the great State of Texas.

Mr. STENHOLM. Mr. Speaker, I rise in support of this conference report, commend the chairman and the ranking member for their work on this very difficult task.

Mr. Speaker, I rise in strong support of the conference report and I thank my colleague for yielding time.

Mr. Speaker, H.R. 4101 is an important bill which funds the operations of the Department of Agriculture, the Food and Drug Administration, the Commodity Futures Trading Commission and the many functions of those agencies. The Department of Agriculture is an important partner to our nation's farmers and ranchers, and with the normal provisions of this bill the conferees have made recommendations that carefully balance program priorities.

I am particularly grateful that the conferees have risen to the occasion and provided additional funding to aid our nation's farmers and ranchers whose livelihoods are being devastated by natural crises and low prices.

Mr. Speaker, a year ago we were considering the conference report for the FY 1998 version of this bill. At that time, the El Niño weather pattern was continuing to warm the waters of the Eastern Pacific Ocean, the prices of agricultural commodities were displaying considerable volatility, and signs were appearing of trouble spots in the world's economy. We were well aware of the increasing level of uncertainty facing agriculture. With the failure to address IMF and Fast Track, I am afraid that we have ensured future uncertainty in agriculture.

Now, this uncertainty has given way to multiple, compounded disasters. Extreme weather patterns have wiped out crops and pastures, increasing stocks and plummeting economies in Asia are destroying our prices, and it has become clear that the agriculture policies we have set in place are not sufficient to help producers secure the stable revenues they need to continue in business for the long haul.

Mr. Speaker, I support the conference report because it addresses the short-term impacts of the crisis. However, I am disappointed that we were unable to focus on improving the long-term safety net for farmers and ranchers. When I look at the projections for next year's crops, I see continuing low incomes in our agricultural sector. This year's events have made it more clear than ever that we on the Agriculture Committee must commit ourselves to making long-term improvements in Federal programs and give our producers the tools they need to manage adequately production and yield risks.

Mr. Speaker, we have to move forward with this conference report. Too many producers need the assistance that will be provided. Unfortunately, we cannot at this time accurately assess the total damage inflicted on agriculture this year from natural disaster—including Hurricane Georges—or from low prices. To the extent that this bill fails to address adequately the current agricultural crisis, in the days, weeks, and months ahead, we can continue to consider the scope of difficulties in rural America and fashion the appropriate Federal response.

Mr. Speaker, in addition to disaster spending, H.R. 4101 will provide the Agriculture Department with the resources it needs to address the challenges facing rural America. Under the bill, funding is provided for cooperative efforts in agricultural research—the key to

sustained economic viability for agriculture. While the bill prohibits funding for the Initiative for Future Agriculture and Food Systems which became law earlier this year, I look forward to working with my colleagues to ensure that this promising program can be up and running in the not too distant future. The bill provides funding for the administration of the basic farm programs established under the Farm Bill, and for the conservation programs which are an increasingly important focus of the mission of USDA. The bill also funds important programs that will help rural communities address the substantial economic challenges they face.

Mr. Speaker, again I wish to thank and congratulate my colleagues who worked so hard to develop this bill, and I urge all of my colleagues to vote for its passage.

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

Mr. Speaker, I wanted to enter into the record, because the staff gets so little recognition and just reading their names does not seem to be enough, but I do have to say we have the best staff in the Congress on this subcommittee. To Tim Sanders, our hat is off to him, to Sally Chadbourne, to Bobbi Jeanquart, to John Ziolkowski, to Martin Delgado and Jim Richards. I thank them very much for helping America help our people.

□ 1500

Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY), the ranking member on the Committee on Appropriations. There is no harder fighter in our country for the needs of farmers and ranchers, including dairy farmers in his own state.

Mr. OBEY. Mr. Speaker, it is getting a little deep in here. Let me simply say that I want to express my affection for the gentleman from New Mexico and my great respect for the gentlewoman from Ohio, and I regret that I have to oppose their bill, but I want to explain why I am doing that.

Mr. Speaker, I think there are four very good reasons to vote "no" on this bill. First of all, this bill blocks the ability of Secretary of Agriculture Glickman to propose even the smallest reform of the ancient, outmoded and disgracefully discriminatory milk marketing order system. I do not think it ought to do that, and that is one reason I am voting against it.

Secondly, this bill is a very expensive admission that the Freedom to Farm bill is a spectacular failure and it has in fact become the freedom-to-fail-at-farming bill.

Last year, the farm bill provided some $36 billion in transition payments to farmers who are moving their way into the wonderful new world of no safety net. Despite that fact, this bill now recognizes the need to add billions more, because the bottom has dropped out of the market. That is a confession of failure. I think people ought to recognize that.

The problem, however, is that while those grain farmers are getting multibillion dollar payments from the government for the next number of years, when I asked the conferees to provide transition payments for dairy farmers that were only 4 percent as large as those transition payments for grain farmers, we were turned down flat by unanimous vote of the Republican House conferees. If that had been provided, dairy farmers would have gotten an extra 50 cents per hundred weight this year, a small amount, but certainly it would have been welcome.

Thirdly, the conferees then threw beef farmers overboard. There are three companies who control 80 percent of the market in the meat packing industry. They know with perfect understanding what the prices are that they are offering the farmers. But farmers are dispersed and they do not know what the real price is that they can get in the marketplace. We tried to get that corrected by having mandatory price reporting. Again, the House Republican conferees turned that down unanimously, even though it had been supported on a bipartisan basis in the Senate.

Then look at the fact that this bill turned its back on consumers in two ways. First of all, the Senate, again on a bipartisan basis, proposed country-of-origin food labeling on beef because of concerns about problems such as E. coli. Again, the Republican House conferees unanimously turned that down.

We then tried to pass the Senate bipartisan proposal to provide country-of-origin food labeling for fruits and vegetables because we had a cyclosporia outbreak with raspberries from Guatemala and we had hepatitis outbreak because of strawberries from Mexico. Again, Republican House conferees unanimously blocked that bipartisan initiative in the Senate. Given the fact that we only inspect 2 percent of the fruits and vegetables that come into this country for pathogens, it seems to me that is the least that Congress could have done, but they chose not to do it.

Therefore, I am simply going to urge a no vote on this bill. There are many good provisions in the bill, but there are also many cases where the conferees simply gave in to the processors or continued grossly discriminatory pricing practices, and they certainly walked away from the consumer protection actions that they should have taken on these country-of-origin provisions. So I am going to vote no, and I would urge others to do likewise.

Mr. SKEEN. Mr. Speaker, I yield four minutes to the gentleman from Iowa (Mr. LATHAM) a real farmer.

Mr. LATHAM. Mr. Speaker, I thank the chairman very much, and I want to express my appreciation to him for working very hard through a very tough bill, and the ranking member for being so very, very helpful and accommodating.

Let me just say, first of all, the gentleman just talked about the Freedom to Farm bill, calling it the freedom-to-fail bill. I think what this bill points out is the fact that the administration has totally abandoned and failed our farmers, when you look at the fact over the last three years we have had $1.5 billion available for this administration to use to market our grains overseas in the form of Export Enhancement Program funds, and only when the European Union dumped 30,000 metric tons of feed grain barley in California did they finally use about $7 million of this.

Let us look at what the administration's response has been to the plight of the American farmer. In their budget proposal from the other side that they brought forward they had $573 million of new taxes on livestock producers, and these are people who are in dire straits today. But they have got $573 million of new taxes on beef and pork producers in their budget. They cut $35 million out of the Food for Peace program. And when we have a safety net in the farm bill as far as revenue assurance, what is the administration's response in their budget proposal? It is to cut funds out of insurance for farmers to the point where they were going to decimate the entire program for farmers to actually cover their risk out here as far as price and yield.

This is the response of an administration who pretends to be concerned about farmers? The problem is the administration has failed in enacting a good bill which finally gives farmers the freedom to make decisions for themselves.

There are people here who want to roll back the clock and go back to government control on everything, which they have never controlled price except exacerbated a real problem when we have surpluses, and that is what they want to do again.

This is a good bill which actually helps farmers. Being a farmer myself who lives on a farm and operates a farm and understands a little bit about agriculture, I hope, I hope people will support this bill.

The emergency funds in here actually go to help farmers who have need today. The alternative was to put money into a program which, if you did not have a crop this year, would give you no help at all. To raise loan caps when you do not have any grain to put under loan, does not help you.

I would also say by extending the period of the loans, let us think about this for a second, shall we? If you do not have a crop to put under loan, how does extending the loan help you? How does raising the caps on the loans help you, when you have nothing to put under loan? All their program does is

give more money to people who have good crops and take money away from people who have had natural disasters. Does that make any sense at all? No, it makes no sense at all.

We have a good bill that is going to help farmers who have disasters, who need financial assistance because of the administration's policy, which has caused the low prices that we have in agriculture today. Let us support this bill. I would ask everyone to join together in making this work, because it is critical for agriculture and it is critical for this country.

Ms. KAPTUR. Mr. Speaker, I yield two minutes to the very able and dedicated gentlewoman from Connecticut (Ms. DELAURO), who works harder than any other Member of this chamber on most days.

Ms. DELAURO. Mr. Speaker, let me say thank you to my good friend and colleague, the gentlewoman from Ohio (Ms. KAPTUR), for yielding me time and for the wonderfully high compliment. I am much appreciative. I also would like to recognize the gentleman from New Mexico (Chairman SKEEN) and our ranking member, the gentlewoman from Ohio (Ms. KAPTUR), for their outstanding work to bring this conference report to the floor.

I am pleased to rise in support of the conference report. The report omits dangerous language which would have had the chilling effect of slowing or stopping research on drugs to treat cancer, ulcers, hypertension, rheumatoid arthritis and many other serious illnesses. Science, not politics, should dictate whether drugs are approved and made available to the patients whose lives depend on them. I am pleased that this conference report reaffirms that important principle.

The conference report also provides $4.2 billion in critical emergency aid to help agricultural families across this country recover from the terrible losses suffered due to disease, El Nino and other natural disasters, and from the Asian financial crisis and the loss of export markets. I voted in conference to increase these funds.

Farm communities are facing the worst agricultural crisis in a decade, and I believe that additional funds will be needed to address this crisis. However, I am pleased that the conference report takes an important step in the right direction to get aid to our farmers. Despite my desire for higher funding for disaster relief, WIC nutritional assistance, food safety and the FDA tobacco initiative, I would like to say thank you to the chairman and the ranking member for their hard work in putting this package together. I would also like to extend my thanks to the staff who have helped to make this possible. They make it possible for us to do our work.

Ms. KAPTUR. Mr. Speaker, I yield one minute to the gentleman from California (Mr. FAZIO). This is his last conference bill. I can honestly say this is a man that has worked so hard for America, for California and on our committee. We will miss his brilliance and his leadership. We hope he will come back and visit us many, many times, and we thank him for his service to America.

Mr. FAZIO of California. Mr. Speaker, I want to thank my dear colleague, the gentlewoman from Ohio (Ms. KAPTUR), for yielding me this time and for those very generous remarks.

I want to thank the ranking member, along with the chairman, the gentleman from New Mexico (Mr. SKEEN), for the outstanding work they have done on this bill. I rise in support of it, and want to express my deep thanks for the way in which the people I represent in agriculture in California have been treated in this bill and in prior bills. I have enjoyed greatly my opportunity to serve on this committee, and this bill reflects the impact that the very important agricultural State of California has on our national economy, and this bill at the same time responds well to that.

I thank all of my colleagues for the time I have been able to spend with them on this subject.

I rise in support of the conference report.

Each appropriation bill is an amalgam of agencies and issues, but I believe our bill—even though it is confined primarily to one department—is one of the most challenging to balance adequately. We provide funding for farm programs, for rural development and housing, for food safety and operations of the Food and Drug Administration, to promote foreign trade, for research and support for our land-grant colleges, and for human nutrition programs for our school children, for pregnant women and young children, and for others in need.

The House-Senate conference committee was a reflection of the many issues that can be raised in this bill. Although everyone may not be completely happy, I believe we resolved a number of difficult issues in as satisfactory a manner as can be expected under the circumstances.

I want to focus my remarks on one of the issues I raised at conference—methyl bromide. My amendment was agreed to without objection by House and Senate conferees.

Methyl bromide is the most important and widely used agricultural fumigant in use in the United States today and in international agricultural commerce. Despite its importance, methyl bromide is a dangerous chemical, and it is believed to deplete the ozone, so the United States and other countries have made a decision to phase out its use and have worked together in negotiating the Montreal Protocol Treaty.

As many of my colleagues know, based on the requirements of the Clean Air Act, the U.S. has been under a self-imposed methyl bromide phase-out of 2001 for many years. As 2001 has grown closer, our farmers and others who depend upon methyl bromide have experienced considerable anxiety—both because of the phase-out but, more importantly, because of the competitive disadvantage that would be imposed on them if it continues to be available to other countries.

In anticipation of this phase-out, we have provided funding in our bill for many years to the Agricultural Research Service for research into alternatives to methyl bromide. Although there is increased attention on research into alternatives for some users, there is little evidence that we are close to an all-purpose methyl bromide alternative. If cost-effectiveness is taken into account, the situation becomes even less promising.

For those who think this is an issue just related to farming, I want to point out many uses of methyl bromide that we all depend upon. Although much of methyl bromide is used for crop fumigation—especially pre-planting preparation of fields—there are many other important uses that touch home for all of us. Methyl bromide is used for funmigation of many agricultural commodities before they are shipped overseas, in fact, countries such as Japan require methyl bromide certification before accepting our U.S. agricultural commodities. On the receiving end, methyl bromide is used in U.S. ports to fumigate a variety of shipments being received from other countries—not just agricultural commodities, but essentially any pallet of goods that may be infested with unseen parasites that would cause catastrophe if released into our agriculture. In addition, methyl bromide is used for fumigating bakeries, rice mills, grain silos, and food processing plants, so it is an essential tool for federal, state and local sanitation requirements that contribute to a safe food system.

The Administration's negotiating team has attempted over several international meetings to conform the Montreal Protocol to our self-imposed 2001 phase-out under the Clean Air Act. However, they were unsuccessful, and at a September meeting just last year, a 2005 phase-out for developed countries was negotiated.

The amendment I offered at our conference and that is included in this conference report is a relatively simple conformance for the U.S. to the Montreal Protocol. it would amend the Clean Air Act in order for the U.S. to conform to the schedule that has been negotiated by the Administration—a negotiating team headed by officials from the Council on Environmental Quality and EPA. The language of each of its provisions—including a sanitation exemption and a critical uses provision—is specifically conditioned to be consistent with the Montreal Protocol.

Some opposition has been raised to my amendment and that is to be expected for a provision of this importance. I can tell you that farmers would have preferred far more—many of my farmers are competing not with developed countries but with Chile or Argentina or Mexico, who will continue to enjoy a 10-year advantage in using methyl bromide. I can tell you that some environmentalists would prefer we do nothing at all—that we adhere to the self-imposed 2001 phase-out despite its possible devastating effect on our farm economy.

But I believe there has been a recognition by this Administration and by this Congress for many years that this is an issue we need to address. President Clinton told California farmers in 1995 that he would help them resolve

this issue, and Kathleen McGinty, chair of the Council on Environmental Quality has written the Commerce Committee on two occasions to indicate the Administration's willingness to work with it, yet the Administration has never taken the next step by suggesting how we might move ahead.

The Commerce Committee, for understandable reasons, has been hesitant to move ahead despite the compelling case for conforming to the rest of the world, because of the protracted fight between farmers and environmentalists that would probably have resulted.

So, with an Administration which has chosen to remain silent and a Commerce Committee that has chosen not to act, it was left to a retiring congressman who didn't have to face the voters again—namely me—to suggest the approach that is embodied in this conference report today.

While I suspect both the Administration and the Commerce Committee do not think my amendment is perfect, I urge both to support it as a common-sense solution to this problem, and I believe they will.

A provision in an appropriations bill is probably not the best way to handle an issue of this magnitude. The Appropriations Committee is approached time and time again by both authorizers who are unable to work issues through their own committees, and by constituents who are unable to get the normal processes to respond. For those who dislike Appropriations Committee intervention in major issues, I say: show us that you can make the regular process work.

This increasing desire to politicize many issues spills over to ones like this where we should have reached consensus long ago. We need to work harder to identify common ground and put together bipartisan coalitions that can speak with authority to our various constituencies whose nature is always to ask for more. In pushing too hard for the impossible, we too often lose sight of the possible, and we are left with nothing.

My amendment is a common-sense proposal that means that American farmers will not be put at a competitive disadvantage while farmers in every other country are on a different phase-out schedule. it makes sense for the American farmer, it makes sense for our international trade, and it makes sense for all Americans.

Mr. SKEEN. Mr. Speaker, I yield two minutes to the gentleman from New York (Mr. SOLOMON).

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

Mr. Speaker, I was not going to speak, except that I do just want to commend both the chairman of the committee, my good friend, the gentleman from New Mexico (Mr. SKEEN), and the gentlewoman from Ohio (Ms. KAPTUR), because they have brought an excellent bill to this floor.

I do not have to tell Members that in New York State, everyone thinks of it as the money capital of the world, and you would not believe that in a small area like mine, it is the 20th largest dairy producing district in America, not to mention the apples and other produce. But agriculture is the mainstay of industry in New York State, and this bill goes a long way to preserving especially the dairy industry, but all of the agricultural industry.

So I wanted to take a minute just to commend both of you, and particularly your staffs. You have some of the best staff in this entire Congress. I salute you and them and urge support of and passage of the bill.

□ 1515

Ms. KAPTUR. Mr. Speaker, I yield 1½ minutes to the gentleman from Georgia (Mr. BISHOP), who really helped our committee a great deal in enlightening us on some of the civil rights damage suits pending before the U.S. Department of Agriculture and who worked so closely with us, as did the gentlewoman from North Carolina (Mrs. CLAYTON) and the gentlewoman from California (Ms. WATERS). Without question, this is a better bill, a much better bill because of their leadership.

(Mr. BISHOP asked and was given permission to revise and extend his remarks.)

Mr. BISHOP. Mr. Speaker, I rise to support the conference report on H.R. 4101, the fiscal year 1999 agricultural appropriations bill, which includes disaster and market loss assistance to cover losses incurred by farmers this year.

The total farmgate losses in Georgia have been estimated by the University of Georgia to be in excess of three-quarters of a billion dollars. In light of this, the $4.6 billion provided in the bill for all agricultural disasters throughout the United States might prove to be inadequate.

Indeed, many of the details of this bill's implementation will be entrusted to the Department of Agriculture, so I do not know that any of us is confident that every producer in our districts who has suffered a loss through acts of God or record low prices will be indemnified. However, this is a bird in the hand and I must support the bird that we have in hand.

In addition, I am pleased to say that the conferees have seen fit to respond to the Department of Agriculture and the minority farmers in this Nation in providing appropriations and report language which will assist in a long-term problem there. I am pleased to say the conferees, in addition to the overall relief provisions, have included at least three other items of importance to me, two of which I authored after listening to producers throughout South Georgia.

One provision will adjust the Conservation Reserve Program contracts to avoid a further decline in low timber prices throughout the Southeast, and the other will ensure that the Secretary makes available guaranteed loans for the purpose of irrigation installation.

The third, which I am pleased to support, offered by my friend, the gentleman from Georgia (Mr. KINGSTON), will provide for indemnity payments to compensate a number of cotton producers who, through no fault of their own, were left holding the bag when a licensed warehouseman went bankrupt earlier this year.

I urge adoption of the conference report, and it is a good bill.

The current market condition for the sale of harvested timber throughout the Southeast is poor, due in part to the increased harvesting activity in the aftermath of the fires which scorched, but did not completely destroy thousands of acres of commercial pine trees in Florida. Many farms which contain land subject to contract under the Conservation Reserve Program require thinning of pine stands in 1998 or in 1999, as a condition of continued participation in the program. Farmers with land under contract were concerned that the current market condition for timber throughout the Southeast is such that this required thinning activity could exacerbate the oversupply which has resulted in record low prices for harvested trees. I asked for and the conferees agreed to report language that a delay in this requirement is warranted, in order to give the market a chance to absorb the current glut, and for prices to rebound. Therefore, the conferees have directed that the Secretary authorize no less than a two-year extension period on the requirement that owners of land under Conservation Reserve Program contracts should prune, thin or conduct stand improvement activities otherwise required to be completed in 1998 or 1999.

Many of the crop losses suffered through the country during 1998 were due to drought conditions, sustained by dryland farming operations. Many of the dryland farmers report that they could minimize their losses due to drought conditions in future years if they had access to loan financing for installation of irrigation systems, including retention ponds. I believe that the policy of the Congress in responding to disasters should include measures which would serve to mitigate losses from future disasters of the same nature, which are certain to occur again. I asked and the conferees have directed the Secretary to provide loans to borrowers who farm in areas subject to a past Secretarial Declaration of Disaster, due to drought conditions.

In view of the widespread drought conditions this bill is attempting to relieve, directing the Secretary to place a priority on irrigation-related lending is vital.

Ms. KAPTUR. Mr. Speaker, might I inquire as to the remaining time on this side, please?

The SPEAKER pro tempore (Mr. PETRI). The gentlewoman from Ohio (Ms. KAPTUR) has 9 minutes remaining.

Ms. KAPTUR. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. PALLONE) who has worked so hard with us on the sanctions portion of the bill.

Mr. PALLONE. Mr. Speaker, I want to thank the ranking member from Ohio for yielding me this time.

I rise in support of the conference report, and I want to thank the conferees

for including a provision that would give the President authority to waive sanctions that were imposed on both India and Pakistan as a result of the nuclear tests that those countries conducted earlier this year.

The sanctions imposed after the nuclear tests have disrupted a variety of bilateral assistance programs, including technical support for the very market reforms that we would like to see India and other developing countries adopt. These reforms offer short- and long-term opportunities for U.S. companies, large and small, to gain entry into India's vast consumer market and to help meet India's significant infrastructure improvement needs. Under the unilateral sanctions, we stand to lose many of these economic opportunities.

Mr. Speaker, the sanctions have not achieved the desired result; namely, gaining India's support for the Comprehensive Test Ban Treaty. However, several rounds of negotiations between both sides have shown significant progress, and at this time of significant progress in south Asia, giving the President the authority to waive sanctions in exchange for significant agreements from India and Pakistan will help to move the process forward.

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

Ms. KAPTUR. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from North Carolina (Mrs. CLAYTON).

Mrs. CLAYTON. Mr. Speaker, I thank the ranking member for yielding me this time. I want to commend the chairman and the ranking member for their support in bringing the bill before the House.

This bill has many provisions that are good. It has been noted for things that are lacking, but when we balance it all, it has more good than bad. Obviously, we judge good by what things are hurting us back home, and our farmers back home are in some disarray there and they are in disarray for many reasons; not only because the prices are low, but some farmers who have been discriminated against for years are really looking forward to this bill coming, to getting some legal relief from the statute of limitations. Many farmers who have had 17 years of complaints, now this bill will at least allow them to have the legal opportunity to remove the statute of limitations.

I am also pleased about the credit provisions that are in the bill. The credit provisions amend some of the harshness of the 1996 farm bill, where it allows a person who might have defaulted or had problems with their loan to have a second chance. It does not do it as far as I would like, but I must say it is a step in the right direction.

It provides also some relief for emergency loans, if persons have had emergency loans, and again, that is in the right direction. There is not enough money for research, but through the conferees there was some restoration of some funds for research and some expansion for extension programs.

All of those go to make the agricultural community, not only the 1990 colleges, but the university for research, appreciative that the bill will mean that the agriculture community can go forward.

Ms. KAPTUR. Mr. Speaker, I yield 1 minute to the gentleman from Arkansas (Mr. BERRY), who has worked so hard on this measure.

Mr. BERRY. Mr. Speaker, I thank the gentlewoman from Ohio for yielding me this time.

I rise in support of America's farmers. I think it is time for us not to try to find someone to blame this crisis on that our farmers are facing. It is clearly from natural disasters, global oversupply, diminished overseas demand, and low prices, and the last time I checked, droughts are caused by lack of rainfall and floods are caused by too much rainfall.

Now is the time for us to take appropriate action. We should not have delayed the passage of this bill even one day. The partisan fights over unrelated issues should not be allowed to impede the much-needed assistance that this bill will provide for thousands of farmers, not only in the First Congressional District of Arkansas but across this country.

Mr. Speaker, we must recognize this as a true emergency when our agriculture base is in danger of collapsing. Since this bill will deliver funding and serve as an investment in our future security for this country and our prosperity, it is essential that it be delivered without delay.

Mr. Speaker, I urge passage of this bill.

Ms. KAPTUR. Mr. Speaker, I yield 1 minute to the gentleman from Vermont (Mr. SANDERS), the fighter for justice.

Mr. SANDERS. Mr. Speaker, I thank the gentlewoman for yielding me this time.

I rise in support of this legislation because it provides important benefits for dairy farmers in Vermont and farmers throughout the country. Specifically for our region, it expands the Northeast Dairy Compact for another year, which is terribly important for farmers in my State who are fighting to keep their heads above water.

This legislation provides some disaster relief for farmers all over this country, including New England, which is vitally needed. It also gives us more time to address the Federal Milk Marketing Order formula, a very, very important issue, and I want to thank the gentleman from New York (Mr. SOLOMON) for his leadership role in that fight.

Having said that, we still have a long way to go. Family farmers are what this country is supposed to be about. We believe in decentralized agriculture. We need to significantly improve Federal policy for dairy farmers, family farmers, or else we are going to continue to lose them, and that will be a tragedy not only for New England but for every State in this country.

Ms. KAPTUR. Mr. Speaker, I yield such time as he may consume to the gentleman from Maine (Mr. BALDACCI).

Mr. BALDACCI. Mr. Speaker, I rise in support of the conference report.

Ms. KAPTUR. Mr. Speaker, I yield 3 minutes to the gentleman from North Dakota (Mr. POMEROY), who has fought harder than anyone I know for the needs of the farmers in the Great Plains States due to the disasters that have been ravaging that part of the country. The Dakotas are lucky to have him here.

Mr. POMEROY. Mr. Speaker, I thank the gentlewoman for yielding me this time.

I want to commend the chairman of the Subcommittee on Agriculture of the Committee on Appropriations, and the chairman of the agriculture authorizing committee, as well as the ranking members, the gentlewoman from Ohio (Ms. KAPTUR) and the gentleman from Texas (Mr. STENHOLM).

Mr. Speaker, I like these individuals a lot; they have put real hard work into this bill. However, I must rise and oppose this conference report. It is not my style, as the Members will note, to oppose agriculture appropriations bills, much less ask for a motion to recommit late on a Friday afternoon. But that is precisely what I am doing today, because the amount of relief in this bill is simply nowhere near adequate to meet the magnitude of the catastrophe unfolding in farm country.

We have had a collapse of commodity prices. Wheat is down $1.66 a bushel in the last 2 years. That is a 36 percent drop. The relief provided under the AMTA increase in this bill would amount to 13 cents a bushel. Mr. Speaker, corn is down $2.37 a bushel; that is a 57 percent drop in market price. The relief in this bill would amount to 2 cents a bushel. Soybeans, $1.90 a bushel drop from 2 years ago, a 27 percent fall. The relief in this bill amounts to 2 cents a bushel.

Mr. Speaker, the worst thing we can do is hold forth to the public some agriculture disaster response and then go home and let the farmers realize that it amounts to pennies on the dollar, compared to what their problems are. There is a difference as we look at what we face this fall, and the difference is, we no longer have a farm program that automatically triggers in relief when market prices collapse.

Market prices have collapsed. There has been a start made in the bill to give farmers relief for both disaster assistance and market price collapse.

The disaster assistance goes a lot further to meeting the need than the market price collapse. It is a good start, but we have to do more.

The President has held out a veto threat on this bill. Let us not run this down Pennsylvania Avenue, have it vetoed, have it come back. Let us get it right the first time.

Mr. Speaker, I am going to be making a motion to recommit. My motion is going to provide that within the scope of the conference we recommit to increase the assistance available to family farmers suffering economic loss as a result of record low prices, deteriorating market conditions, and/or natural disasters.

The fact of the matter is we have not done an adequate job in this bill. We need more relief. We will lose thousands and thousands of farmers across the country, and if it was not just so darn desperate, there is no way in the world I would try and make this motion on this bill at this time, but we have to do more. Please support the motion to recommit.

Ms. KAPTUR. Mr. Speaker, how much time is remaining?

The SPEAKER pro tempore. The gentlewoman from Ohio (Ms. KAPTUR) has 1½ minutes remaining.

Mr. SKEEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. BARRETT).

Mr. BARRETT of Nebraska. Mr. Speaker, I rise in very strong support of the conference report on H.R. 4101.

Mr. Speaker, I support the conference report on H.R. 4101. I want to thank the Chairman, Ranking Member, and the House Leadership for their efforts to address the problems in the agriculture economy, through this bill.

There's no question there's trouble in agriculture today. We've had disastrous drought and flooding, which my state was fortunate to escape this year. Exports are down and farmgate prices are extremely low, and my producers haven't escaped that devastation.

With the 1996 farm bill, we hoped for a smooth transition from government-controlled to market-oriented agriculture. Unfortunately, the problems in Asia and incredibly abundant production worldwide, have made the transition rough going.

This bill addresses the situation in the right way. We maintain our commitment to freedom in agriculture, but we provide assistance to producers facing weather-related disasters, and every producer coping with low prices and decreased exports.

I say to my friends on the other side of the aisle, who are also good friends of agriculture, that I understand your arguments for reverting to old farm polices, and for raising loan rates. That may seem like the best, quick fix, but in the long run will do more harm than good. I understand the demand for more money. But please don't vote to put agriculture back in the hands of government, or vote to lose this piece of pie just because it's not a big enough slice.

Let's stay the course on the 1996 farm bill, but respond to the current problems. Please support this bill. This is must-pass, must-be-signed legislation for rural America.

Mr. SKEEN. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. COMBEST).

Mr. COMBEST. Mr. Speaker, I rise in strong support of H.R. 4101.

Mr. Speaker, I rise today in support of the conference to H.R. 4101, the FY 1999 Agriculture Appropriations Act. Among other important provisions, this conference report provides emergency assistance for farmers and ranchers across the country who are facing income losses this year due to lost export markets, and devastating weather. Rural America has an extreme need for assistance right now, and I appreciate the opportunity we have today to meet that need.

Mr. Speaker, American farmers and ranchers are the most efficient in the world—it's a fact, and it benefits our nation more than we can know. But even the most insightful and efficient agricultural producers cannot predict, nor plan for the economic devastation that can occur when prices fall, or when drastic weather wipes out a year's work. In my home of West Texas this year, we are facing both sides of this crisis. Severe heat and drought have left many producers without a crop. For those who did manage to hang on, low prices and higher input costs have robbed their profitability.

The emergency assistance provided in this conference report represents the most even-handed way to infuse a substantial amount of needed capital into the cash poor rural economy. For producers of the traditional row-crops who are suffering excessively low prices, this bill provides supplemental market loss payments equal to 29 percent of their FY 1998 AMTA payment. For farmers who have suffered additional losses because of natural disasters, it gives the Secretary of Agriculture the ability and resources needed to provide cash indemnities. In addition, for soybean farmers, the package establishes a market for the value-added biodiesel product which should aide the industry for years to come. And lastly, for ranchers, the bill funds a livestock feed program that will reimburse a portion of any additional feed costs incurred this year.

However, let us be clear: no amount of assistance we provide this year will make producers whole. But when combined with additional support provided through the Emergency Farm and Financial Relief Act—which allows farmers to collect the full amount of their FY 1999 AMTA payments this month—and the tax package which this body passed last Saturday, the provisions of this agricultural relief package will go far in helping farmers and ranchers recover a portion of their losses. What's more, this cash assistance will roll over several times in our rural communities—bringing life to their ailing economies.

Mr. Speaker, looking beyond today, I believe the current state of our farm sector commands further attention by this Congress—particularly in the committees of jurisdiction. But I believe we are acting prudently today to only consider a disaster relief package which works within the framework of our current farm bill. In 1996, we sought to empower the American farmer to be more competitive, and to capture a larger share of the growing world market by doing away with artificial price supports and planting restrictions. To renege on these goals now, or to make hasty reforms to this policy without having full knowledge of all the costs or ramifications involved would be reckless.

Again, I want to express my strong support for this balanced disaster relief package. America's farmers and ranchers need our support. I urge the passage of this conference report.

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

Ms. KAPTUR. Mr. Speaker, I yield our remaining time to the gentleman from New York (Mr. LAFALCE), from the Buffalo area, one of the hardest working Members of this Chamber.

(Mr. LAFALCE asked and was given permission to revise and extend his remarks.)

□ 1530

Mr. LAFALCE. Mr. Speaker, I thank the gentlewoman for yielding time to me.

Mr. Speaker, I am very pleased, and I congratulate the conferees on the agriculture appropriations bill for providing crop disaster relief that is so desperately needed by the apple growers in my district and throughout western New York, most especially Orleans County and Niagara County.

Our apple industry in New York State was devastated recently by tornado force winds on Labor Day. It could not have come at a worse time. The latest weather-related damage estimates to this year's apple crop is 41.4 million, fully 28 percent of the total crop value.

The hardest hit area was in Orleans County, in my district. The Labor Day storm there caused more than a $5 million loss to my county's apple crop. Yields are down by as much as 70 percent on over 6,000 acres in my county, and thousands of trees were destroyed.

I applaud this $1.5 billion new disaster grant program that is so crucial to restoring the financial health of New York apple growers. I applaud the conferees for the tremendous work they have done in inserting and including this $1.5 billion.

Mr. Speaker, I am very pleased that conferees on the Agriculture Appropriations bill agreed to provide crop disaster relief that is so desperately needed by the apple growers in my district and throughout Western New York.

New York's apple industry has been both physically and financially devastated by a series of unusual weather events this past year—from last frosts in the spring to an intense hail and wind storm on Labor Day.

The tornado force winds on Labor Day could not have come at a worse time. They completely destroyed five million bushels just prior to harvest—more than 20 percent of the entire New York apple crop. The latest weather-related damage estimates to this year's apple crop is $41.4 million—fully 28 percent of the total crop value.

One of the hardest hit areas was Orleans County in my district. The Labor Day storm caused more than a $5 million loss to that county's apple crop. Yields are down by as much as 70 percent on 6,000 acres in the county. And thousands of trees were destroyed.

This appropriations bill will help those farmers by providing $1.5 billion in emergency assistance for 1998 crop losses due to disasters, and an additional $675 million for farmers who have suffered multiyear losses. I am very grateful that this critical funding has been included.

This new disaster grant program is crucial to restore the financial health of New York apple growers. Most of them are carrying huge debt loads. They simply cannot afford emergency disaster loans, no matter how low the interest rate. Without these direct payments, many of them would not be able to survive the devastating losses they have suffered this year.

I want to thank the Chairman, the gentleman from New Mexico, and the ranking Democrat, the gentlelady from Ohio, for the excellent work they've done in responding to this apple crop disaster in New York State, and to the farm crisis nationwide. I also commend the gentleman from New York, Mr. WALSH, for leading the effort on the conference committee to provide this essential disaster relief. And I thank all my New York colleagues who joined Mr. WALSH and me in urging conferees to provide this grant assistance.

I look forward to working with Mr. WALSH and with Secretary Glickman to ensure that the emergency grant assistance program is developed and implemented in a way that will most effectively help New York apple growers and other fruit producers recover from this year's weather disasters and continue producing for year to come.

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

Mr. Speaker, let me just say in closing that, again, we urge our colleagues to vote for this bill. For those who are anxious to catch their planes to go home, let me say that the gentleman from New Mexico (Mr. SKEEN), the chairman and I, did not select this period in which to debate our bill. We were given this time.

We feel that it is an important bill. We apologize to the Members who missed their 4 o'clock flights. It was not our choice to go up before the Committee on Rules this afternoon. I can say this, and the gentleman cannot. We ask for the Members' support of our bill.

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

Mr. Speaker, I say to my colleagues, the farmers and ranchers need this bill now. American consumers need this bill now. Do not make them wait any longer. Vote no on the motion to recommit.

Mr. SANDLIN. Mr. Speaker, I commend Chairman SKEEN and Ranking Member KAPTUR for the skill and hard work they have put into crafting this conference report. I also want to recognize the efforts of Agriculture Committee Chairman SMITH and Ranking Member STENHOLM. They have all shown great sensitivity to and understanding of the needs of our Nation's farmers, and for that I thank them. I rise in strong support of this conference report and urge all my colleagues to vote for it.

For months, parched fields forced Texas ranchers to purchase feed or hay for their herds. The dry conditions and the increased demand, however, have made hay scarce and expensive. Texas ranchers are spending an average of $3.5 million a day in extra feed costs to support their herds. Now, many of the remaining hayfields in East Texas are being ravaged by army worms. I commend the committee for raising emergency funding for the livestock feed assistance program from the original $75 million to $175 million. Ranchers in east Texas are cash starved after having to purchase hay all summer, and this cash infusion is sorely needed.

All agricultural producers in Texas, not just the ranchers, are suffering through the second severe drought to hit Texas in 3 years. Total farm and ranch losses from the drought are now estimated to reach $2.1 billion statewide, with an overall impact to the State economy estimated at $5.8 billion. Other factors, such as a glut of foreign cotton, the depressed demand from foreign markets, and bumper crops of grain in the Midwest are driving down commodity prices and compounding an already disastrous year for Texas farmers.

Forest landowners have not escaped the devastation this year. The Texas Forestry Service estimates that 65 percent of the pine seedlings planted this year on 150,000 acres have died, at a total cost to private landowners of $16.6 million. I especially appreciate the committee working with me to direct the forest service to use disaster relief funds for the Forestry Incentives Program in east Texas. East Texas timber producers have tremendous losses this year, and the work of this committee will aid in replanting efforts for years to come.

Mr. Speaker, the one thing I can count on hearing every time I return home is that our farmers need help this year. Our farming families put everything they have on the line every year to feed America. This year, every farmer and rancher in Texas was dealt a hand with no rain and no demand for their products. The disaster relief package in this conference report is a vital step in returning strength to our agricultural producers and agriculture communities.

The President wants more funding in disaster relief for our farmers and I support his efforts. However, this relief is too badly needed by too many farmers in east Texas right now for me to consider opposing this bill. Any further disaster relief that is needed will have to come in an omnibus bill or a supplemental package. Texas agricultural producers need this money now.

Mr. GEPHARDT. Mr. Speaker, rural America is in a crisis. Farmers across this country are struggling to survive natural disasters and commodity prices that are at a two-decade low. Driven down by the economic slide in Asia, farmers are being forced to sell crops at prices that don't even cover production costs. They need our help.

When hedge-funds ran into trouble because of the impact of a global economic tidal wave, our government took strong action. We need to take the same kind of immediate steps to shore up the farm economy, which is as important to our economy and our national standard of living as the health and stability of the financial markets.

America's farmers have never failed us. But too often we have taken their hard work for granted. America has the best in quantity and quality of food products—produced at low prices and with an efficiency that is a model for the world. Agriculture is vital to the economic success of this country. It is one of our export leaders.

But in 1996, when we passed the Republican farm bill, we cut the safety net out from under our farmers. Now, we are reaping the effects of that misguided effort.

Thanks to the Republican Freedom to Farm bill, the only freedom farmers still have is the freedom to fail. They face hardship and even ruin because of a financial crisis not of their making and a 1996 Republican farm bill which still makes no sense.

For months we having been begging with the majority to listen to farmers—to help farmers. Farm income is projected to drop between $7.5 and $9 billion this year alone. It has been obvious that we needed to take immediate action to save family farmers. But Republicans were too busy doing nothing to respond. It was only a few short weeks ago that the Republican leadership reluctantly acknowledged that farm families can't pay 1990's mortgages on 1970's crop prices.

It's too little and too late. We are long past Band-Aid cures. There is only $1.65 billion in economic assistance in this bill when the loss in farm income is five to six times higher. The Republic message to farmers is: Be happy with the crumbs off our table.

Farmers put more than crumbs on our table. We owe them the same. We must reject the Republican half-measure and take strong action to shore up prices.

We need to lift the caps Republicans put on marketing loans in 1996 so we can raise bushel prices for corn and soybeans more than 30 cents—so we can raise prices on wheat more than 60 cents. And we need to direct aid to producers who have actually suffered losses, instead of using the outdated formula in this bill that will give out assistance based on historic production dating back years.

We must do better for the people who have worked so long and labored so hard to feed Americans and the world. They don't ask for more than their due; they only request a stable, decent return on their investment of time and capital.

I urge my colleagues to give America's farmers what they have always given us. Give them a decent, fair bill that helps farm families. Vote "yes" on the motion to recommit. Vote "no" on this conference report.

Mr. FORD. Mr. Speaker, I rise today in support of this conference report. Although this legislation doesn't contain the level of emergency funding the President requested, I believe it is critical that we provide some level of emergency assistance for farmers. As we all know, farmers throughout this nation are suffering from low prices, globalization and bad weather. The Mid-South region is no different.

In my own State of Tennessee, corn farmers have been hurt by the aflatoxin fungus and drought and low prices in the Mississippi Delta have adversely affected cotton farmers.

Equally important, Mr. Speaker, this measure includes $26 million to spur economic growth in the Lower Mississippi Delta region. The delta encompasses 219 counties in 7 States, and taken together, it is one of the poorest regions in the nation, with poverty rates exceeding 20 percent. This initiative will result in expanded agricultural exports, better schools and a modern infrastructure in the delta region.

The Ninth Congressional District of Tennessee is the hub of the delta, and as such stands to benefit greatly from this funding. I would like to thank the chairmen and ranking Democrats of both the full committee and the agriculture appropriations subcommittee and also my colleague, Mr. BERRY from Arkansas and Senator BUMPERS, from the other body, who were also instrumental in ensuring these funds were included in the bill. I urge my colleagues to support the conference report.

Mr. GILMAN. I am pleased to rise in support of the conference report to H.R. 4101, the Agriculture, Rural Development, Food and Drug Administration and Related Agencies Appropriations Act for fiscal year 1999.

I especially want to thank the hard work of the distinguished subcommittee chairman, JOE SKEEN, the distinguished committee chairman, BOB SMITH, and my friend and colleague from New York, JIM WALSH for all of their diligent work in crafting a much needed emergency assistance fund for our Nation's farmers and ranchers.

Mr. Speaker, on June 13 a severe storm passed through my congressional district in Orange County, NY, severely damaging our farms throughout the Wallkill Valley. This storm included hail and high winds damaging over 5,000 acres of onions and a few thousand acres of other vegetables. In addition, excessive rainfall and additional hail passed through the Walker Valley since the initial storm, wiping out any hope of salvaging a decent crop.

Many of the growers are currently uncertain about the ultimate fate not only of their crop, but of their farms.

Marketing challenges have already arisen due to storm damages. Grocery store chains are balking at the Orange County product. Many growers are already seeking alternative employment. Migrant labor has either been laid off and/or hiring has ceased, which also has a negative impact on our local economy.

This is nothing new to the farming community in Orange County. In fact, in the last 3 years the Walkin Valley has seen 116 farm and farm families go out of business.

It is projected that unless emergency USDA assistance is offered, another 12 farms will soon be in jeopardy of being lost forever.

Under the current USDA crop insurance program for onions, growers anticipate losing approximately $988 to $1,147 per acre or a total of $38,000 to $44,725 each. This means more of our farms will go out of business and many more will be on the brink.

Accordingly, I wholeheartedly support the efforts of the conferees in crafting a necessary emergency assistance fund which includes our onion farmers in Orange County.

In addition, I look forward to working with our Agriculture Committee chairman during the 106th Congress, to craft a workable onion crop insurance program, which will act as initially intended—a safety net. It has become clear that there are serious problems with portions of the current crop insurance program as it relates to onion crops.

Accordingly, I urge all of my colleagues to support this conference report.

Mr. MILLER of Florida. Mr. Speaker, I am disappointed to report that tucked away in this conference report is language that could actually increase the Government subsidies provided to Big Sugar.

Big Sugar claims this is simply "clarifying" language. They claim Congress never intended the one-cent loan forfeiture penalty contained in the farm bill to be considered an effective reduction of sugar loan rates. But Congress did.

In fact, during debate on the 1996 farm bill, some members of the House Agriculture Committee told this body that the support level for sugar would effectively be reduced by one-cent per pound because of the forfeiture penalty. Sugar producers know very well this was the express intent of Congress in 1996.

Why? Because in more recent debates, defenders of the sugar program have pointed to the one-cent forfeiture penalty as evidence that Congress had reformed the sugar program in 1996, and therefore the program should not be changed further. Big Sugar keeps wanting to change the rules for their own benefit.

I am pleased that the conferees wisely opted to include this change as report language and not bill language. Nevertheless, the language in this report is simply an attempt to reinterpret the legislative history of the farm bill to prompt the Agriculture Department to raise the price of sugar. The USDA should pay no attention to it.

USDA should continue to consider the forfeiture penalties as having caused an effective reduction in the loan rates for sugar, just as Congress intended in 1996.

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

The previous question was ordered.

MOTION TO RECOMMIT OFFERED BY MR. POMEROY

Mr. POMEROY. Mr. Speaker, I offer a motion to recommit this conference report, with instructions.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. POMEROY. I am opposed to the conference report in its present form, Mr. Speaker.

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

The Clerk read as follows:

Mr. POMEROY moves to recommit the conference report on the bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes (H.R. 4101) to the committee of conference with instructions to the managers on the part of the House to the extent possible within the scope of conference to increase the assistance available to family farmers suffering economic loss as a result of record low prices, deteriorating market conditions and/or natural disasters, to take into account the almost 50% drop in real income that has occurred in some farming sectors since 1980; and to limit such assistance to individuals actively engaged in farming.

The SPEAKER pro tempore. The motion is not debatable.

Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

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

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

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

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 156, nays 236, not voting 42, as follows:

[Roll No. 478]

YEAS—156

Abercrombie	Goode	Millender-McDonald
Ackerman	Gordon	Miller (CA)
Allen	Green	Minge
Barcia	Gutierrez	Mink
Barrett (WI)	Hastings (FL)	Mollohan
Becerra	Hill	Moran (VA)
Bereuter	Hilliard	Nadler
Berman	Hinchey	Neal
Bishop	Hinojosa	Nussle
Blagojevich	Holden	Oberstar
Blumenauer	Hooley	Obey
Bonior	Hoyer	Olver
Borski	Jackson-Lee (TX)	Ortiz
Boswell	Jefferson	Owens
Brown (CA)	Johnson (WI)	Pallone
Brown (FL)	Johnson, E. B.	Pastor
Brown (OH)	Kanjorski	Paul
Capps	Kaptur	Payne
Cardin	Kennedy (MA)	Pelosi
Carson	Kennedy (RI)	Peterson (MN)
Clayton	Kildee	Pomeroy
Clement	Kind (WI)	Price (NC)
Clyburn	Kleczka	Rahall
Condit	Klink	Rangel
Conyers	Kucinich	Reyes
Coyne	Lampson	Rodriguez
Cramer	Lantos	Roemer
Cummings	Leach	Roybal-Allard
Danner	Lee	Sabo
Davis (FL)	Levin	Sanders
DeGette	Lewis (GA)	Sawyer
Delahunt	Lofgren	Schumer
DeLauro	Lowey	Scott
Dicks	Luther	Sherman
Dingell	Maloney (CT)	Sisisky
Dixon	Maloney (NY)	Skaggs
Doyle	Manton	Slaughter
Emerson	Markey	Spratt
Engel	Mascara	Stabenow
Eshoo	Matsui	Stark
Evans	McDermott	Strickland
Farr	McGovern	Tauscher
Fazio	McHale	Taylor (MS)
Filner	McIntyre	Thompson
Frank (MA)	McKinney	Thune
Frost	McNulty	Thurman
Furse	Meek (FL)	Tierney
Gejdenson	Meeks (NY)	Towns
Gonzalez		

Turner
Velázquez
Vento
Watkins
Watt (NC)
Waxman
Wexler
Weygand
Woolsey
Wynn
Yates

NAYS—236

Aderholt
Andrews
Archer
Bachus
Baesler
Baker
Baldacci
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bentsen
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Bunning
Burr
Burton
Buyer
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Crapo
Cubin
Davis (IL)
Davis (VA)
Deal
Diaz-Balart
Dickey
Doggett
Dooley
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
English
Ensign
Etheridge
Everett
Ewing
Fawell
Foley
Forbes
Ford
Fossella
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Graham
Granger
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Hastert
Hastings (WA)
Hayworth
Hefner
Herger
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Inglis
Istook
Jackson (IL)
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones
Kasich
Kelly
Kim
Kingston
Knollenberg
Kolbe
LaFalce
LaHood
Largent
Latham
LaTourette
Lazio
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Manzullo
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Oxley
Packard
Pappas
Pascrell
Paxon
Pease
Peterson (PA)
Petri
Pickering
Pombo
Porter
Portman
Quinn
Radanovich
Ramstad
Redmond
Regula
Riggs
Riley
Rivers
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryun
Sánchez
Sandlin
Sanford
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Shimkus
Shuster
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snyder
Solomon
Souder
Spence
Stearns
Stenholm
Stump
Talent
Tanner
Taylor (NC)
Thomas
Thornberry
Tiahrt
Traficant
Upton
Visclosky
Walsh
Wamp
Waters
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
White
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—42

Armey
Barton
Boucher
Brady (PA)
Callahan
Clay
Costello
Cunningham
DeFazio
DeLay
Deutsch
Fattah
Fowler
Gephardt
Goss
Harman
Hefley
Houghton
Hyde
Kennelly
Kilpatrick
King (NY)
Klug
Lipinski
Martinez
Meehan
Menendez
Moakley
Parker
Pickett
Pitts
Poshard
Pryce (OH)
Salmon
Smith, Adam
Snowbarger
Stokes
Stupak
Sununu
Tauzin
Torres
Wise

□ 1551

Messrs. LUCAS of Oklahoma, SAXTON, GILCHREST, JOHN, McINNIS, ROTHMAN, HALL of Texas and SHADEGG changed their vote from "yea" to "nay."

Messrs. KUCINICH, CRAMER, LAMPSON, HILLIARD and GEJDENSON changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

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

Pursuant to clause 7 of rule XV, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 333, nays 53, not voting 48, as follows:

[Roll No. 479]

YEAS—333

Abercrombie
Ackerman
Aderholt
Allen
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barrett (NE)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady (TX)
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Calvert
Camp
Canady
Cannon
Capps
Cardin
Carson
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Coyne
Cramer
Crapo
Cubin
Cummings
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ewing
Fawell
Fazio
Filner
Foley
Forbes
Ford
Fossella
Fox
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hastert
Hastings (FL)
Hayworth
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Holden
Hooley
Horn
Hoyer
Hulshof
Hunter
Hutchinson
Inglis
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kildee
Kim
Kingston
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntyre
McKeon
McNulty
Meeks (NY)
Metcalf
Mica
Millender-McDonald
Minge
Mink
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Oxley
Packard
Pallone
Pascrell
Pastor
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pombo
Porter
Portman
Price (NC)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Roemer
Rogan
Rogers
Ros-Lehtinen
Roukema
Roybal-Allard
Rush
Ryun
Sabo
Sánchez
Sanders
Sandlin
Sawyer
Saxton
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Skeen
Skelton
Slaughter
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Smith, Linda
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stenholm
Strickland
Stump
Talent
Tanner
Taylor (NC)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Upton
Velázquez
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
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Frank (MA)
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Frelinghuysen
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Hostettler
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Johnson, Sam
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Miller (CA)
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Neumann
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Obey
Pappas
Paul
Payne
Petri
Pomeroy
Rivers
Rohrabacher
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Goss
Hansen
Harman
Hastings (WA)
Hefley
Houghton
Hyde
Kennelly
Kilpatrick
King (NY)
Klug
Lipinski
Martinez
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Pryce (OH)
Salmon
Shuster
Smith, Adam
Snowbarger
Stokes
Stupak
Sununu
Tauzin
Torres
Whitfield
Wise

□ 1609

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 3694, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1999

Mr. YOUNG of Florida. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight, October 2, 1998, to file a conference report on the bill (H.R. 3694) to authorize appropriations for fiscal year 1999 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The SPEAKER pro tempore (Mr. HOBSON). Is there objection to the request of the gentleman from Florida?

There was no objection.

PERSONAL EXPLANATION

Mr. TAYLOR of Mississippi. Mr. Speaker, on Monday, September 2, I was unavoidably detained because of Hurricane Georges. All flights out of Mobile, New Orleans and Gulfport, Mississippi were cancelled. Had I been here, I would have voted "no" on H.R. 3891. I would have voted "yes" on H.R. 4103. I would have voted "yes" on H.R. 4060, and I would have voted "yes" on H.R. 3150.

TRIBUTE TO VIC FAZIO

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

Mr. HOYER. Mr. Speaker, unfortunately, during the course of the consideration of the energy and water bill, I was not able to be on the floor because I was doing other business on another committee. Therefore, I did not get an opportunity to rise to pay tribute to my colleague and one of the closest friends I have, not just in this institution but in my life, and that is VIC FAZIO our colleague.

He is about to, I think, have a colloquy about the schedule, acting in his leadership capacity. Very frankly, Mr. Speaker, VIC FAZIO has been a leader of this House since I arrived here in 1981. He is an extraordinarily capable Member. He is a Member whose integrity and intellect will match anybody, not only in this institution but in our country. He has chosen to leave this body and this body will be a lesser place for that decision.

I wanted to take, Mr. Speaker, this short, brief minute to stand and say to him, thank you. During the 5½ years that I served as chairman of the caucus, VIC was my vice chair, and I was proud to have him serving with me. During his time as chairman of the DCCC, I was one of his strongest supporters.

During the decade that he headed the Subcommittee on Legislative of the Committee on Appropriations and served this institution and its Members and the citizens of this Nation so well in ensuring the effective operation of the people's House, I was proud to be his strong supporter.

During the last four years he has chaired the Democratic caucus. One of the hallmarks of his leadership was a partisan commitment to the issues and principles for which our party stands. But I know that my colleagues on the majority side also found in VIC FAZIO a gentleman who was interested in the interests of America and was willing and able and desirous of working with the other side in a collegial way to effect progress in this House on behalf of this country and its citizens.

Mr. Speaker, I appreciate the opportunity to rise to say to one of the closest friends I have that we are going to miss you. I am going to miss you. This institution is going to miss you.

The good news for all of us is that VIC FAZIO will be around. He hopefully will stay in Washington. I know he will go back to his beloved California frequently, but hopefully he and his beloved wife, Judy, an extraordinary individual in her own right, will be here, and we will see him frequently and have the opportunity to benefit from his advice and counsel and his leadership.

VIC, you have been one of the extraordinary Members of this House. The House is a better place for your service, and our country is better for your service.

□ 1615

TRIBUTE TO VIC FAZIO

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

Mr. DIXON. Mr. Speaker, one of the best benefits of holding public office is to meet colleagues who have integrity, who work for consensus, who are bridge builders. VIC FAZIO is that type of person.

I was very sorry that I could not be on the floor when the California delegation saluted him. We worked together in Sacramento and we worked together on the Committee on Standards of Official Conduct here, and for 20 years on the Committee on Appropriations.

The sad thing is that he is leaving this institution, but he leaves a great deal of friends here and we are very pleased that he will remain in Washington. He will now have the time to spend with his family, to regulate his own schedule, and I know that all of our colleagues wish he and Judy very well.

LEGISLATIVE PROGRAM

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

Mr. FAZIO of California. Mr. Speaker, I want to thank my colleagues first for their very gracious remarks, and I appreciate the Speaker's latitude in allowing them to make them.

At this time I ask the chief deputy whip, my friend the gentleman from Illinois (Mr. HASTERT), to enter into a dialog with me about next week's schedule.

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

Mr. FAZIO of California. I yield to the gentleman from Illinois.

Mr. HASTERT. Mr. Speaker, I thank the gentleman from California, and we, too, want to extend our best, Mr. FAZIO, for your future.

Mr. Speaker, I am pleased to announce that we have concluded legislative business for the week.

The House will next meet on Monday, October 5, at 12:30 p.m. for morning hour and at 2 p.m. for legislative business. We do not expect any recorded votes before 5 p.m. on Monday.

On Monday, October 5, we will consider a number of bills under suspension of the rules, a list of which will be distributed to Members' offices this afternoon.

On Tuesday, October 6, and through the balance of the week, the House will consider the following legislation:

H.R. 3694, the Intelligence Authorization Act, which is a conference report;

H.R. 4274, the Labor-HHS Appropriations Act;

H.R. 4570, the Omnibus National Parks Act;

H.R. 3789, the Class Action Jurisdiction Act; and

H.R. 4259, the Haskell Indian Nations University Act of 1998.

Mr. Speaker, we also expect a number of appropriation and authorization conference reports to be ready next week. As we head into the final days of this session, Members should be ready to work late throughout next week in order to finish work on important conference reports.

Mr. Speaker, the target adjournment is still October 9th, but of course Members should be prepared to stay through the weekend, if necessary.

Mr. Speaker, I thank the gentleman for yielding to me.

Mr. FAZIO of California. Reclaiming my time, Mr. Speaker, I do have a couple of questions I would like to pose.

First of all, it looks increasingly as if we may need another continuing resolution, or CR. I know a good deal of effort will be put forth next week to

avoid that, but I also do not see any provision on the schedule that would allow us to have additional time should the October 9 deadline pass.

Is the gentleman aware of a time when we might have another, hopefully short-term, CR?

Mr. HASTERT. Mr. Speaker, if the gentleman will continue to yield, obviously, our goal is October 9. The date on the CR that we have under action right now is October 9, and we will have to take that into assessment next week as bills move along, and especially the conference reports. We would be ready to move such a bill, if necessary.

Mr. FAZIO of California. Could the gentleman indicate what the tentative time frame for that would be? I realize that we would be running into the Columbus Day holiday and possibly into the next week, and I am moved to ask what the gentleman thinks the time frame of that might be.

Mr. HASTERT. As I repeat it, it is our hope we will be able to adjourn by October 9. If there are signals that that will not be able to happen, we will take that under consideration later next week in a timely manner.

Mr. FAZIO of California. Well, it is not my intention to fail to keep hope alive, but I think we all realize it is going to be difficult. So we are not expecting to be in that next week.

Is it the intention of the majority to complete the Labor-HHS appropriations next week? And what day would the gentleman understand that might come up?

Mr. HASTERT. Well, as the gentleman knows, we passed the rule on that bill today and it would be the intention of the House, after passing the rule, to act on that legislation. Hopefully, as that bill would come back, we could act on that as early as Tuesday.

Mr. FAZIO of California. I appreciate the gentleman's comments. One more question, if I could reclaim my time and yield again.

Obviously, at some point next week the Committee on the Judiciary will bring us their best efforts on the decision regarding impeachment. Is there any time at this point that the majority would point to as the day and time when we might anticipate taking that very important issue up?

Mr. HASTERT. As the gentleman knows, the Committee on the Judiciary would either act on Monday or Tuesday and, depending on what the parameters of the rules are for that particular measure, we would take that bill up probably later in the week, possibly Thursday or Friday.

Mr. FAZIO of California. Thursday or Friday. I appreciate the information of the majority and the good work of my friend from Illinois, and I yield back the balance of my time.

ADJOURNMENT TO MONDAY, OCTOBER 5, 1998

Mr. HASTERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. HASTERT. 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 Illinois?

There was no objection.

CALIFORNIA RACIST MAILER

(Ms. MCKINNEY asked and was given permission to address the House for 1 minute.)

Ms. MCKINNEY. Mr. Speaker, once again the Republicans are showing their true colors. In this recent mailer, the California Republican Party urged citizens to vote Republican by using a photograph of four Latino lawmakers in order to scare white voters.

Mike Madrid, director of the California Republican Party, said that the mailer was targeted at liberals, not Latinos. If this is true, then why did not Mr. Madrid picture any one of several white liberals currently serving in the State legislature? First LORETTA SÁNCHEZ and now this. How many times will the Republicans use racist tactics to divide America?

Mr. Madrid asserted that the mailer is not racist because he designed it and he is Latino. Well, if that is the case, then I have a suggestion. Rather than Director Mike, perhaps he should be known as Uncle Tom.

Mr. Speaker, I include the mailer for the RECORD:

Liberal Democrats in the Assembly have an agenda for California:

- Higher taxes to pay for more social programs.[1]
- Welfare without work requirements for able-bodied adults.[1]
- Weakening our 3-Strikes Law.[1]
- Legalizing same-sex marriages.[1]

[1] Actual bills introduced or positions taken by Assembly Democrats during the 1997–98 legislative session.

Assembly Democrats are celebrating because they think Republicans won't vote in the upcoming election. And if you don't vote, they win. That spells disaster for California. You can foil the liberal's plans by applying to vote my mail. Every citizen has the right to vote-by-mail. Just sign your name and return your application today. Your postage has already been paid.

Here is your Republican Vote-By-Mail Application.

Please check the information and sign and date in the colored boxes.

Thank you.

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.

IMF REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. ARMEY) is recognized for 5 minutes.

Mr. ARMEY. Mr. Speaker, today the President called for a further expansion of the International Monetary Fund. He repeated the audacious request that Congress provide $18 billion to the IMF with no conditions and without first requiring IMF reform.

It is time for some presidential accountability, Mr. Speaker, in this area as well as others. We need to recognize that it was the Clinton administration's own policies that accelerated the financial collapse overseas that is threatening the United States' economy today.

For Congress to simply endorse those policies through the full funding of an unreformed IMF would be recklessly irresponsible. If the President will not, or, as yet another consequence of his diminished leadership, cannot bring about real changes in international financial institutions, then Congress must supply leadership in his place.

The IMF proposal actually illuminates a major policy departure that has developed largely unnoticed by Congress, the press and the public. Unnoticed, that is, until it was too late. I call it the Clinton Doctrine. It is a policy under which virtually any groupings of bankruptcies anywhere in the world is eligible for a bailout by American taxpayers.

This has inflamed what economists call "moral hazard". By covering bad investments, the administration has encouraged irresponsible behavior. The financial disasters overseas are in large part a direct consequence of this "moral hazard".

To make matters worse, once the financial collapses occurred, the IMF, presumably with the President's blessing, imposed catastrophic contractionary policies on the affected countries. Even Keynesians, Mr. Speaker, know not to raise taxes in a recession, and yet that is exactly what the Clinton-guided IMF often proposed. As Larry Lindsey put it, these policies have become our own era's equivalent of the Smoot-Hawley tariff.

In fairness to the President, he did not initiate this policy of global bailout which we have been drifting towards for some time. His role has been

to sanction it, legitimize it, and to take it to new and unprecedented levels. Beginning with the 1995 bailout of Mexico, continuing with the multiple bailouts of Asia, and reaching its inevitable culmination in the farcical bailout of Russia this summer, the administration has undermined market discipline and helped to create the very crisis it was ostensibly trying to prevent.

The IMF, under the direction of the Clinton administration, helped cause the problem. Then the IMF made it worse. Now it is making it more difficult for the world to recover. The IMF, Mr. Speaker, has the Midas touch in reverse. Virtually every country it has tried to help has become worse from the experience.

In Korea today, children made homeless by the continuing recession are bitterly referred to as "IMF Orphans". Our friends in Korea know, as many in the Clinton administration do not, that the IMF is largely responsible for their continuing economic difficulties.

Congress must reverse this Clinton Doctrine that has helped bring the world economy to its current state. A positive step would be to restrain the IMF by deferring a decision on providing the huge $14.5 billion quota increase. This is essentially the House position contained in the foreign operations bill.

Delaying a decision on the IMF money would allow us time to hold an international conference and other meetings to improve the world financial system. The disasters we see overseas are clear evidence that the current arrangements have failed. Rather than pump more money into them, we need to redesign them. We need nothing less than a new Bretton Woods conference. Only then can we make an informed decision on giving away $14.5 billion of our taxpayers' money for those purposes.

Now many, including many in this House, say that we should give the IMF money up front in exchange for "real IMF reforms". What they do not understand is that the administration and the IMF are adamantly against any U.S.-imposed reform. As the French director of the IMF arrogantly put it last week, "The U.S. must bring its contribution and no country is entitled to impose conditions." That from the head of an agency that imposes conditions on each and every country to which it brings its money, and all too many times, as I have cited, conditions that do harm rather than good.

The most the administration and other IMF supporters will accept are weak suggestions from us. The reform provisions in pending IMF bills, for instance, are a little more than sense-of-Congress resolutions.

So, Mr. Speaker, if Members are serious about doing a money-for-reform trade, I suggest they adopt this principle to start with: No IMF reform is real IMF reform until IMF adopts it before it receives any additional money from the United States.

□ 1630

This, in my judgment, is plain common sense. We do not give away $18 billion of our taxpayers' money on the strength of a promise or on an assurance. Any reform provisions that do not meet this principle should be rejected out of hand.

What should these reforms involve? If our aim is to reverse the destabilizing influence that the IMF has had on the world's economic and financial system, we should insist on these:

One, real transparency requirements that will allow us to open their books and see what in fact they do, what are their resources and what do they do with them.

Two, a ban on the IMF offering of low interest rates below the market. This is very important if we are going to stop this business called moral hazard. It is the oldest story in economics: If you subsidize bad decisions, you get more bad decisions.

Three, a 1-year limit on all IMF loans. When we do that, we again signal to the world, they do not have permanent bailouts for loans or activities that prudent people would not have undertaken in the first place.

I am not naive, Mr. Speaker. I can count votes and I know this is an uphill fight, but it is one we must make even in the waning days of this Congress. In the end, Mr. Speaker, it comes down to first principles. My party believes in freedom and responsibility. Guided by those values, we have resisted the status temptation and instead led America into this era of limited government and broad prosperity. How can we then acquiesce in a plan to vastly expand an international agency that covers other people's bad debts and undermines free market processes the world over?

No, Mr. Speaker, it is time to bring the reforms, the discipline, and the responsibility that make this Nation great to all the world's nations through all the transactions and institutions that this Nation supports and it tries to influence.

SIMPLIFIED USA TAX ACT OF 1998

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. ENGLISH) is recognized for 5 minutes.

Mr. ENGLISH of Pennsylvania. Mr. Speaker, the American tax system is a Frankenstein's monster that terrorizes individual taxpayers while casting a cold shadow over the productive sectors of the U.S. economy. It is too complicated. It is riddled with obvious inequities. It punishes savings and investment. It reduces economic growth and burdens domestic industry struggling to remain competitive.

Next week I will introduce the Simplified USA Tax Act, because I want to reform the American tax system in a way that makes sense to average citizens and that, therefore, will pass the test of time. Not only do we need a Tax Code that is fair and sensible, we need one that is stable.

As bad as the current Tax Code is, and I am one of its severest critics, the last thing that we need is to enact some reform that is so radical and experimental that we may have to redo it all over again a few years later.

The Tax Code must give Americans a fair opportunity to save part of their earnings. After all, it is thrift that has helped provide Americans with the security and independence that is the foundation of freedom. It is savings that buys the tools to make Americans more productive. And it is productivity that raises our living standards to the highest in the world.

In my tax reform proposal, "USA" stands for unlimited savings allowance. Everyone is allowed an unlimited Roth IRA in which they can put the portion of each year's income they save after paying taxes and living expenses. After 5 years, all money in the account can be withdrawn for any purpose and all withdrawals are tax free. Nothing could be simpler and nothing could give people a better opportunity to save, especially young people.

Under the new Tax Code, tax rates must be low, especially for wage earners who now must pay both an income tax and a FICA payroll tax on the same amount of wages. The USA tax starts out with low tax rates, 15 percent at the bottom, 25 percent in the middle, 30 percent at the top. Then the rates are reduced even further by allowing wage earners their full tax credit for the Social Security and Medicare payroll tax that is withheld from their paychecks under current law.

I do not propose to repeal the payroll tax because to do so would imperil Social Security, but I do allow a credit for it. And when the credit is taken into account, the rates of tax on workers' wages are very low indeed, in the 7 percent to 17 percent range for nearly all Americans.

The USA tax provides tax relief for all Americans, especially who own their home, give to their church, educate their children and set aside some savings for a better tomorrow. Under my proposal, everyone gets a deduction for the mortgage interest on their home and for charitable contributions they make. In addition, and this is brand new and long overdue in our society. USA allows a deduction for tuition paid for college and postsecondary vocational education. Generous personal and family exemptions are also allowed under my proposal.

The USA tax is simplicity itself. The tax return will be short, only a page or two for most of us. But, more to the

point, the tax return will be understandable. For the first time in a long time, America's tax system will make sense to the citizens who file the tax returns and pay the taxes. For the first time since inception of the Federal income tax, Americans will have a full and fair opportunity to save whatever portion of their income they wish and for whatever purpose they wish.

For the first time in history, working people will be allowed a credit for the payroll taxes they pay. And for the first time ever, families will have a generous tax-free allowance for the education of their children.

My proposal also contains a new and better way of taxing corporations and other businesses that will allow them to compete and win in global markets in a way that exports American-made products, not American jobs. Experts who have studied this believe that, if enacted in America, this innovative approach to business taxation will soon become the worldwide standard to which other countries will aspire.

For too long, the Tax Code has been a needless drag on the economy. That is not very smart and it is certainly not fair to those Americans whose living standards are lower because of it. For years its complex inanities have been the object of ridicule. It has also been the ultimate source of bureaucratic excesses and abuse by the IRS that is inconsistent with our free society.

Mr. Speaker, it is high time that we restore people's faith in the integrity and competence of their tax system and, in the process, take a major step toward restoring people's confidence in the good character of their government.

CONTRACEPTION FOR WOMEN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

Ms. NORTON. Mr. Speaker, I am amazed to have had to have come to the floor more than once on this issue. The Treasury, Postal rule went down again. There may be more than one reason why. But underlying that rule is a bill that allows basic minimal health protection for women.

Since when does contraception for female government employees deserve to be in a bill whose rule is voted down? The women of America would say, no, never. And the bipartisan Women's Caucus of this Congress has said no in no uncertain terms.

This is a bill that deserves the word "noncontroversial." It passed unanimously in the Senate. In the House it has passed twice. What we are talking about is a provision that simply says that if a health plan pays for prescriptions, it must also pay for contraception prescriptions.

Plans are often willing to pay for abortion. Plans are willing to pay for surgical procedures involved in reproduction. They certainly ought to be willing to pay for what prevents abortion. They pay for sterilization often, but not for simple contraception measures.

Now, the provision contains a religious exemption. Among the religious plans would be Catholic plans. Catholic plans would not have to pay for contraception.

The gentleman from New Jersey (Mr. SMITH) has inserted himself into this matter. He wants a morality exemption. That, of course, could never be granted by the Congress. One of the problems, I suppose, in a country like ours is we cannot figure out where everyone is on basic moral questions, but we do know where people are on religious questions.

I do not know what the gentleman from New Jersey (Mr. SMITH) or anybody else is doing in this matter. We are talking about a non-conferenceable item. There was no disagreement between the House and the Senate. Why is this matter up for grabs? Unless we now are in a Soviet-style body where both sides can pass a bill but somebody else can zap in and overturn it.

The gentleman from New Jersey (Mr. SMITH) has a provision that is a true insult to the women of America. He says, yes, they can cover contraception but only for the diaphragm. Surely only police states would tell women what kind of contraception to use. But let me be clear. Women need options in contraception precisely because some do not work, some make people sick, some are unsafe to some people, some have long-term effects and consequences. It is not for this body to decide.

The health plan, if it is providing prescriptions anyway, should not be able to exclude this basic minimal kind of prescription that most women of childbearing age in fact need in one form or the other, and it is not for the gentleman from New Jersey (Mr. SMITH) or any Member of this body to tell women which kind of contraception is the one that should be covered.

Women indeed should not have to explain themselves to this body on this question. I am embarrassed to have to stand before this body to talk about contraception for women, especially for women who work for the Federal service.

There are five major forms of contraception used, and none of them involve or come close to abortion. The pill, the diaphragm, the IUD, Norplant, and Depo-Provera. Ten percent of Federal plans offer no contraceptive coverage at all. This is a real family bill, when we consider that the woman of the family in this country pays 68 percent more for health coverage than the man in the family. We have got to get this thing down to size.

This provision is central to women's health. Above all, we should not bring abortion-style politics into contraception. That is where we have a broad umbrella of agreement.

Thus, this provision presents two fundamental issues for this House. One is simple democracy, when an item is non-conferenceable because both sides have agreed to it. Democracy works. We must leave it alone. We must not set the precedent that someone else can turn it around.

And the second principle, of course, is that contraception is central to women's health. Leave it be. Pass this provision in the Treasury, Postal appropriations bill.

BIG WEEK IN NATION'S CAPITAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. WELLER) is recognized for 5 minutes.

Mr. WELLER. Mr. Speaker, this week is a big week here in our Nation's capital. Yesterday was October 1 and yesterday was the first day of the new fiscal year, and we are celebrating something that has not occurred for 29 years.

This week we are celebrating the first not only balanced budget in 29 years, but the first budget surplus in 29 years, where we actually have more tax revenue coming into our Treasury than we are spending. It is now projected that over the next 10 years that this budget surplus will contain $1.6 trillion, that is $1 trillion, $600 billion, in tax revenue more than we are spending.

We have to make some choices now, of course, on what we are going to do with that extra money, money that the hard-working folks back home send to Washington. Just a week ago, 10 days ago, we made a choice, and with a bipartisan vote this House adopted what is called the 90–10 plan, a plan which sets aside 90 percent of surplus tax revenues to save Social Security.

□ 1645

Ninety percent, of course, equals $1.4 trillion, $1,400,000,000,000, is surplus tax revenues being allocated under the 90/10 plan to save Social Security. I might note when the President first discussed the idea of using surplus tax revenues to save Social Security in January, the projected surplus at that time was $600 billion, and, since then, because of the economy and because of fiscal responsibility here in this House, we now have a $1.6 trillion surplus tax revenues. Under the 90/10 plan, we set aside more than twice what the President asked for. $600 billion by the President; we set aside $1.4 trillion.

That is a big victory, because the remaining 10 percent we give back to the American people. Ninety percent goes to Social Security; the remaining 10

percent goes back to the American people.

Representing the south side of Chicago and the south suburbs, I think it is important to point out that the 90/10 plan not only saves Social Security, the 90/10 plan helps eliminate the marriage tax penalty, helps Illinois farmers, helps Illinois small business people, helps Illinois schools and helps parents in Illinois who wish to send their kids on to college.

I might also note that while we propose to give extra tax dollars back to the taxpayers as well as saving Social Security, the President says he wants to save Social Security and spend the rest. I might note in the 90/10 plan we provide about $7 billion in tax relief in 1999, this coming year, whereas the President wants to spend $14 billion of the surplus. It is kind of interesting he would spend twice as much as we want to give back of the surplus to the American people.

Not only does our plan save Social Security, but, as I pointed out, it eliminates the marriage tax penalty for the majority of those who suffer the marriage tax penalty. I have often stood in this well and raised the question, is it right, is it fair, that 28 million married working couples with two incomes pay higher taxes under our Tax Code just because they are married? In fact, under our Tax Code, married working couples with two incomes pay more in taxes than identical couples with identical incomes living together outside of marriage. That is just wrong.

Our plan here, the 90/10 plan, eliminates the marriage tax penalty, and it not only eliminates it for the majority of those who suffer it, but for 28 million married working couples, they will see an extra $240 in extra take-home pay next year under our proposal. That is a car payment. That is a month or two of day care in Joliet, Illinois. That is real money for real people. Also six million married taxpayers will no longer need to itemize under our marriage tax relief plan. We are bringing fairness, we are bringing simplicity, to the Tax Code.

Also, because we want to encourage individuals to save more for their retirement and future, save for education, the 90/10 plan not only eliminates the marriage tax penalty and saves Social Security, but it also rewards savings by allowing a single person to have their first $100 in savings interest tax exempt, and for a married couple the first $200. For a married couple they could have $10,000 in a savings account and essentially that interest they earn will be tax-free. That also simplifies our Tax Code, because 10 million couples will no longer need to itemize.

Mr. Speaker, the 90/10 plan saves Social Security. The 90/10 plan eliminates the marriage tax penalty for the majority of those suffer it, it helps Illinois farmers, it helps Illinois small business, it helps Illinois schools, it helps Illinois parents.

My hope is in the next week the Senate will take up this legislation, give it the same kind of bipartisan support it received here in the House, and I also hope the President will join with us to save Social Security and eliminate the marriage tax penalty.

THREE REASONS TO BE PROUD OF THE 20TH DISTRICT OF ILLINOIS

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, I am proud to be from Illinois and the 20th district. Today I want to mention three reasons why.

The first integrated school in the Nation is about to be added to the National Register of Historic Places. The addition of Hamilton School in Otterville, Illinois, was recently announced by the Illinois Historic Preservation Agency. Behind the history of the school is a heartwarming story of unselfish brotherly love between a young black slave and his master.

Silas Hamilton, a white doctor, founded the Hamilton School. Not having any children of his own, he freed a six-year-old black slave, George Washington, and raised him as his own child. Two years later, in 1836, when he was old enough, Washington began attending classes at the formerly all-white school in Otterville and grew up to be a successful farmer in Jersey County. When Washington died, he left a fund to have a monument erected in Hamilton's memory on the lawn of the school.

Today, Washington and Hamilton are buried together; not as master and slave, but as friend and friend. The large stone crypt is visible from the window of the Hamilton School, and serves as a symbol of the friendship between a white and a black man, and the beginnings of American racial harmony.

Secondly, Mr. Speaker, while most rural post offices are seeing a decline in customers due to the resent technological advancements of e-mail, Internet and fax machines, the Texico Post Office's business just seems to keep growing.

The Texico Post Office will be celebrating its 100th year of service on Monday, the 5th of October. The celebration will include an open house, refreshments and a special commemorative postmark celebrating the 100th anniversary, which will be available for 30 days.

Fred Young has been the postmaster of the office for over 30 years and has seen a lot of changes during his tenure. "There is a lot more paperwork involved, and there have been several rate changes. Also since I've been here our rural route delivery has doubled," said Mr. Young.

The Texico office is undoubtedly quieter than some of the bigger offices. The rural route only covers 75 miles. However, they are able to serve their patrons with just one rural carrier, Sondra Coldwell, her substitute, Marla Saupe, and the office's clerk, Terri Pemberton.

Even though the office is a bit smaller and quieter, it not something that Postmaster Young minds. Maintaining the tradition of good quality service for the patrons is Young's priority.

Mr. Speaker, in addition to sharing with the Members the information about Otterville and Texico, I want to take this time to make special mention of a loss to central Illinois of a woman that the State Journal-Register called a "trailblazer" who opened the doors for women.

Josephine Oblinger died last Sunday day at St. John's hospital in Springfield, Illinois. At 85, she left behind a legacy of good works that will likely never be duplicated. Her son Carl said, "She just did the good things that needed to be done," and described her as his "confidant for life."

Josephine was a native of Chicago. She attended the University of Detroit Law School, graduating in 1943 Magna Cum Laude. The significance of that accomplishment is lost on many of us today, who forget that there was a time when women were neither expected or even allowed in some cases to pursue a career in the law. In fact, her son Carl remind us that even though she was the class valedictorian, she was not allowed to speak at the graduating ceremony solely because she was a woman.

In addition to the law, she was a teacher. She also was elected as Sangamon County Clerk, as an outstanding state representative, and President of the Illinois Federation of Teachers. In her later years, she never shied away from continuing to help those in need.

Yet, despite all that she has accomplished and all that she did for so many of us in central Illinois, her proudest accomplishment was her beloved son Carl. Since it is true that our greatest legacy is our children and the kind of people they turn out to be, I can tell you that her son Carl has honored his mother and his father in immeasurable terms.

My prayers go out to Carl and Marge along with thought, Josephine Oblinger made a difference in our lives, and so do the two of you.

AN APPEAL FOR FAIRNESS IN AIRLINE COMPETITION

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from Minnesota (Mr. OBERSTAR) is recognized for

60 minutes as the designee of the minority leader.

Mr. OBERSTAR. Mr. Speaker, rarely, probably only one or two other times in my 24 year service in this House, have I taken the time of this body to address the House during special orders, but I do so today to express my utter astonishment over a multimillion dollar advertising campaign by the major airlines, designed to discredit a proposal by the Department of Transportation to stop unfair competitive practices against new low-fare airlines.

The ads seek to arouse public opinion by totally mischaracterizing the Department's proposal. Unfortunately, consumer organizations and new entrant carriers do not have the resources to respond by purchasing a comparable amount of advertising.

Typical of the airline campaign is the Brian Olson ad which shows a picture of a disappointed young man under the headline "Vacation Canceled—Due to Government Regulation."

The text of the ad says:

Brian Olson was looking forward to the family vacation. With so many cheap air fares available, his family was planning the trip of a lifetime, but proposed Department of Transportation regulations could keep Brian home. That's bad news for Mrs. Olson.

The DOT has proposed new regulations that will eliminate many discounted air fares and raise air fares for leisure travel in a misguided effort to re-regulate the airline industry.

The DOT proposal described in the ad bears flow resemblance to DOT's actual proposal. Quite frankly, if the issues were not so important, the ad is so ridiculous as to be laughable. The actual DOT proposal does not contemplate any general limitations on discounted air fares. The proposal is not designed to raise air fares, it is designed to produce lower air fares by protecting the new low-fare service against unfair competition, the purposes of which are to drive the low-fare carrier out of the market and then raise fares to their prior level. The purpose of the DOT regulation is to give the so-called Brian Olson and his family more opportunities for a vacation at affordable air fares, rather than fewer or higher costs.

The DOT proposal only covers those markets in which low-fare service first becomes available because a new low-fare carrier enters the market. The policy is designed to prevent the established carrier in any given market from trying to drive the new carrier out with unfair anticompetitive practices which are described in the proposed rule as follows: The established carrier matches the fare and substantially increases capacity to the point where the established carrier is losing money on the route at issue. This type of so-called "competition" makes economic sense only if the established carrier expects to drive the new carrier out of the market and then recover its losses by raising air fares.

The DOT proposed policy declares that this type of competitive response is an unfair competitive practice prohibited by 49 U.S. Code 41712.

I want to make it very clear that every carrier has a right to defend its market, its route or its hub. Carriers do not have a right to do so by unfair competitive practices in which they flood a market with unprofitable service.

My years of experience in support of deregulation lead me to conclude that DOT's proposed guidelines are directed at a serious problem that has to be corrected if we are to continue to enjoy the low-fare benefits of airline deregulation.

Further, the law and the legislative history of deregulation are clear that DOT has the necessary authority to issue guidelines to deal with the problem and that the type of guideline DOT has proposed is not re-regulation, but it is consistent with the principles of airline deregulation.

Attorneys General from 29 states, including Republican Attorneys General from New York, Virginia, Wyoming, Arkansas and Kansas, agree. They have written in support of the DOT guidelines saying:

The proposal of the Department of Transportation is not an attempt to re-regulate the airline industry. It does not propose to dictate routes or prices. It only sets out guidelines for interpreting an existing statute, and it does so in a rational way which seeks to prevent competitive strategies designed to destroy competition, rather than compete.

Predatory practices are not a theoretical problem. DOT investigations and Congressional hearings have uncovered a number of instances in which major airlines have adopted money-losing strategies to drive out new entrants who have instituted low-fare service.

For example, during the time when I was Chairman of the Aviation Subcommittee, in 1993, Reno Air entered the Minneapolis-Reno market. Northwest Airlines, which had dropped out of this market in 1991, apparently decided that any new Minneapolis competition was intolerable. Northwest reinstituted Minneapolis-Reno service, matching Reno's low fares and capacity, understandable, acceptable behavior up to that point.

□ 1700

Northwest went further. The carrier also announced that it would inaugurate new low-fare service in several other markets served by Reno Air, including Reno to Los Angeles, to Seattle and to San Diego.

The Department of Transportation began an investigation of Northwest's actions with a view toward instituting an enforcement case. Result: Northwest moderated its response. But the change came too late. Northwest had achieved its objective of driving Reno Air out of Minneapolis. After Reno left, Northwest raised its lowest refundable daytime fare in the Minneapolis-Reno market from $136 to $454.

Northwest followed a similar strategy against Spirit Airlines. When Spirit began offering a single daily round trip of low-fare service between Detroit and Boston, Northwest matched Spirit's fares on every coach seat on the 11 daily flights it operated. Northwest's average fare was reduced from $259 to $100. After about half a year, Spirit was driven out of the market. When Spirit left the market, Northwest raised its fare to an average of $267, $12 higher than its previous number, just about.

My distinguished Republican colleague, the gentleman from Iowa (Mr. GANSKE) cited the following example in a letter to the Wall Street Journal: "Predatory pricing does exist and can be a successful strategy for a major carrier. In 1995, Vanguard Airlines entered the Des Moines market. In response, the major carriers lowered fares from Des Moines to Chicago to $79. After driving Vanguard out of the market, the major carrier is now charging $800 for a business class round trip. I dare say that not only has predatory pricing driven out the competitor, but at $800 per round trip, the major airline long ago made up its losses. For comparison, a round trip fare from Omaha to Chicago is about $200."

That major carrier was United Airlines, I might add.

DOD cites 4 additional examples, without naming the carriers involved, and I will cite 2 of those cases. An established carrier responded to new low-fare service in a market by increasing its service from 41,000 seats in a quarter to 55,000 seats. The number of seats the established carrier offered at low fares below $75 increased from 11,000 to 47,000. The new entrant was selling 9,000 low-fare seats a quarter. As a result of this dumping of capacity, the established carrier's revenue dropped from $7.6 million a quarter to $3.9 million in that same period of time.

Second example: An established carrier responded to a new low-fare entrant by increasing the number of seats it offered in the market from 44,000 in a quarter to 67,000. The number of seats offered at a low fare of $50 to $75 was increased from 1,300 to 50,000. The established carrier's revenues decreased from $9 million a quarter to $5.6 million. When the new entrant was driven out of the market, the established carrier reduced total capacity from 67,000 seats a quarter to 36,000 seats. Mr. Speaker, 15,000 of those seats were at a fare of over $325. The result: Total revenues went back to $9 million.

Mr. Speaker, it is not surprising that Northwest Airlines has been a leader in the practice of driving out new entrants by lowering fares and dumping

excess capacity. Michael Levine, now Northwest executive vice president for marketing and international, is the same Michael Levine who 10 years ago, when he was a law professor, conducted an in-depth study of airline marketing strategies. Mr. Levine concluded after an extensive analysis that a strategy of predatory pricing practices was frequently employed by major airlines and was likely to be effective. Levine found,

Economists committed to a high degree of airline market contestability have historically maintained that predation is doomed to failure and is therefore unlikely, because capital assets involved in airline production are mobile.

Continuing quote,

This contestability analysis is unfortunately inconsistent with much observed behavior since deregulation. Many new entrant airlines such as People Express, for example, in Newark, Minneapolis; Muse Air on its routes to Texas, Oklahoma and Louisiana, and other points out of Love Field and Hobby; Pacific Express in the Los Angeles-San Francisco market and others, have been pressed and helped out of business through aggressive pricing by incumbent rivals.

Continuing to quote,

New entrants are very vulnerable, both to predation and to aggressive price competition between holdover incumbents and new entrants. If circumstances, including the financial condition of the new entrant, warrants, the incumbent can flood the market with low-price seats, withdrawing them almost invisibly at peak times or as competitive conditions allow. Economies of scope and perhaps of scale in these tactics allow large incumbents to use them more effectively than the smaller, newer airlines. The economies of scope are easily seen. An incumbent who uses such tactics a few times quickly develops a reputation for fierce response to entry. The smaller the route on which the predatory war takes place as a percentage of the total operations of the airlines, the more staying power the airline will have as cash is lost in operations which do not cover incremental costs. In effect, the airline lends itself money out of accounting reserves to fight a war which drains cash. If the new entrant cannot find a source of capital which will accept the information that the temporary losses are a worthwhile investment, it will not be able to sustain losses for as long a time as will the large scale incumbent.

Source: Airline Competition, Competition in Deregulated Markets of the Yale Journal on Regulation, Spring, 1987.

Well, Mr. Levine followed this blueprint to a tee when he became executive in charge of pricing and marketing for Northwest Airlines. The benefits of service by low-fare carriers go far beyond the service they provided to their passengers. When a low-fare carrier is successful, major carriers are forced to reduce their fares and their passengers also benefit. The savings to travelers are truly astonishing.

A DOT analysis concluded that for the year 1995, low-fare competition saved more than 100 million travelers a total of $6.3 billion in air fares. DOT studies also show that many passengers and markets which are not served by low fare carriers do not receive the full benefits of deregulation. DOT studied fares in all markets under 750 miles and found that in markets served by low-fare carriers, fares had decreased by 41 percent, adjusted for inflation, since deregulation in 1978. But, for those markets not served by low-fare carriers, fares had increased by 23 percent, adjusted for inflation.

The DOT study showed that average fares in markets served by low-fare carriers were $70 to $90 lower than average fares in other markets. It is very instructive that the higher fares prevailed in all markets not served by low-fare carriers. Fares were high even in markets in which established carriers competed.

Conclusion: It is the low-fare carriers, not the major carriers, who drive prices down and benefit consumers.

DOT has given some specific examples of fare disparities related to whether a market is served by a low-fare carrier. For example, Chicago-Cincinnati, where United competes with a major carrier, Delta. The average fare is $259. In Chicago-Louisville, a market of comparable distance where United competes with a low-fare carrier, Southwest, the average fare is $72. And there are many more such case example studies.

It is clear that the traveling public has a lot to lose if low-fare carriers are driven out of the marketplace by unfair competitive practices.

In competing with established carriers, low-fare carriers face obstacles beyond price-cutting and capacity-dumping. Established carriers control slots, gates, and computer reservation systems which are essential to effective competition. Established carriers can also use frequent flyer programs and travel commission overrides as competitive weapons. I know of a number of cases in which major airlines offer extra frequent flyer miles and give travel agents added commissions for flights in markets in which the major carrier was faced with low fare competition.

Even more disturbing are recent trends toward industry concentration. As the number of established carriers is reduced, the surviving carriers will become even more formidable, new threats to new entrants. Furthermore, the reduction in the number of established carriers means less competition within this group, and that means that the need for competition from low-fare carriers will become even greater. When markets are controlled by established carriers, the tendency is for the carrier simply to follow each other's fare changes, with the result that fares are identical and passenger choice is limited.

Since the early 1980s, there has been a long-term trend toward industry concentration. In the past few months, there have been some proposals which threaten to escalate the process dramatically to the disadvantage of air travelers. During the 20 years of airline deregulation, competition was reduced by a wave of mergers in the late 1980s, and by the bankruptcies of many established carriers and new entrants. Although a few small carriers who started operation in the post-deregulation era have survived, the new competition does not come close to offsetting the loss of competition caused by mergers and bankruptcies.

Very recently there has been an even greater threat to competition: Global-straddling alliances. In the past few months, proposals have surfaced for alliances between Northwest, with 9 percent of the domestic market, and Continental, 8 percent of the market; between American, 17 percent of the domestic market, and USAirways, 8 percent; and between United Airlines, 17 percent of domestic market, and Delta, with 18 percent, although it now appears that this latter proposal may not be able to proceed because they do not seem to be able to come to agreement on a code share alliance, for the time being. In addition, there is an alliance already in place between America West with 4 percent of the domestic market and Continental at 8 percent.

If, as some have suggested, alliances are the equivalent of mergers, these recent proposals indicate a very disturbing trend toward an aviation sector worldwide consisting of 3 major carriers, which Secretary of Transportation Sam Skinner warned us about in the early 1990s during hearings that I chaired at that time. The General Accounting Office found that if all of the 3 alliances proposed a few months ago were implemented, competition could be reduced for about 100 million passengers a year.

Alliances between major carriers pose an especially serious threat to competition because many of these carriers are already in alliances with major foreign airlines, such as Northwest-KLM, United-Lufthansa-SAS-Air Canada, and Delta-Swiss Air-Sabena-Austrian-Virgin. America is now trying to develop alliances with British Air, TACA, Canadian, Quantas and Japan Airlines. Big powerful global-straddling carrier alliances, reducing competition and increasing fares for air travelers.

These alliances have enormous market power. They control slots at the major slot constrained airports of the world: O'Hare, Heathrow and Narita. They operate in countries with which we have restrictive bilaterals that limit competition: our bilaterals with the United Kingdom and Japan. They control the major computer reservation systems through which most airline travel is marketed. They control major networks of domestic feeder airlines and some new entrants.

Experience has shown that when a U.S. carrier enters an alliance with a foreign carrier, other U.S. carriers limit or terminate their service to the foreign carrier's home market. If major U.S. carriers are added to these already imposing alliances, there will be an irrevocable change in worldwide airline competition.

□ 1715

The Committee on Transportation and Infrastructure has reported legislation to give the Department of Transportation an opportunity to review the proposed alliances between major carriers before they are implemented, very important legislation.

As Robert Crandall, former chairman and CEO of American Airlines said shortly before he retired, "The Department can promote competition by preventing any further concentration in the domestic industry, and by undoing the collusive alliances it has created in the international marketplace. Doing so will offer the consumers more choices than they have today."

Regardless of whether our committee's alliance legislation passes, the trend toward new alliances makes it even more important that DOT ensure that new entrants are not driven out of the business by unfair competitive practices.

The major airlines have tried to damn the DOT proposal by labeling it with the pejorative term "reregulation." This is a gross mischaracterization. DOT is not proposing to add any new regulatory requirements. DOT is only implementing its statutory responsibility which predates the Deregulation Act of 1978 to prevent unfair competitive practices.

To understand what "reregulation" means, we first need to understand the meaning of "deregulation." Before 1978, the airlines were fully regulated. They needed authority from the Civil Aeronautics Board to change the cities they served and the fares they charged.

In 1978, this regulatory regime was ended by the Airline Deregulation Act, which gave airlines the same freedom as other industries to establish their service and their fares. But deregulation did not mean that there would be no limits on airlines' business decisions. All American business is subject to controls to ensure that their products are safe and that consumers are not deceived among other protections.

Some of these controls affect pricing decisions. For example, under the antitrust laws, no American business is free to set its prices by an agreement with its competitors. All businesses in America are prohibited from pricing practices which constitute unfair competitive practices violating the letter or spirit of the antitrust laws.

This prohibition is found in Section 5 of the Federal Trade Commission Act, governing industry generally, and in former Section 411 of the Federal Aviation Act, which is now 49 U.S.C. 41712, which applies specifically to airlines.

Since 1938 airlines have been exempt from Section 5 of the Federal Trade Commission Act, and subject to a provision specifically prohibiting unfair competitive practices by airlines administered by CAB's predecessor, and then by CAB, and since 1985, by DOT. This is the prohibition on which DOT's guidelines are based, historically established in law for the benefit and protection of air travelers.

Congress has made it absolutely clear that we expect the U.S. Department of Transportation to prohibit unfair competitive practices by airlines. In 1984 when we passed legislation terminating the Civil Aeronautics Board and giving its remaining responsibilities to the U.S. Department of Transportation, we explained that, "There is also a strong need to preserve the Board's authority under Section 411 to ensure fair competition in air transportation. Again, this is the same authority which the Federal Trade Commission exercises over other industries under Section 5 of the Federal Trade Commission Act.

Although the airline industry has been deregulated, this does not mean that there are no limits to competitive practices. As in the case with all industry, carriers must not engage in practices which would destroy the framework under which fair competition operates.

Air carriers are prohibited, as are firms in other industries, from practices which are inconsistent with the antitrust laws or the somewhat broader prohibitions of Section 411 of the Federal Aviation Act (corresponding to Section 5 of the Federal Trade Commission Act) against unfair competitive practices. Source, House Committee Report on CAB Sunset Act, H.R. 98–793, 98th Congress, Second Session.

I cite this to be perfectly precisely clear about the legal basis for the authority that the DOT seeks now to exercise.

The principal architect of deregulation, Dr. Alfred Kahn, has confirmed that the DOT proposal is not reregulation. Dr. Kahn said:

> The entry of these new low-fare carriers keeps the industry honest. I'm a strong advocate of competition and I don't want to go back to regulation. But you've got to distinguish legitimate competition from what is intended to drive competitors out and exploit consumers.

That is Alfred Kahn, as quoted in USA Today, April 6, 1998.

Dr. Kahn further says, "When I hear 'vigorous competitive' responses to describe a situation in which, within a space of a year, fares started at $260, went down to $100 in two quarters, and then back up to $270, I want to retch," said Dr. Kahn in the hearing on Aviation Competition of the Subcommittee on Aviation, the Senate Committee on Commerce, Science, and Transportation, April 23, 1998.

Strong language from a man who knows what "deregulation" means and what "fair competition" is.

Two other issues need to be clarified. First, the prohibition against unfair competitive practices is related to but is broader than the prohibitions of the antitrust laws. As the court ruled in United Airlines against CAB, 766 F.2nd 1107, 7th Circuit, 1985, "We know from many decisions under both this section, (Section 411 of the Federal Aviation Act prohibiting unfair competitive practices)," and its progenitor, Section 5 of the Federal Trade Commission Act, "that the Board can forbid anticompetitive practices before they become serious enough to violate the Sherman Act."

Secondly, DOT has authority to issue general rules determining that specific practices constitute unfair competitive practices. DOT is not limited to enforcing the prohibition against unfair practices through a case-by-case determination.

This was the issue in the 7th Circuit Court case of United Airlines against CAB, in which United Airlines challenged the CAB's authority to issue rules determining that various practices in the operation of computer reservation systems would be unfair competitive practices.

After analyzing the background of the reenactment of Section 411 in 1984, the court concluded,

> Congress, looking forward to the period after abolition of the Board, was very concerned to preserve in the Department of Transportation authority to enforce Section 411 . . . It is too late to inquire whether, as an original matter of interpretation of Sections 204(a) and 411, rulemaking can be used to prevent unfair or deceptive practices or unfair methods of competition. To hold that it cannot be so used would pull the rug out from under Congress's restructuring of airline regulation.

Wise words rightly said by the court.

There have been some proposals for legislation to stop the DOT rulemaking. I am pleased that the Committee on Transportation and Infrastructure has rejected these proposals, and instead has reported legislation to ensure that the final guidelines will include a full analysis of relevant issues, and that Congress will have an opportunity to legislate before final guidelines become effective.

I agreed to this legislation as a compromise, making it clear that my support should not be construed as indicating doubts about DOT's proposal, but rather, as a means of moving the issue forward. The Secretary of Transportation has pledged to give serious open-minded consideration to all comments filed, and I am confident that final guidelines will reflect any legitimate problems which may be raised.

I believe the basic approach proposed by DOT is sound. It is inconsistent

with deregulation for established airlines to respond to low fare competition by adopting pricing and scheduling policies which lose money, and then when the new entrant leaves the market, raising fares to prior levels.

I respect the rights of established airlines to oppose the DOT proposal, but I urge them to contest the proposal by responding to the real issue with real case studies and honest facts, rather than using their fictitious strawman claim of "reregulation" in their rush to ban all low-fare service.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. KILPATRICK (at the request of Mr. GEPHARDT) for today after 3:30 p.m. on account of official business.

Ms. HARMAN (at the request of Mr. GEPHARDT) for today on account of illness in the family.

Mr. MARTINEZ (at the request of Mr. GEPHARDT) for today on account of personal business.

Mr. PITTS (at the request of Mr. ARMEY) for today after 1:00 p.m. on account of his son's wedding.

Mr. CALLAHAN (at the request of Mr. ARMEY) for September 26 through October 2 on account of personal reasons associated with Hurricane Georges.

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. OBERSTAR) to revise and extend their remarks and include extraneous material:)

Mr. CONYERS, for 5 minutes, today.

Mr. SKAGGS, for 5 minutes, today.

Mr. DAVIS of Illinois, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

(The following Members (at the request of Mr. WELLER) to revise and extend their remarks and include extraneous material:)

Mr. SCARBOROUGH, for 5 minutes, today.

Mr. WELLER, for 5 minutes, today.

Mr. SHIMKUS, for 5 minutes, today.

Mr. RIGGS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. OBERSTAR) and to include extraneous material:)

Mr. HAMILTON in two instances.

Mr. TAYLOR of Mississippi.

Ms. DELAURO.

Mr. STARK.

Mr. TOWNS in two instances.

Mr. BENTSEN.

Mr. NEAL of Massachusetts.

Mr. MILLER of California.

Mr. SKELTON.

Mr. DINGELL.

Ms. JACKSON-LEE of Texas.

Mr. POSHARD.

Mr. KIND.

Ms. BROWN of Florida.

Ms. LEE.

Mr. MALONEY of Connecticut.

Mr. COYNE.

Ms. MCCARTHY of Missouri.

Mr. BARCIA.

(The following Members (at the request of Mr. WELLER) and to include extraneous material:)

Mr. SHIMKUS.

Mrs. MORELLA.

Mr. WALSH.

Mr. MCCRERY.

Mr. MILLER of Florida.

Mr. BOB SCHAFFER of Colorado.

Mr. HASTERT.

Mrs. WILSON.

Mr. PAUL.

Mr. BLILEY.

Ms. DUNN.

Mr. NEY.

Mr. LAZIO of New York.

Ms. PRYCE of Ohio.

(The following Members (at the request of Mr. OBERSTAR) and to include extraneous material:)

Mr. GALLEGLY.

Mr. ENGLISH of Pennsylvania.

Mr. TOWNS.

Mr. YOUNG of Florida.

Mr. HORN.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S.J. Res. 58. Joint Resolution recognizing the accomplishments of Inspectors General since their creation in 1978 in preventing and detecting waste, fraud, abuse, and mismanagement, and in promoting economy, efficiency, and effectiveness in the Federal Government; to the Committee on Government Reform and Oversight.

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. 6. An act to extend the authorization of programs under the Higher Education Act of 1965, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. THOMAS, from the Committee on House Oversight, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On October 1, 1998:

H.R. 4060. Making appropriations for energy and water development for the fiscal year ending September 30, 1999 and for other purposes.

H.R. 4380. To amend the Public Health Service Act to revise and extend the program for mammography quality standards.

H.R. 3096. To correct a provision relating to termination of benefits for convicted persons.

ADJOURNMENT

Mr. OBERSTAR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p.m.), under its previous order, the House adjourned until Monday, October 5, 1998, at 12:30 p.m. for Morning Hour debates.

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:

[Omitted from the Record of October 1, 1998]

Mr. MCINNIS: Committee on Rules. House Resolution 563. Resolution waiving points of order against the conference report to accompany the bill (H.R. 4104) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–761). Referred to the House Calendar.

Mr. DREIER: Committee on Rules. House Resolution 564. Resolution providing for consideration of the bill (H.R. 4274) making appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–762). Referred to the House Calendar.

[Submitted October 2, 1998]

Mr SKEEN: Committee on Conference. Conference report on H.R. 4101. A bill making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–763). Ordered to be printed.

Mr. SOLOMON: Committee on Rules. House Resolution 567. Resolution waiving points of order against the conference report to accompany the bill (H.R. 4101) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes (Rept. 105–764). Referred to the House Calendar.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1833. A bill to amend the Indian Self-Determination and Education Assistance Act to provide for further Self-Governance by Indian Tribes, and for other purposes; with an amendment (Rept. 105–765). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3972. A bill to amend the Outer Continental Shelf Lands Act to prohibit the Secretary of the Interior from charging State and local government agencies for certain uses of the sand, gravel, and shell resources of the outer Continental Shelf (Rept. 105–766). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. S. 1693. An act to provide for improved management and increased accountability for certain National Park Service programs, and for other purposes; with an amendment (Rept. 105–767). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. BLILEY: Committee on Commerce. H.R. 3844. A bill to promote and enhance public safety through use of 9–1–1 as the universal emergency assistance number, further deployment of wireless 9–1–1 service, support of States in upgrading 9–1–1 capabilities and related functions, encouragement of construction and operation of seamless, ubiquitous and reliable networks for personal wireless services, and ensuring access to Federal Government property for such networks, and for other purposes, with an amendment; referred to the Committee on Transportation and Infrastructure for a period ending not later than October 9, 1998, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(q), rule X. (Rept. 105–768, Pt. 1).

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. BLILEY:

H.R. 4679. A bill to amend the Federal Food, Drug, and Cosmetic Act to clarify the circumstances in which a substance is considered to be a pesticide chemical for purposes of such Act, and for other purposes; to the Committee on Commerce.

By Ms. JACKSON-LEE of Texas (for herself, Ms. KILPATRICK, Ms. MCKINNEY, Mr. RUSH, Mrs. CLAYTON, Ms. MILLENDER-MCDONALD, Mr. FORD, Mr. LAMPSON, Mr. REYES, Mr. HINOJOSA, Mr. RODRIGUEZ, Mr. GREEN, Mr. PASTOR, and Mr. CLYBURN):

H.R. 4680. A bill to amend title XVIII of the Social Security Act to require hospitals reimbursed under the Medicare system to establish and implement security procedures to reduce the likelihood of infant patient abduction and baby switching, including procedures for identifying all infant patients in the hospital in a manner that ensures that it will be evident if infants are missing from the hospital; to the Committee on Ways and Means, and in addition to the Committees on Commerce, and the Judiciary, 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 Mr. BARR of Georgia (for himself and Mr. BISHOP):

H.R. 4681. A bill to require a 33 percent reduction in funds provided to a State under title I of the Omnibus Crime Control and Safe Streets Act of 1968 unless law enforcement officers are afforded due process in a case which could lead to dismissal, demotion, suspension, or transfer of a law enforcement officer; to the Committee on the Judiciary.

By Mr. BARCIA of Michigan (for himself, Mr. GORDON, Mrs. MORELLA, Mr. BROWN of California, Mrs. CAPPS, Ms. RIVERS, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. ETHERIDGE, Ms. STABENOW, Mr. TRAFICANT, Ms. LEE, and Ms. JACKSON-LEE of Texas):

H.R. 4682. A bill to minimize the disruption of Government and private sector operations caused by the Year 2000 computer problem; to the Committee on Science.

By Mr. BILIRAKIS (for himself, Mr. BLILEY, Mr. DINGELL, Mr. BROWN of Ohio, Mr. GINGRICH, Mr. PORTER, Mr. BARTON of Texas, Mr. HASTERT, Mr. WAXMAN, Mr. STEARNS, Mr. GREENWOOD, Mr. BILBRAY, Mr. ROGAN, Mr. STRICKLAND, Mr. BURR of North Carolina, Mr. LAZIO of New York, and Mr. GREEN):

H.R. 4683. A bill to amend the Public Health Service Act to revise and extend certain programs with respect to women's health research and prevention activities at the National Institutes of Health and the Centers for Disease Control and Prevention; to the Committee on Commerce.

By Mr. CAMPBELL (for himself, Mr. SESSIONS, Mr. PAUL, Mr. JONES, and Mr. COOK):

H.R. 4684. A bill to amend the Internal Revenue Code of 1986 to encourage a strong community-based banking system; to the Committee on Ways and Means.

By Ms. DUNN of Washington:

H.R. 4685. A bill to amend the Internal Revenue Code of 1986 to expand the exclusion for qualified small business stock, to increase the annual limit with respect to incentive stock options, and for other purposes; to the Committee on Ways and Means.

By Mr. KENNEDY of Massachusetts (for himself, Mr. BARRETT of Wisconsin, Mr. HASTINGS of Florida, Mr. COSTELLO, Mr. FILNER, Mr. WAXMAN, Ms. KILPATRICK, Mr. STARK, Mr. KENNEDY of Rhode Island, Mr. NEAL of Massachusetts, Ms. SLAUGHTER, Mr. SANDLIN, Mr. UNDERWOOD, Mr. MEEHAN, and Ms. ROYBAL-ALLARD):

H.R. 4686. A bill to amend titles XI, XVIII, and XIX of the Social Security Act to permit paid staff other than nurse aides and licensed health professionals to provide feeding and hydration assistance to residents in nursing facilities participating in the Medicare and Medicaid Programs (and to provide special training requirements for such staff), and to establish a program to ensure that such facilities do not employ individuals who have a history of patient or resident abuse or have been convicted of certain crimes; to the Committee on Commerce, and in addition to the Committee on Ways and Means, 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 Mr. MALONEY of Connecticut:

H.R. 4687. A bill to amend the Internal Revenue Code of 1986 to allow vendor refunds of Federal excise taxes on kerosene used in unvented heaters for home heating purposes; to the Committee on Ways and Means.

By Mr. MCGOVERN (for himself, Mr. WEYGAND, Mrs. THURMAN, and Mr. PALLONE):

H.R. 4688. A bill to require that jewelry imported from another country be indelibly marked with the country of origin; to the Committee on Ways and Means.

By Mr. MCNULTY (for himself and Mr. HOUGHTON):

H.R. 4689. A bill to exclude from Federal taxation any portion of any reward paid to David R. Kaczynski and Linda E. Patrik which is donated to the victims in the Unabomber case or their families or which is used to pay Mr. Kaczynski's and Ms. Patrik's attorneys' fees; to the Committee on Ways and Means.

By Mr. MINGE (for himself and Mr. POMEROY):

H.R. 4690. A bill to respond to the needs of United States farmers experiencing exceptionally low commodity prices and extensive crop failures; to the Committee on Agriculture.

By Mrs. ROUKEMA:

H.R. 4691. A bill to amend title 31, United States Code, to prevent the smuggling of large amounts of currency or monetary instruments into or out of the United States, and for other purposes; to the Committee on Banking and Financial Services.

By Mr. TOWNS:

H.R. 4692. A bill to make any State whose child poverty rate increases by 5 percent or more in a fiscal year ineligible for a high performance bonus for the next fiscal year under the program of block grants to States for temporary assistance for needy families; to the Committee on Ways and Means.

By Mr. YOUNG of Alaska (for himself, Mr. HEFNER, and Mr. MCINTYRE):

H.R. 4693. A bill to provide for Federal recognition of the Qutekcak Native Tribe of Alaska and the Tuscarora Nation of the Kauta-Noh, and for other purposes; to the Committee on Resources.

By Mr. KOLBE (for himself, Mr. STUMP, Mr. SHADEGG, Mr. HAYWORTH, Mr. SALMON, and Mr. YOUNG of Alaska):

H. Con. Res. 332. Concurrent resolution expressing the sense of Congress regarding the policy of the Forest Service toward recreational shooting and archery ranges on Federal land; to the Committee on Agriculture, and in addition to the Committee on Resources, 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 Mr. REDMOND:

H. Con. Res. 333. Concurrent resolution expressing the sense of the Congress that public schools should conduct ceremonies and other activities to educate and inform students about the sacrifice and commitment of veterans of the United States Armed Forces; to the Committee on Education and the Workforce.

By Mr. CARDIN (for himself and Mr. EHRLICH):

H. Res. 568. A resolution recognizing and congratulating Cal Ripken, Jr.; to the Committee on Government Reform and Oversight.

By Mr. MORAN of Virginia:

H. Res. 569. A resolution concerning the extradition to the United States of Salvadorans; to the Committee on International Relations.

By Mr. ROHRABACHER:

H. Res. 570. A resolution expressing the sense of the House of Representatives regarding support for the formation of the Chinese Democracy Party (CDP) and to urge the Government of the People's Republic of China to

guarantee the rights and safety of the CDP organizers; to the Committee on International Relations.

By Mr. WELDON of Pennsylvania (for himself, Mr. PICKETT, Mr. BARTLETT of Maryland, Mr. WATTS of Oklahoma, Mr. TAYLOR of North Carolina, Mr. THORNBERRY, Ms. GRANGER, Mr. PAPPAS, and Mr. CUNNINGHAM):

H. Res. 571. A resolution expressing sympathy to the family and colleagues of Lev Yakovlevich Rokhlin, and expressing the sense of the House of Representatives that the President of the United States should urge the Russian Government to promptly and thoroughly investigate the circumstances surrounding the death of Lev Yakovlevich Rokhlin and to provide a full accounting of the circumstances as soon as practicable, but not later than November 1999; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions of the following titles were introduced and severally referred, as follows:

By Ms. PELOSI:

H.R. 4694. A bill for the relief of Suchada Kwong; to the Committee on the Judiciary.

H.R. 4695. A bill for the relief of Oleg Rasulyevich Rafikov, Alfia Fanilevna Rafikova, Evgenia Olegovna Rafikova, and Ruslan Khamitovich Yagudin; 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. 98: Mr. MILLER of California.

H.R. 158: Mr. MENENDEZ.

H.R. 218: Mr. JONES, Mr. BISHOP, and Mr. GILMAN.

H.R. 902: Mr. NEUMANN.

H.R. 1126: Mr. SKEEN.

H.R. 1628: Mr. SMITH of New Jersey.

H.R. 1711: Mr. ADERHOLT, Mr. PICKERING, Mr. HUNTER, Mr. HILLEARY, Mr. GIBBONS, Mr. BURR of North Carolina, Mr. HOEKSTRA, Mr. RYUN, Mr. KLINK, and Mr. EVERETT.

H.R. 1773: Mr. GOODE.

H.R. 1883: Mr. ADERHOLT.

H.R. 2009: Mr. COX of California.

H.R. 2397: Mr. GORDON, Mr. DEFAZIO, Mr. SAXTON, Mr. VENTO, Mr. METCALF, Mr. DOYLE, Mr. JACKSON of Illinois and Mr. HAYWORTH.

H.R. 2499: Mr. LAZIO of New York and Mr. BEREUTER.

H.R. 2560: Mr. BASS, Mr. BUNNING of Kentucky, Mr. FRELINGHUYSEN, Mr. LAHOOD, Mr. BONILLA, Mr. CAMPBELL, Mr. HANSEN, and Mr. PACKARD.

H.R. 2748: Mr. SHIMKUS.

H.R. 2754: Mr. NEAL of Massachusetts, Mr. DIXON, and Ms. ROYBAL-ALLARD.

H.R. 2817: Mr. MCINTOSH, Mr. MORAN of Virginia, Mrs. CAPPS, and Mr. DOYLE.

H.R. 2819: Ms. SLAUGHTER.

H.R. 2914: Mr. SAWYER.

H.R. 2923: Mr. BALDACCI.

H.R. 2938: Mr. BOB SCHAFFER, Mr. LUTHER, and Mr. OBERSTAR.

H.R. 2941: Mr. HUTCHINSON.

H.R. 2951: Mr. STENHOLM.

H.R. 3008: Mr. PAYNE.

H.R. 3081: Mr. HOYER and Mr. RANGEL.

H.R. 3247: Mr. BATEMAN and Mr. MCHUGH.

H.R. 3261: Mr. POMBO.

H.R. 3296: Ms. DEGETTE.

H.R. 3437: Mr. SCOTT.

H.R. 3484: Mr. THOMPSON, Mr. JEFFERSON, and Mr. LUTHER.

H.R. 3514: Mr. NEAL of Massachusetts.

H.R. 3684: Mr. ADERHOLT.

H.R. 3779: Mr. BONILLA and Mr. STRICKLAND.

H.R. 3795: Mrs. MORELLA.

H.R. 3879: Mr. KNOLLENBERG.

H.R. 3895: Ms. FURSE.

H.R. 3900: Mr. MCHUGH.

H.R. 3911: Mr. WAXMAN and Mr. CAMPBELL.

H.R. 4009: Mr. SPRATT, Mr. VENTO, Mr. ABERCROMBIE, Mr. WISE, Mr. DEFAZIO, Ms. CARSON, and Mr. LEVIN.

H.R. 4016: Mrs. MINK of Hawaii.

H.R. 4031: Ms. STABENOW.

H.R. 4035: Mr. BARTON of Texas, Mr. BRADY of Texas, Mr. NEY, Mr. LARGENT, Mr. HEFNER, Mr. POMEROY, Mr. SANDLIN, Mr. PRICE of North Carolina, Mr. ACKERMAN, Mr. DAVIS of Florida, Mr. HALL of Texas, Mr. BEREUTER, Ms. LEE, Mr. PAUL, Mr. WISE, Mr. FRANK of Massachusetts, Ms. WATERS, Mr. WATT of North Carolina, Mr. DUNCAN, Mr. ADERHOLT, Mrs. BONO, Mr. MATSUI, Mr. FORD, and Ms. ROS-LEHTINEN.

H.R. 4036: Mr. BARTON of Texas, Mr. NEY, Mr. LARGENT, Mr. GOODLING, Ms. ESHOO, Mr. HEFNER, Mr. WELDON of Florida, Mr. SANDLIN, Mr. PRICE of North Carolina, Mr. ACKERMAN, Mr. CRAMER, Mr. HALL of Texas, Mr. CALVERT, Mr. BARR of Georgia, Ms. LEE, Mr. WEYGAND, Mr. GOODE, Mr. PAUL, Mr. WISE, Mr. FRANK of Massachusetts, Mr. BARCIA, Mr. GONZALEZ, Mr. DICKEY, Ms. WATERS, Mr. WATT of North Carolina, Mr. ADERHOLT, Mr. OWENS, Mr. JENKINS, Ms. HARMAN, Mrs. BONO, Mr. MATSUI, Mr. FORD, Ms. ROS-LEHTINEN, Mr. MCKEON, Ms. PELOSI, Mr. HORN, and Mr. STARK.

H.R. 4071: Mrs. EMERSON.

H.R. 4096: Mr. DOOLITTLE.

H.R. 4154: Mr. CALVERT, Mr. JENKINS, and Mr. SPENCE.

H.R. 4179: Mr. MEEKS of New York, Mr. METCALF, Mr. REDMOND, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. VENTO, Mr. LUTHER, Mr. UPTON, Ms. KILPATRICK, Mr. MARTINEZ, Ms. SLAUGHTER, and Ms. DEGETTE.

H.R. 4203: Ms. KILPATRICK, Mr. ALLEN, and Mr. MANTON.

H.R. 4213: Mrs. CAPPS, Mr. MEEKS of New York, and Mr. REYES.

H.R. 4217: Mr. POMBO.

H.R. 4235: Mr. SHAW and Mr. JEFFERSON.

H.R. 4242: Mr. SANDERS.

H.R. 4280: Mr. HOYER.

H.R. 4281: Mr. POMBO and Mr. BOB SCHAFFER.

H.R. 4285: Mr. BEREUTER.

H.R. 4314: Mr. BUNNING of Kentucky.

H.R. 4362: Ms. MCCARTHY of Missouri, Mr. UNDERWOOD, and Mr. DOYLE.

H.R. 4424: Mr. STUMP.

H.R. 4449: Mr. WELLER, Mr. HASTINGS of Washington, Mr. SANDERS, Mr. THOMPSON, and Mr. DAVIS of Virginia.

H.R. 4455: Mr. RAMSTAD.

H.R. 4472: Mrs. LINDA SMITH of Washington.

H.R. 4505: Mr. MORAN of Virginia.

H.R. 4513: Mr. LAHOOD.

H.R. 4516: Mr. CUMMINGS, Mr. CARDIN, Mr. BARTLETT of Maryland, Mr. GILCHREST, Mr. HOYER, Mrs. MORELLA, and Mr. EHRLICH.

H.R. 4590: Mr. HOBSON, Mr. GILLMOR, and Mr. ADAM SMITH of Washington.

H.R. 4604: Mr. JEFFERSON, Mr. BRADY of Texas, Mr. ENGLISH of Pennsylvania, and Mr. PAXON.

H.R. 4609: Mr. FRANKS of New Jersey, Mr. ENGLISH of Pennsylvania, and Mr. SMITH of New Jersey.

H.R. 4611: Mr. OBERSTAR.

H.R. 4628: Ms. SLAUGHTER, Mr. BARRETT of Wisconsin, Mr. ABERCOMBIE, Mr. SANDLIN, and Mr. ENGEL.

H.R. 4669: Mr. WATTS of Oklahoma, Mr. MCHALE, and Mr. FILNER.

H. Con. Res. 100: Mr. BENTSEN.

H. Con. Res. 126: Mr. STENHOLM, Mrs. MINK of Hawaii, and Mr. MOAKLEY.

H. Con. Res. 229: Mr. ACKERMAN, Ms. BROWN of Florida, Mr. ENSIGN, Mr. MCINTOSH, and Mr. OLVER.

H. Con. Res. 264: Mr. BONILLA.

H. Con. Res. 274: Mr. LIVINGSTON, Mr. PACKARD, Mr. KASICH, Mr. RILEY, Mr. CONDIT, Ms. SÁNCHEZ, Mr. SNOWBARGER, Mrs. CAPPS, and Mr. ROMERO-BARCELO.

H. Con. Res. 290: Mr. HAYWORTH, Mrs. CHENOWETH, Mr. PEASE, Mr. JENKINS, Mr. HANSEN, Mr. ROHRABACHER, Mrs. THURMAN, Mr. MORAN of Kansas, Mr. CLYBURN, and Mr. SCARBOROUGH.

H. Con. Res. 295: Mrs. CAPPS.

H. Con. Res. 306: Mr. NETHERCUTT.

H. Con. Res. 320: Mr. GILMAN and Mr. BEREUTER.

H. Res. 483: Mr. MCGOVERN, Mr. KLINK, Ms. RIVERS, and Mr. LANTOS.

H. Res. 518: Mr. ENGLISH of Pennsylvania, Mr. LANTOS, Ms. CARSON, Mr. MEEKS of New York, and Mr. MARKEY.

H. Res. 523: Mrs. MCCARTHY of New York, Mr. BEREUTER, Mr. WEXLER, Mrs. MEEK of Florida, Mr. WATT of North Carolina, Ms. FURSE, and Mr. FOX of Pennsylvania.

H. Res. 529: Mr. HASTINGS of Washington.

H. Res. 533: Mr. MCGOVERN and Mr. BEREUTER.

H. Res. 561: Ms. SLAUGHTER, Mrs. KELLY, and Mr. ROTHMAN.

H. Res. 565: Mr. BARTON of Texas, Mr. BOB SCHAFFER, Mr. HALL of Texas, Mr. MCHUGH, Mr. NETHERCUTT, Mrs. MALONEY of New York, Mr. FOSSELLA, Mr. RANGEL, Mr. RODRIGUEZ, Mr. LUCAS of Oklahoma, Mr. DAVIS of Virginia, Ms. CHRISTIAN-GREEN, and Mrs. KENNELLY of Connecticut.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS.

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1995: Mrs. Cubin.

DISCHARGE PETITIONS—ADDITIONS OR DELETIONS

The following Members added their names to the following discharge petitions:

Petition 6 by Mr. OBEY on H.R. 3580: Karen L. Thurman and Ron Klink.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 3789

OFFERED BY: MR. BRYANT

AMENDMENT NO. 7: Page 3, add the following after line 25:

"(C) In a case removed to the district court on the basis of jurisdiction under this subsection in which the district court determines under this paragraph to abstain from hearing an action, the court shall not determine whether the case may be maintained as

a class action under Rule 23 of the Federal Rules of Civil Procedure.

Page 4, line 1, strike lines 1 through 3.

Page 4, line 4, strike "(B)" and insert "(3)(A)".

Page 4, line 5, strike "(C)" and insert "(B)".

Page 4, line 10, strike "(C)" and insert "(B)".

Page 5, strike lines 1 through 3 and insert the following:

"(C) Paragraph (1) and section 1453 shall not apply to any civil action, regardless of the forum in which it may be filed, that involves—

"(i) a class action brought under the Securities Act of 1933 or the Securities Exchange Act of 1934, or that is subject to the limitations on class actions under the Securities Act of 1933 or the Securities Exchange Act of 1934; or

"(ii) a claim or claims relating to—

"(I) the internal affairs or governance of a corporation or other form of entity or business association arising under or by virtue of the statutory, common, or other laws of the State in which such corporation, entity, or business association is incorporated (in the case of a corporation) or organized (in the case of any other entity); or

"(II) the rights, duties (including fiduciary duties), and obligations relating to or created by any security.

"(D) Paragraph (1) and section 1453 shall not apply to—

"(i) an action involving a security that is brought by a State, a political subdivision thereof, or a State pension plan, whether on its own behalf, or as a member of a class comprised solely of other States, political subdivisions, or State pension plans that are named plaintiffs, and that have authorized participation, in such action;

"(ii) an action that seeks to enforce a contractual agreement between an issuer and an indenture trustee; or

"(iii) an action involving any debt securities that is exempt from registration under the Securities Act of 1933 pursuant to rules issued by the Securities and Exchange Commission under section 4(2) of such Act.

"(E) As used in this paragraph—

"(i) the terms 'issuer', 'security', and 'equity security' have the meanings given those terms in section 3 of the Securities Exchange Act of 1934;

"(ii) an 'affiliate' of an issuer is a person that directly or indirectly, through one or more intermediaries, controls or is controlled by or is under common control with, that issuer; and

"(iii) the term 'State pension plan' means a pension plan established and maintained for its employees by the government of a State or political subdivision thereof, or by any agency or instrumentality thereof.".

Page 6, lines 18 and 19, strike "district court's direction in accordance with Rule 23(c)(2) of the Federal Rules of Civil Procedure" and insert "direction of the State court".

Page 7, line 21, insert after the first period the following: "Nothing in this subsection shall preclude a party from amending its complaint after remand to State court.".

H.R. 4274

OFFERED BY: MR. WEYGAND

AMENDMENT NO. 25: Page 6, line 10, before the period insert the following: ": *Provided further*, That, to the extent practicable, not less than 50 percent of the total number of Job Corps centers established during fiscal year 1999 shall be established in States that, as of the date of the enactment of this Act, do not have Job Corps centers".

H.R. 4274

OFFERED BY: MR. WEYGAND

AMENDMENT NO. 26: Page 6, line 10, before the period insert the following: ": *Provided further*, That, to the extent practicable, Job Corps centers established during fiscal year 1999 shall be established in States that, as of the date of the enactment of this Act, do not have Job Corps centers".

H.R. 4274

OFFERED BY: MR. WEYGAND

AMENDMENT NO. 27: Page 28, line 15, insert "(decreased by $6,008,000)" after the last dollar figure.

Page 34, line 24, insert "(decreased by $6,327,000)" after the dollar figure.

Page 44, line 9, insert "(increased by $5,000,000)" after the dollar figure.

EXTENSIONS OF REMARKS

HONORING RAYMOND MILLER, MANAGER OF THE BALTIMORE ORIOLES

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. NEY. Mr. Speaker, I rise today to pay tribute to a man whose love for baseball inspires us all. "Rapid" Raymond Miller, the 13th manager of the Baltimore Orioles, has just completed his first full season managing. Mr. Miller is a man whose talent and great love of baseball span more than 30 years.

Throughout his entire career Mr. Miller has had many accomplishments. A minor league baseball pitcher for ten years, 18 years as a major league pitching coach and manager of the Minnesota Twins are all experiences that have qualified him to lead the Baltimore Orioles. His career has taken him from his beginnings with a minor league team in San Francisco to coaching a team that won the World Series.

Most of Mr. Miller's career has been spent as a pitching coach in which he has demonstrated tremendous success. Under his direction, not only did three players receive the Cy Young Award, but he also coached seven different 20-game winners. As the 1998 season came to a close, Mr. Miller demonstrated the same enthusiasm and promise as manager of the Baltimore Orioles that he has shown throughout his career.

Mr. Miller has made baseball fans from Ohio's 18th Congressional district very proud. With all of Mr. Miller's continued success, he has never forgotten the area from where he came. He and his wife continue to reside in New Athens, Ohio.

Mr. Speaker, I ask that you and my colleagues join me in congratulating and wishing continued future success to a man I am proud to call my constituent, Mr. Raymond Miller.

RECOGNITION OF THE JEWISH WAR VETERANS OF THE UNITED STATES OF AMERICA

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. PACKARD. Mr. Speaker, I rise today to recognize the Jewish War Veterans of the U.S.A., Department of California.

The Jewish War Veterans of the USA, was organized in 1896 by veterans of the Civil War. They proudly hold the title of the oldest active national veterans' service organization in America. The Jewish War Veterans focus their attention on promoting veterans legislation, sponsoring projects on Jewish communal concerns, support of Israel, advocacy for Soviet Jewry, and combating anti-Semitism.

The courageous men and women of the Department of California chapter will be celebrating their 60th Anniversary on November 15, 1998. As a former member of the U.S. Navy, I respect the role they have played in protecting our country and our constitution. They have given us a shining example in courage with their participation in the military during World War II. These soldiers served in the Armed Forces beyond their numerical proportion to the general population and received more than 52,000 awards, including the coveted Congressional Medal of Honor.

Mr. Speaker, I would like to thank these Americans for their dedication and commitment to our nation. Their selfless acts of patriotism have helped spread the hope of freedom all over the world.

HONORING THE 75TH ANNIVERSARY OF THE LONG BEACH AIRPORT

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. HORN. Mr. Speaker, On November 26, 1923, a famed aviator and well-known community leader in Long Beach piloted his airplane to the very first landing at the brand-new Long Beach Airport. Today, I want to note not only that landing by Earl S. Daugherty but the fact that it launched the outstanding history of the Long Beach Airport. This year marks the airport's 75th year of service to Long Beach, southern California and the nation.

Earl Daugherty gained fame at the beginning of this century not only as an aviator but as a builder of aircraft, helping to lay the groundwork for southern California's vital aerospace industry. He also was the driving force behind the creation of the new airport for his hometown of Long Beach, where the only landing strip was the huge crescent-shaped beach. In 1923, the Long Beach City Council set aside 150 acres near the intersection of Spring and Cherry Streets to become Long Beach's airport.

Appropriately named Daugherty Field, the airport quickly proved an immediate success and the business of aviation began to flourish in Long Beach. Conditions at the airport were deemed perfect in the aviation community, making the facility known as one of the better year-round airports on the West Coast.

Within five years the airport had grown to 380 acres, with 16 large commercial hangars capable of accommodating more than 75 planes. By this point, several aircraft manufacturing businesses were established at the airport as well. During this time of growth the airport also saw the arrival of the United States Army and Navy at hangars and administrative offices provided by the city.

Two runways were added to the expanding airport in the mid 30's and soon the Civil Aeronautics Authority (known today as the Federal Aviation Administration) began operating a new air traffic control tower. In 1941, the current terminal building was added. The terminal building was designated a City of Long Beach Cultural Heritage Landmark in 1990. While the terminal has expanded over the years, excellent planning has retained its distinguishing architectural characteristics. In 1991, in honor of the building's 50th anniversary, the Long Beach Airport Historical Aviation Exhibit was opened. This important exhibit allows travelers to learn first hand the significance of air travel to the City of Long Beach.

Throughout the Second World War the field was focused on the war effort, expanding to 500 acres as many famous military units, including Captain Eddie Rickenbacher's 94th Pursuit Squadron, passed through on their way to Europe or the Pacific. Many longtime residents of Long Beach remember that the airport also served as home to the Air Transport Command's Ferrying Division, which included a quadron of 18 women pilots commanded by Barbara London, a preeminent Long Beach aviatrix, who still maintains business at the airport.

As the City of Long Beach continued to grow, so too did its airport. Today, the airport has grown to 1,166 acres with five runways. It has remained a key part of the aerospace industry ever since it attracted the attention of Donald Wills, who brought the McDonnell Douglas Corporation to Long Beach. Now part of the Boeing Corporation, plants at the airport turn out both commercial aircraft, such as the new 717, and the C–17 military transport and employ more than 20,000 workers. That makes Boeing the largest employer in Long Beach.

The Long Beach Airport is well situated between the major business and tourism areas of both Orange and Los Angeles Counties. Currently, there are more than 200 businesses located on airport property. As a leader in the aviation field, Long Beach boasts not only Boeing, but also Cessna Citation and Gulfstream Aerospace aircraft service centers.

The City of Long Beach owns and operates the airport today. The airport generously contributes time and resources to the Long Beach community through its sponsorship of schools and a volunteer tour program which brings in more than 3,000 children annually.

I congratulate the City of Long Beach on the continued success of the airport. The proud history of the Long Beach Airport demonstrates the foresight of Earl Daugherty and all of those who advanced the airport to its current respected status. I also commend the men and women who work on a daily basis to insure that the Long Beach Airport continues to offer the highest level of aviation safety and

service that has become synonymous with this fine airport. I wish a happy 75th anniversary to the Long Beach Airport.

CELEBRATING THE FORTIETH ANNIVERSARY OF THE MONTGOMERY COUNTY HUMANE SOCIETY

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mrs. MORELLA. Mr. Speaker, I rise today in recognition of the Montgomery County Humane Society as they celebrate their 40th anniversary. As an animal lover and member of the Congressional Friends of Animals Caucus, I am so proud that this organization has provided compassionate animal welfare services to my district in Montgomery County, Maryland for so many years.

The Montgomery County Humane Society offers many critically important services to the county. Every year, the organization shelters over 10,500 animals and provides other assistance to 100,000 local citizens. The adoption program is nationally recognized with an impressive 69% adoption rate. The Montgomery County Humane Society also provides rescue services, low- and no-cost spaying and neutering, veterinary care, and critical humane education programs.

Mr. Speaker, I would like to offer congratulations and my warmest wishes to the Montgomery County Humane Society as they celebrate this important milestone. May they continue to grow and prosper.

WOMEN'S HEALTH RESEARCH

HON. RICK LAZIO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. LAZIO of New York. Mr. Speaker, I rise today in strong support of legislation that was introduced by Congressman BILIRAKIS. This legislation is a necessary step to ensure that the most promising research receives the attention it deserves and that women receive the best screening and prevention methods available.

The Women's Health Research & Prevention Amendments of 1998 includes a section that will renew the CDC National Breast and Cervical Cancer Early Detection Program (NBCCEDP). More than 1 million women in this country who otherwise would not have the benefit of early cancer detection have been screened by this excellent program. Since the inception of the NBCCEDP, over 3,400 women have been diagnosed with cancer.

Breast and cervical cancer is devastating. One in eight women will develop breast cancer. Today, 2.6 million women are living with breast cancer. Every three minutes a woman is diagnosed and every 11 minutes a woman dies of breast cancer. Additionally, 13,700 women will be diagnosed with invasive cervical cancer. Deaths related to cervical cancer will total 3,900 this year. These startling statistics prove the importance of education, screening, early detection, and treatment.

In collaboration with Congressman BILIRAKIS, I drafted language to expand the services provided under this program. Women diagnosed with cancer through this program will now be able to rely on case managers to help them obtain the care they need and the care they deserve.

Case management in this CDC screening program is a critical component in most states' programs. My language would ensure that all women who are diagnosed case managers. Women need expert advice as they face the challenges posed by breast and cervical cancer. We are ensuring that today every woman has as much knowledge as possible to take control of her own life and obtain the care she needs to fight her cancer.

I would like to take this opportunity to point out that I am pleased to be an original sponsor of Congressman BILIRAKIS' legislation. I thank him for accommodating my concerns and taking this important first step in addressing a critical problem facing underserved women in this nation.

There are thousands of medically underserved women who need access to critical health care. We must continue to look for long term solutions to the challenge of ensuring treatment for women served under this CDC-funded program. Case management is vitally important, however, as more women are screened and more cancers are diagnosed through this program, ensuring care for all who need it will place increasing stress on fragile and overburdened treatment systems.

Earlier this year, I introduced legislation that solves this problem for women screened through the CDC program. My bill, The Breast and Cervical Cancer Treatment Act, H.R. 3779, will strengthen an already strong program by allowing case managers to serve those women diagnosed with cancer in a more timely manner. Currently, program managers must rely on outside funding sources for treatment—a process that requires time, labor, and resources. My bill gives states the option to help these women find the appropriate care through Medicaid. Additionally, my bill would free up resources, especially time and money, so that case managers can focus efforts on bringing more women into the program to take advantage of early cancer screening. My legislation will make the CDC screening program a complete success and should be enacted as well.

I am hopeful that Congress will take the necessary steps to make the program stronger through the passage of The Women's Health Research and Prevention Amendments of 1998. Not only does this legislation reauthorize the NBCCEDP, but it also addresses many other quality programs in women's health at the NIH and the CDC. The legislation reauthorizes research on osteoporosis, cancer, heart attack, stroke, and aging at the NIH. Under the CDC, this bill also reauthorizes the National Center for Health Statistics, National Program of Cancer Registries, and the Centers for Research and Demonstrations of Health Promotion and Disease Prevention.

I urge all my colleagues to cosponsor Mr. BILIRAKIS' legislation and do our share to ensure that women can be screened, treated, and cured of breast and cervical cancer.

INDIAN PARLIAMENT MEMBER SAYS INDIA MAY SUFFER SAME FATE AS SOVIET UNION

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. TOWNS. Mr. Speaker, on August 7, India-West reported that Sharad Pawar, the leader of the opposition in the Lok Sabha, the lower house of India's Parliament, "expressed fear that the country might go the erstwhile Soviet Union way." Speaking at a function for the release of a book, Pawar said that although the Soviet Union was a nuclear power, it fell apart. He said that India's missile tests should not make it overconfident about keeping the country together.

The decline of India is inevitable, Mr. Speaker, for many of the same reasons that doomed the Soviet Union. The fact that a leader of the Indian Parliament is now taking note of it is a significant development.

India is a country made of may nations. It has 18 official languages. While it maintains a democratic form of government, the principles of democracy do not seem to apply where the minority nations are concerned. Tens of thousands of Sikhs, Christian Nagas, Kashmiri Muslims, Dalits, Tamils, Assamese, Manipuris, and others have been murdered by the government, with no apparent difference no matter which party is in power. Currently, there are 17 freedom movements within India's borders. It looks like Mr. Pawar is on to something.

India's breakup is inevitable. I think I speak for most of us here when I say that I hope it happens in the peaceful way that the Soviet breakup did. Otherwise, there is the risk of another Yugoslavia in South Asia.

It has been American policy to preserve the current artificial stability in South Asia, but let us remember that we pursued a similar policy with regard to the Soviet empire and it collapsed anyway. The best way to preserve stability, democracy, prosperity, freedom, and peace in South Asia is to get on the side of the peaceful, democratic, nonviolent freedom movements in Khalistan, Kashmir, Nagaland, and the other nations living under Indian rule.

I call on my colleagues to support an internationally supervised plebiscite to settle the future of Punjab, Khalistan by votes, the way that democracies decide issues. I also call on India to fulfill its obligation to hold a plebiscite in Kashmir as it promised the United Nations it would in 1948. By these steps, India will signal its commitment to a democratic solution rather than a Yugoslavian-style ethnic war. If it will not commit itself to take these steps, my colleagues can draw their own conclusions—and so can the people of the world. India must not try to settle this issue with more bullets, more genocide, and more nuclear warheads. The time has come to shine the light of freedom on all the people and nations of South Asia.

I thank Dr. Aulakh for bringing this very informative article to my attention and I am placing the article into the RECORD.

[From India-West, Aug. 7, 1998]

INDIA MAY SUFFER SOVIET FATE: PAWAR

PUNE (PTI).—The leader of opposition in the Lok Sabha Sharad Pawar Aug. 2 expressed the fear that the country might go the erstwhile Soviet Union way unless concerted efforts are taken to strengthen its economy in the wake of international reaction to its carrying out nuclear tests.

Pawar was speaking at a function to release a book, "Hiroshima," by noted Marathi writer D.B. Kher on the after effects of bomb explosion in Japan Aug. 6, 1945.

Pawar said though the erstwhile USSR was a nuclear power it collapsed, and added that India should not become over-confident after the Pokhran-II tests.

He said India should also be very vigilant as the economy of Pakistan was in the doldrums. It might take any dangerous step out of frustration. "We should not forget the fact that Pakistan had a history of aggression against India and hence we should be on guard," he said.

IN COMMEMORATION OF THE 20 YEARS OF SERVICE OF "A SAFE PLACE"

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Ms. LEE. Mr. Speaker, I rise to share with you the exemplary work of a community service organization that addressed the need for a battered woman's program in the East Bay. "A Safe Place" was founded by four women who began providing crisis counseling, referral, and information services from an office in the Bethlehem Lutheran Church in Oakland. Under the leadership of the Executive Director, Ms. Carolyn Russell, the agency has grown with expanded programs and services. A Safe Place continues to be the only shelter exclusively for women and children who are homeless due to domestic violence.

A Safe Place exists to provide battered women and their children with transitional and supportive services to enable them to break the cycle of violence and regain a sense of self-esteem and personal power.

A Safe Place is a comprehensive and holistic approach to service the needs of battered women and children under the Domestic Violence Assistance program. This program consists of Emergency Shelter, Community Counseling, Community Education and Outreach. A Safe Place provides urgent safe shelter with counseling and support services; a community counseling and support group, and education on domestic violence. A special therapeutic service is directed to children who have witnessed domestic violence. The most recent program, and one of its greatest accomplishments, is a partnership with the Oakland Police Department in its implementation of a Domestic Violence Unit located in the police department with family violence coordinators.

Recognizing that domestic violence is a health issue and battered women are seen by medical providers, A Safe Place has developed partnerships with local hospitals to develop a Domestic Violence Medical Response Project, where staff can respond to battered women who are seen in local emergency rooms and clinics.

Domestic violence in teen relationships has increased. "Young People Taking Action" is a comprehensive teen violence prevention educational program, providing education on teen relationship violence, resources and alternatives for battered teens and criteria for establishing healthy relationships. This program is successfully implemented in the Oakland Unified School District.

A Safe Place has developed partnerships and joined forces with local agencies including law enforcement, the criminal justice system, medical community, social service agencies and with families and friends of battered women. The goal is to decrease domestic violence in our community to make it a safe place for our children to have a quality of life without fear and violence.

In 1996, California law enforcement agencies fielded nearly 228,000 domestic violence related calls. National crime surveys show that domestic violence directly affects our communities and families. A Safe Place provides a refuge and an important bridge for victims of domestic abuse to move to a position where they are better able to protect themselves. Part of this process draws in members of the larger community in forums to learn more about this epidemic.

On October 23, 1998, A Safe Place will celebrate its 20th year of providing quality services to families in the East Bay in conjunction with Domestic Violence Awareness Month.

I would like to extend my congratulations to A Safe Place for 20 years of community service and to the five women being honored for their longstanding work: Liz Hendrickson, Kim Kline, Cheri Pies, Nancy Brester, and civil rights attorney, Eva Jefferson-Paterson, for her legal work on behalf of A Safe Place with the Oakland Police Department. Together with A Safe Place and other partners to decrease domestic violence, I am proud to join with A Safe Place and other partners to decrease domestic violence by encouraging the continuation of similar programs of community service to improve the quality of life of all our citizens.

TRIBUTE TO MARILYN A. ELROD

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. SKELTON. Mr. Speaker, I want to bring to the attention of my colleagues the contributions of a great public servant, Marilyn Elrod, on the occasion of her retirement from the staff of the House of Representatives. On August 31st, after more than 29 years on the Hill, Marilyn retired from her position as the minority staff director of the House National Security Committee. She will be greatly missed.

Marilyn, a native of Indiana, started her tenure on the Hill working for Representative Allard Lowenstein in June of 1969 after doing graduate work at American University. In November of 1970, Ronald V. Dellums of California was elected to Congress and before beginning his first term in the 91st Congress, Ron hired Marilyn as a military caseworker and legislative aide. From there she moved up to become the Legislative Director for Mr. Dellums, a position she held until 1983.

In 1983, Ron Dellums assumed the chair of the Military Installations and Facilities Subcommittee of the then Armed Services Committee. He quickly had Ms. Elrod appointed to the staff of the Subcommittee where she worked for the next six years. There, she helped him shift the focus of the Subcommittee toward quality of life issues for military personnel. Increased attention to housing, child development centers, and bringing installations into line with Environmental Protection Agency guidelines were all part of the new emphasis in military construction funding. Appropriately, this focus continues today.

Marilyn was assigned to be Mr. Dellums' staff person on the Research and Development Subcommittee in 1989 when he became chair of that Subcommittee. There she was a leader in the effort to have the Subcommittee make policy decisions about the military and economic viability of future weapon systems early in the process—during the research and development phase—rather than in the procurement phase where such decisions had so often been made in the past. Earlier scrutiny where a wasteful or ineffective program could be stopped or realigned means greater savings to the taxpayer. In the same vein, she worked with Mr. Dellums to lead the fight against the wastefulness of "concurrent" research, development and procurement.

After ten years as Mr. Dellums' most trusted committee staff person, she made a bit of history. Ron Dellums was chosen by the Democratic Caucus to Chair the House Armed Serviced Committee—the first African American ever to do so—in January of 1993, and he immediately tapped Marilyn to be the first female staff director in the history of the Congress' four defense committees. He often told his colleagues how proud he was to have Marilyn with him to "break the glass ceiling." Two years later, Marilyn continued as staff director to the minority of the National Security Committee when the Republican party took control of the House. For the past several months, I have been proud to have her stay on as my staff director subsequent to the retirement of my good friend and colleague Ron Dellums. Though she was eligible to leave when Mr. Dellums did, I consider it a personal favor that she stayed on and helped ease the transition to a new staff director with her valuable advice and by sharing the benefit of her institutional memory.

As my colleagues and I know, having a staff person who is able to develop expertise quickly and thoroughly on a range of issues is extremely valuable. Ron Dellums knew that when Marilyn briefed him on any subject, he was getting the information and advice he needed to make competent legislative and political decisions. During her twelve years in his personal office, she was always the defense expert, but also became exceptionally knowledgeable on a variety of other subjects, especially health care legislation.

But being an expert is not enough. Working with elected officials, a staff person has to have the confidence and capability to take the policy initiatives of the Representatives and work them without straying from the electoral

mandate. Marilyn, though fully capable in her own right, never crossed the line by supplanting the rights of the Members to make the decisions.

Marilyn Elrod was able to carve out a most impressive career on Capitol Hill. She started out on the bottom rung of the ladder as an entry-level administrative staff person in 1969 and, with all of the downward pressures that women have as they rise through an institution, advanced to become the staff director of the House Armed Services Committee. Being the first to accomplish such an achievement, she has set an example for others to emulate.

When staff director of the Armed Services Committee and minority staff director of the National Security Committee, Marilyn displayed her incredible strength as an administrator and her mastery of the legislative process. She brought a management style to the Committee which was a combination of openness, fairness and consultation. It is part of the Dellums-Elrod legacy that a progressive, liberal ascended to be the head of the Armed Services Committee and led it with intelligence, vision and fairness. They rose to the occasion and discharged their leadership responsibilities to the institution.

Marilyn Elrod is a person who understands the right and responsibility of an American to thoroughly investigate government policy and, using her influence as a staff person, would always try to craft the best legislative product. She did it with a sense of humor, a sense of duty and above all, a sense of patriotism. She is a dedicated American in the finest tradition, and this institution will greatly miss her.

TRIBUTE TO THE PLANT A ROW FOR THE HUNGRY PROJECT

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to pay tribute to the many Coloradans who contributed hard work, selfless dedication, community spirit and fresh produce to the Plant a Row for the Hungry Project. This locally organized, nationally recognized project asks local gardeners to donate fresh produce for local people in need.

Last spring, seed packets were given out to many participants in the program. Now, their gardens are overflowing with fresh vegetables, many of which were donated to local residents living below the poverty line.

Susan Moore, Becky Simmons and the rest of the staff at Gulley's Greenhouse contributed storage space, time and labor as did Chuck Gill and Paul Blackburn of the Larimer County Food Distribution Center. These fine people handled, stored and distributed bushels of cucumbers, carrots, squash, lettuce and peppers locally for the program.

Mr. Speaker, I commend Ms. Susan Moore, Ms. Becky Simmons, Mr. Chuck Gill and Mr. Paul Blackburn for all of their fine efforts. Particularly, I would like to recognize the many participants in the program. Their toil has brought forth produce from the land, and food for the needy.

Often, we don't recognize those who provide us with the essentials of life like food, water, shelter and security. Like the many farmers in Colorado's Fourth Congressional District, these local gardeners strengthen the age-old bond between land, labor, food and happiness.

CHILD POVERTY AND BLOCK GRANTS

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. TOWNS. Mr. Speaker, I rise today to introduce legislation that would link HHS award granting to child poverty rates.

As part of welfare reform, the Temporary Assistance to Needy Families block grant program (TANF), provides over $1 billion for incentive awards to states. Beginning in FY 1999, TANF's High Performance Bonus Award program will give bonuses to states that reduce the number of welfare recipients. In an unrelated section of the bill, TANF requires that states determine the rate of child poverty each year and initiate corrective action if the rate increases above five percent from the previous year due to the TANF program. There is no linkage between the receipt of a high performance bonus award and child poverty rates. Therefore, under the current system, a state could sustain a dramatic increase in child poverty rates and still qualify for a bonus award if enough adults have been removed from the welfare rolls.

Such an outcome would not only constitute a major "disconnect" in welfare policy but is highly likely. For instance, in recent testimony about the Summer Food Service Program administered by the U.S. Department of Agriculture, the U.S. General Accounting Office (GAO) found that TANF caused half of the states to reduce the number of food items in the meals or reduce the number of meal locations. GAO predicted that 2 million children would be provided insufficient meals, would travel further to obtain meals or may go hungry because meals will not be served in an accessible location. Under the current rules, states that reduced the lunch program would be eligible for bonus grants. I am sure my colleagues will agree with me that this result, though unintended, is something we cannot ignore, or allow to continue.

This legislation would require HHS to consider child poverty rates prior to granting awards and prohibits an award to any state that allows child poverty to increase more than 5 percent per year. My colleagues, if you share my concern about the well being of children under welfare reform, join me in support of this timely and needed legislation.

HONORING THE 90TH ANNIVERSARY OF THE ARMY RESERVES AND THEIR CONTRIBUTION TO CALIFORNIA

HON. STEPHEN HORN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. HORN. Mr. Speaker, I rise today to honor the great contributions of the United States Army Reserve to our country. I particularly want to recognize the 63rd Regional Support Command in California. The Army Reserve was started as a pool of people whose professional skills were not regularly needed during peacetime, but were critical during deployment and mobilization. The Reserves have grown to fill a critical need for our armed services in war and peace.

The Army Reserve has served in every major American military operation since its establishment and has played a key role in supporting international peacekeeping missions around the world. Additionally, the mission of the Reserve goes far beyond aiding American interest missions abroad. An often forgotten contribution of our Army Reservists is their role here at home supporting fellow Americans in the event of disasters.

No discussion of the United States Army Reserves would be complete without mentioning their greatest resource of all—their people. These are citizen-soldiers—the fathers and mothers, sons and daughters, husbands and wives—that give their time to serve and protect us at home and abroad. These noble men and women make up 20 percent of the Army's organized units, provide 46 percent of the Army's combat service support and 30 percent of the Army's combat support. All of this is done for about 5 percent of the Army's budget. Having served for 8 years in strategic intelligence with the Army Reserve, I can attest to the important role for these men and women.

In Southern California, the U.S. Army 63rd Regional Support Command proudly stands as our regional branch of the Army Reserve. This Support Command was established originally to help the 63rd Infantry Division support relief efforts during natural disasters and other regional crises more quickly. Headquartered in Los Alamitos, California, the 63rd Regional Support Command continues to support Active Army missions with more than 14,000 soldiers.

In response to a downsized force and frequently shifting missions, the United States Army Reserve announced in 1995 its largest realignment in decades. This realignment led to the 63rd having its geographic boundaries realigned to conform with the standard Federal district observed by the Federal Emergency Management Agency.

The 63rd Regional Support Command continues to provide combat support and combat service support to field units during deployments. The 63rd adds flexibility to our Active Army force by filling in for troops deployed abroad. Furthermore, the 63rd is trained to provide medical units; port, rail, and other transportation support; as well as acting as a training base during full mobilization.

Presently, the 63rd Regional Support Command has control of more than 14,000 men

and women serving in approximately 140 units in my home State of California, as well as Arizona and Nevada. Commanded by Brigadier General John L. Scott, the 63rd will certainly continue to shine as a keen example of the importance and prominence of the United States Army Reserve.

Today, the Army Reserve is positioned better than ever to be an active and vital player in America's Active Army. The Army Reserve stands as a symbol of the strength of the American citizen-soldier and I want to thank the Army Reserve for the continuation of their past efforts and their 90 years of dedicated service.

PERSONAL EXPLANATION

HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. PACKARD. Mr. Speaker, I was unavoidably detained on October 1, 1998 for roll call votes 474 and 475. Had I been present, I would have voted "yea" on roll call vote 474 and "yea" on roll call vote 475.

THE DISTINGUISHED CAREER OF REPRESENTATIVE LEE HAMILTON OF INDIANA

SPEECH OF

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 28, 1998

Mr. SKELTON. Mr. Chairman, being unable to attend the Special Order for retiring Congressman LEE HAMILTON, I take this means to congratulate him for a highly successful career in the House of Representatives and for being a role model for those Members who follow.

LEE has been a leader, both as chairman and ranking member of the International Relations Committee. His knowledge of America's efforts in this world has proven invaluable. His advice has been sought by other Members concerning our relations with other countries. His contributions to the field of foreign affairs will be sorely missed. But most of all, LEE HAMILTON serves as a role model as an honorable, decent, hardworking, and knowledgeable Member of this House. I have admired him as an individual and I have respected him as a Member. I am proud to call him my friend. I wish all the best for LEE and his charming wife Nancy as they enter private life at the close of this session.

TRIBUTE TO PATRICK KELLEY AND MABEL SWAFFORD

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to pay tribute to two of my constituents that operate a farmers market on Highway 34 near Greeley. Small business owners and hard-working entrepreneurs across my home state of Colorado are the heart and soul of our thriving economy. At the heart of every small business owner is the entrepreneurial spirit of our forefathers who founded and shaped this great country. I commend Mr. Patrick Kelley and Ms. Mabel Swafford for their hard work, good business, and devotion to making their customers happy. Mr. Kelley and Ms. Swafford sell fresh-picked fruit and vegetables with a warm smile and a kind hand. I commend them for their selfless dedication and extra effort for their customers. These good people set a fine example of why rural Colorado is such a wonderful place and their work contributes to building a better Colorado and a stronger America.

TRIBUTE TO EARL AND EVA KIRK

HON. GLENN POSHARD

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. POSHARD. Mr. Speaker, I rise today to recognize the 50th anniversary of Earl and Eva Kirk of West Frankfort, Illinois. It is a great honor to recognize this distinguished couple. They serve as excellent role models for Illinois and for future generations to follow. Their loving family celebrated Earl and Eva's milestone last month at a surprise party for them in West Frankfort. They are very dedicated Franklin county constituents, and it is my pleasure to acknowledge them as they celebrate their anniversary.

I have known the Kirks for many years now, and Earl has always been a tremendous help, especially when I need his assistance with legislation relating to people with disabilities. He has been blind for the past eight years, and has been very active with the blind community focusing his attention on their concerns. Eva has been a great asset and strength for Earl and the Illinois Council of the Blind. Earl is not only an activist on their issues, but is also one of the founders of the Three County Blind Support Group in my hometown of Marion. Every year, when the nation's budget is decided in Congress, Earl and Eva participate in the legislative process by organizing letter campaigns, making appointments with various lawmakers, and pushing for the necessary research and funding for national blind programs. Their energy and attention on these issues has been tremendous and Illinois will be forever grateful for their dedication.

The Kirks are Illinois natives, and are proud of their state and their nation. Earl served faithfully in the United States Infantry Division during World War II. As soon as he returned, he wanted to complete college at Southern Illinois University, but finished at Lockyears Business College in Evansville, Indiana. He met Eva in high school on a double date, but was interested in her, not the blind date he was with. But in 1948, he met Eva all over again. She was working as a cashier at the GTE West Frankfort office, and they were married the same year. Earl and Eva stayed in West Frankfort for a few years until he was hired as a miner and construction worker in New Mexico. Earl even got involved in local politics there, serving on the Democratic Policy State Central Committee. The Kirks called New Mexico home for almost six years, and it was there where they started raising their children Debbie and George.

They eventually returned to West Frankfort in 1958, and helped increase the booming coal economy in southern Illinois as Earl worked in the construction of Freeman #5 Mine in Benton. Earl understood the power of unions, and immediately joined the United Mine Workers of America District 12. He later worked at Freeman #4 Mine near Johnston City, and retired in 1987. The Kirks have remained in southern Illinois since then, and have been faithful citizens of Franklin county. They are dedicated participants in civic organizations, such as the American Legion and the Lions Club. Moreover, the Kirks are faithful Christians and long time members of Ezra Church of God. They even have enough time to assist their local government and health associations. From the Williamson Human Services Agency to the Coalition of Citizens with Disabilities and the Illinois Council of the Blind, they exemplify the essence of Illinois citizenship.

Mr. Speaker, it is my pleasure to recognize the Kirks as they reach their milestone. What an honor to have such distinguished constituents like the Kirks serving their community, and their nation. I wish them my very best, and many blessings as they celebrate their 50 years of marriage.

TRIBUTE TO THE HONORABLE SIDNEY R. YATES

SPEECH OF

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mr. COSTELLO. Mr. Speaker, it is a great honor for me to rise today to join my colleagues in paying special tribute to my good friend and colleague from Illinois, Mr. SID YATES. During my tenure in Congress, Mr. YATES has been an inspiration and a friend. He welcomed me here on my first day in Congress after my special election in 1988 and I am glad to call him a friend.

SID YATES has represented the 9th Congressional District and the State of Illinois well. He has dedicated himself to representing the citizens of the Great State of Illinois. He has been a great representative for our state and as an fellow Illinoisan, I salute Mr. YATES for his dedication and good work. He is a true statesman.

Mr. YATES' distinguished career began as an attorney in Chicago. He was first elected to this House in 1948. As a member of this body, Mr. YATES has been a quiet yet strong voice.

Mr. YATES has risen through the ranks to hold positions on the Appropriations Committee. I have worked closely with Mr. YATES in his capacity as the Ranking Member on the Interior Subcommittee to develop an interpretive center at the first campsite of Meriwether

Lewis and William Clark. This project is very exciting, especially since we will be celebrating the bicentennial of Lewis and Clark's historic journey to explore the American West in 2003–4. Mr. YATES has worked diligently to help establish this important center. If this project comes to fruition, it will be in part due to Mr. YATES. I appreciate his interest and hard work on the issue.

Mr. YATES has used his influence on the Appropriations Committee to create new national parks, wilderness, seashores, lakeshores and wild and scenic rivers. He has been a great champion for the arts and humanities. During years of attacks on the National Endowment of the Arts, Mr. YATES has been its chief defender. I believe we as a nation owe a debt of gratitude of Mr. YATES for his perseverance on preserving the integrity and, in fact, the institutions themselves that promote artistic expression and our cultural heritage for future generations.

SID YATES has served this institution well and he will be missed. I wish Mr. YATES and his family well in the years to come.

THOMAS M. BARRY ACCEPTING NEW POSITION AND CHALLENGE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. DINGELL. Mr. Speaker, I rise today to congratulate my friend, Thomas M. Barry, on his promotion to President of the SBC International's Telkom South Africa.

When Tom arrived in this town just a few short years ago to take the helm of SBC Communication's Inc. Washington office his assignment was a modest one: to work to modernize the rules by which the United States telecommunications industry was governed.

Now, Tom Barry was not your ordinary Washington lobbyist. Having spent some 30 years with the telephone company and most recently having come to the world of strategic planning, he knew a whole lot more about the true impact of our telecommunications rules governing universal service and competition in local and long distance than many who had worked on them. His knowledge and experience were important to those of us who had been working ardently to modernize the telecommunications industry so that American companies could compete in a global arena. The result of our work, The Telecommunications Act of 1996, was landmark legislation in which we can all take pride. Tom Barry was vital to our efforts.

It is in this light that I would like to join my dear friend and former colleague, Jack Brooks, and submit his remarks for the RECORD.

FORMER CONGRESSMAN JACK BROOKS SENDS CONGRATULATIONS TO THOMAS M. BARRY UPON HIS APPOINTMENT AS PRESIDENT, SBC INTERNATIONAL'S TELKOM SOUTH AFRICA OPERATION

Sometimes, due to circumstances surrounding the nature of one's position, an individual shows up briefly in your life but his contributions, even if for no longer than a year or so, make him unforgettable. Such an individual is Thomas M. Barry of SBCI.

As Chairman of the House Judiciary Committee, I had been involved for several years in an effort to rationalize existing laws and to develop new legislation to provide for more open competition in the telecommunications industry. It was not surprising that with all the competing and diverse interests involved, we were having considerable difficulty and receiving widely conflicting advise. One significant difficulty was that there was no one in a leadership role for the regional Bell companies to present all of their various concerns to me and to John Dingell, who as Chairman of the House Energy and Commerce Committee was key to the passage of any telecommunications legislation.

In 1992, Southwestern Bell Telephone Company selected a seasoned telecommunications veteran, Tom Barry, as its Senior Vice President for Federal Relations. When Tom arrived on the Washington scene, it became readily apparent that we had met a knowledgeable, experienced expert in all aspects of the industry. Not only did he have an encyclopedic knowledge of the industry and its issues, but also he brought a reasonable, enlightened approach to the legislative dialogue.

While he was an extremely effective advocate for his company, he recognized the need to be reasonable and with his long experience was able to place into perspective the varying participating and often conflicting interests. He was strongly committed to his company and to his industry but he never lost sight of the need to resolve matters equitably if any consensus was to be reached.

When we finally put together a bill with the leadership of my esteemed former colleague, John Dingell, although it was not perfect, it was workable and fair. That we were able to do so was aided greatly by the hard work and solid efforts of many individuals, but particularly Tom Barry.

Although our association in retrospect was fleeting, I believe I came to know him quite well during our strenuous meetings. He is a man of integrity. He is an affable, highly intelligent individual. We were able to conduct our work with good humor and respect for one another's sincere beliefs. Tom's superior intellect and ability to manage situations and people should serve him well as he travels to South Africa to begin his tenure as President of SBC International's Telkom South Africa operations.

Tom Barry has my warmest congratulations upon his latest appointment within SBC International. It will be most likely not be an easy assignment, however, there is no question in my mind but that he will do an outstanding job there, as he has with everything else he has undertaken. I wish him and his family all my best as they begin a new journey in life. Although South Africa is quite a long way from the United States, at least now—through state of the art improvements in telecommunications—it won't seem to be that far. I hope that Tom will take some time to thoroughly enjoy this new challenging opportunity. Certainly SBC made a wise decision in the selection of this fine man to head up their operation.

PERSONAL EXPLANATION

HON. DEBORAH PRYCE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Ms. PRYCE of Ohio. Mr. Speaker, during the week of September 28, 1998, I was absent due to an illness in my family. I received an official leave of absence from the Majority Leader in this regard.

However, had I been present, I would have voted in the following manner on the following legislation:

Monday, September 28, 1998

H.R. 3891—Trademark Anticounterfeiting Act: Motion to Suspend the Rules and Pass the bill (Roll Call No. 470): AYE

H.R. 4103—Defense Appropriations Act for FY 1999: On Agreeing to the Conference Report (Roll Call No. 471): AYE

H.R. 4060—Energy and Water Development Appropriations for FY 1999: On Agreeing to the Conference Report (Roll Call No. 472): AYE

H.R. 3150—Bankruptcy Reform Act: On the Motion to Instruct Conferees (Roll Call No. 473): AYE

Thursday, October 1, 1998

S. 2073—Juvenile Crime Control and Delinquency Prevention Act: On the Motion to Go to Conference (Roll Call No. 474): AYE

H. Res. 563—Waiving points of order against the conference report on H.R. 4104, Fiscal Year 1999 Treasury, Postal, and General Government Appropriations.

On Agreeing to the Resolution (Roll Call No. 475): AYE

Friday, October 2, 1998

H. Res. 564—providing for consideration of the bill (H.R. 4274) making appropriations for the Department of Labor, Health and Human Services, and Education, and related agencies, for the fiscal year ending September 30, 1999, and for other purposes.

On Agreeing to the Resolution (Roll Call No. 476): AYE

House Journal of Friday, October 2, 1998

On approving the Journal (Roll Call No. 477): AYE

H.R. 4101—making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.

On Motion to Recommit Conference Report with Instructions (Roll Call No. 478): NAY

On Agreeing to the Resolution (Roll Call No. 479): AYE

TRIBUTE TO TIGGES FARMERS MARKET

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BOB SCHAFFER of Colorado. Mr. Speaker, I rise today to pay tribute to the owners and operators of the Tigges farmers market in Weld County. Mary Tigges handles the gardening, her son Ken creates unique metal sculptures, and her two daughters contribute crafts such as hand-crafted bears and painted gourds for decoration and bird houses. Besides being a family business amidst 20 acres

of pumpkins and thousands of pepper and tomato plants, the Tigges market is unique because it does business on the honor system. Children play in the pumpkin patch, while shoppers are free to purchase fresh produce while no one is around. The Tigges demonstrate a special trust in the good nature and honesty of people that shop at their market. And Mr. Speaker, I am happy to say that they have never had any problems with this policy. I salute the Tigges family for their fine work and service, and all the good people that uphold the values that make rural Colorado such a wonderful place.

RETIREMENT OF ADMIRAL JOSEPH LOPEZ

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. SKELTON. Mr. Speaker, I rise today to recognize and honor Admiral T. Joseph Lopez, U.S. Navy, as he prepares to retire upon completion of 39 years of faithful service to our Nation.

A native of Powellton, West Virginia, Admiral Lopez entered the United States Navy in September 1959, and was commissioned an Ensign via the Seaman-to-Admiral Program in December 1964. His educational background includes a Bachelor of Arts (Cum Laude) in International Relations, and a Master of Science in Personnel Management. Admiral Lopez is currently the only serving admiral who enlisted, was commissioned through the seaman to admiral program, and currently wears four stars.

Upon commissioning, Admiral Lopez was assigned to U.S.S. *Eugene A. Greene* (DD 711), which deployed to both the Mediterranean Sea and the Gulf of Tonkin. He then attended the U.S. Naval Destroyer School in Newport, RI, immediately returning to sea as Weapons Officer onboard U.S.S. *Lind* (DD 703), which also deployed to Vietnam. Admiral Lopez received his first command in September 1969, when he assumed the duties as Commander, River Assault Division 153, which operated in the Mekong Delta in Vietnam and as part of a counter-offensive into Cambodia in May 1970.

Admiral Lopez attended the Naval Postgraduate School in Monterey, CA, from 1970–73 and the Armed Forces Staff College in 1974. He was then assigned as Flag Secretary and Staff Officer for Commander, Cruiser-Destroyer Group Eight from 1974 to 1977. He was the Executive Officer onboard U.S.S. *Truett* (FF 1095) from October 1977 through March 1979. Upon completion of tours at the Naval Military Personnel Command and assignment as Special Assistant to the Assistant Secretary of the Navy (Manpower, Reserve Affairs and Logistics), Admiral Lopez assumed command of U.S.S. *Stump* (DD 978) in September 1982, completing a Persian Gulf deployment in 1983. In November 1984, he was assigned as Special Assistant to the Chief of Naval Personnel (Flag Officer Matters).

Commander, Destroyer Squadron 32, which deployed to the Mediterranean Sea, was Admiral Lopez' next command tour from February 1987 to March 1988. He followed this assignment with duties as Executive Assistant to the Deputy Chief of Naval Operations (Manpower, Personnel and Training) and Executive Assistant to the Vice Chief of Naval Operations. Admiral Lopez was designated Rear Admiral (Lower Half) in July 1989, and served as Deputy Director, Current Operations (J–3) on the Joint Staff. He served as Senior Military Assistant to the Secretary of Defense during the Persian Gulf Conflict and from July 1990 to July 1992. He commanded the United States Sixth Fleet and NATO's Striking and Support Forces, Southern Europe, homeported in Gaeta, Italy, from July 1992 to December 1993. He then served as Deputy Chief of Naval Operations (Resources, Warfare Requirements and Assessments) from December 1993 to July 1996.

Admiral Lopez became Commander in Chief, U.S. Naval Forces, Europe (London, England) and Commander in Chief, Allied Forces, Southern Europe (Naples, Italy) on 31 July 1996, where he serves today. Additionally, he commanded the Peace Implementation Forces (IFOR) in Bosnia-Herzegovina from July 1996 to November 1996. He arrived in the middle of the IFOR deployment and almost immediately deployed to Bosnia to command the NATO forces in charge of enforcing the Dayton Peace Agreement.

Admiral Lopez has been honored by the Governor of his home state as a "Distinguished West Virginian," and as an "Outstanding West Virginian" by the President of Salem College. West Virginia Institute of Technology conferred upon him the honorary degree as Doctor of Humanities, and the Italian Heritage Festival, in 1989, selected him as "West Virginia Man of the Year." Additionally, in June of 1997, the newly constructed Interstate 64 bridge spanning the Kanawha River near Charleston was named in his honor by the West Virginia State Legislature.

A man of Joe Lopez's stature and vision is rare. He is an individual of uncommon character and professionalism. He will be missed by both his Navy and NATO colleagues. Mr. Speaker, it gives me great pleasure to recognize him, and to thank him and his wife Vivian for their selfless service to our country.

ATHLETES UNITED FOR PEACE AND THE ANNUAL DON BARKSDALE "HUMANITARIAN OF THE YEAR" AWARD RECIPIENT, MARTIN WYATT

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Ms. LEE. Mr. Speaker, on November 21, 1998, the Athletes United for Peace (AUP) will present the Don Barksdale "Humanitarian of the Year" award to Mr. Martin Wyatt.

Athletes United for Peace (AUP) is a Bay Area nonprofit organization committed to promoting peace, education, friendship and understanding through community programs and events for young people. The organization was established in 1984 after the boycott of the Olympic Games by athletes from the former USSR and the United States.

In 1992, after serving primarily as an international organization during the early years, AUP focused its energy toward providing programs and activities for high-risk youth and young adults throughout the East Bay communities of Berkeley, Oakland and Richmond. The organization continually strives to offer low-income disadvantaged participants programs and events that promote the agency's ideals and serve as health alternatives to criminal activity and antisocial behavior amongst young people.

Each year, AUP serves more than 700 young people between the ages of 7–26 with programs, activities and events that include: mentorship, late-night basketball, academic and sports camps, youth sport camps and clinics, video production training, academic lectures, tournaments and special events. These services are regularly provided in partnership with several public schools, local government and law enforcement agencies, and the local business community.

AUP established the Don Barksdale "Humanitarian of the Year" Award in 1994 as a tribute to the last Oakland philanthropist who devoted his life to help aspiring Bay Area young people through his "Save High School Sports" Foundation (established in 1985) in Oakland, CA. Through Don Barksdale's diligent efforts, the foundation raised more than one million dollars to help fund financially troubled high school sports programs throughout the Bay Area.

Don Barksdale, a sports and entertainment pioneer, broke the color barrier and paved the road for countless other people. In the 1940's and the 1950's, he was the Nation's premiere African American basketball star and was named to the NCAA college basketball All America team (UCLA 1947); selected to compete in the US Men's Olympic Basketball team (London 1948); and played in the NBA All Star game (Ft. Wayne 1953).

Don Barksdale was a trailblazer being the first popular radio disc jockey (KROW and KLX); the first to host a weekly television show (SEPIA REVIEW KRON 4); the first to own and operate a beer distributorship, while integrating the local beverage driver's union in Oakland. He helped thousands of musicians and entertainers break into the entertainment industry by employing them at the Sportsman and Showcase night clubs that he owned and operated in the 1950's, 60's and 70's. Don Barksdale's impact on the East Bay is unparalleled and recognized through the Athletes United for Peace awards.

The Don Barksdale "Humanitarian of the Year" award recipient is Martin Wyatt, founder of the "Sports Image & Education Foundation." He will be recognized for his dedication and commitment to charitable agencies in the community serving youth. Martin Wyatt, an Emmy award winning television sports anchor/director for ABC TV in San Francisco, is the annual host of his foundations' "Sports Image Award" ceremony that honors men and women in sports who do enormous amount of community work. He has also devoted time serving on the board of directors for the Bay Area Black United Fund and the Oakland Area Black community Crusade for Children.

It is with great pride and honor that I salute the work of the Athletes United for Peace and Martin Wyatt, a deserving recipient of the Don Barksdale "Humanitarian of the Year" award.

CONFERENCE REPORT ON H.R. 6, HIGHER EDUCATION AMENDMENTS OF 1998

SPEECH OF

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 28, 1998

Mr. MILLER of California. Mr. Speaker, next week, President Clinton will sign the Higher Education Amendments of 1998, passed unanimously by both the House and Senate earlier this week. This is, on balance, a good bill that will make a real difference in the lives of our Nation's students.

With the Higher Education Act, we have established a proud tradition over the last 34 years of providing opportunities to millions of Americans—giving them the skills and knowledge they need to succeed in their careers and to be active and productive citizens. Above all, we have given these millions of Americans, particularly those with lower-incomes, life options they simply would not have had otherwise. That is something we can all be proud of.

STUDENT INTEREST RATE

This most prominent feature of this bill is the lowering of the student loan interest rate. Under this bill, a student with an average student loan debt of $13,000 will save $700 in interest payments. Students with higher burdens of debt will save even more.

This is a good deal for students and for parents who help pay for their children's education.

Unfortunately, this bill continues what I, and many others, consider to be unnecessarily high subsidies to the banks and guaranty agencies that participate in the student loan program. I seriously question the fairness of the burden that, as a result, will continue to fall on our nation's taxpayers.

In this authorization, we have shaved slightly the rate of return to banks. But since we went much further in lowering the rate that students pay, we had to come up with more than a billion dollars to makes up the difference to maintain the hefty profits that banks in the student loan program enjoy. Ironically, a great deal of the cost will be born by students who are least able to afford it, those with loan debt who encounter financial hardship.

It did not have to be that way.

Earlier this year, the Treasury Department published a thorough and detailed analysis which showed that we could have gone much farther in reducing interest rates while still keeping the program profitable for lenders.

Unfortunately, Congress chose to largely ignore this report.

One of the problems in finding the "right" interest rate is that if Congress were to go too far in cutting rates, it would risk causing a major withdrawal of bankers from student lending, which would be very disruptive to students and parents. One would hope to be able to rely on information from the lending community in making such a determination, but instead the banks have traditionally played a game of chicken in which they have threatened to leave the student loan program each and every time Congress has sought to lower interest rates or trim unnecessary costs. Of course, they have never followed through on such threats because the reality is that student loans have been, and under this bill will continue to be, a very profitable enterprise.

I believe there are better places—Head Start, Pell Grants, TRIO, Title I—to put billions of federal education dollars other than in the coffers of already wealthy financial institutions.

President Clinton and members of Congress, particularly Congressmen ANDREWS and Senator KENNEDY, have worked hard over the years and in this reauthorization to create a fairer and more efficient system for setting interest rates. I look forward to continuing working with them on this issue.

TEACHER QUALITY PROVISIONS

This bill contains a number of provisions aimed at strengthening teacher quality, including those drawn from my bill, the "Teaching Excellence for All Children Act" (HR 2228). I appreciate the opportunity we have had to work together in a bipartisan fashion on these issues, and particularly want to thank Chairman GOODLING, Ranking member CLAY, Mr. KILDEE, Mr. GRAHAM, Ms. WOOLSEY, Ms. MCCARTHY, and Mr. FORD, as well as Senator JEFF BINGAMAN, for all their hard work in crafting what I think is a fairly strong package.

I also want to commend the excellent policy analyses, particularly those by the Education Trust, the National Commission on Teaching and America's Future, and the Congressional Research Service, that have done so much to inform the work we did here.

All across the nation, states and local school districts are raising standards for what students should know and be able to do. Research clearly shows that qualified teachers are key to children's ability to succeed in school. In fact, after parental involvement, the quality of a student's teacher is the most important factor in their academic career.

We now have, for the first time, a bill that addresses, from a federal perspective, issues of teacher quality at each stage in the process: preparation, recruitment, placement, professional development, and retention.

This bill provides financial incentives to attract qualified individuals into teaching and authorizes funds for support and mentoring to help make sure that qualified teachers remain in the profession. This will also help ensure that the taxpaying public gets its money's worth, by improving the quality of teacher preparation, by providing better information to parents regarding the quality of their child's teacher, and by implementing a more rigorous system of accountability.

For the first time, federally funded teacher preparation programs nationwide will publish and disseminate information on the percentage of their graduates who pass state licensing tests. States will be required to identify low-performing teacher preparation programs. And, ultimately, federal funds will be withheld from consistently low-performing schools.

Teacher preparation is the foundation of our entire educational system. Many schools do a good job in preparing teachers, but the evidence is clear that too many others fall far short. In this bill, Congress is sending an important notice to colleges and universities: we will hold you accountable for the billions in taxpayer dollars you get each year. You owe it to students, their parents, taxpayers and to the teachers themselves to raise the bar on teacher training.

LABOR CODES OF CONDUCT FOR UNIVERSITY MERCHANDISE

I am also pleased that the House and Senate agreed to include my amendment to call on universities and colleges to adopt labor codes of conduct to prevent the use of sweatshops or child labor in the manufacture of university merchandise that they sell.

These codes of conduct are on the agenda for universities and colleges across the country and I applaud the students and administrators that are working to see that schools of higher learning do not participate in the lowest forms of exploitation.

By adopting this amendment, Congress sends an important message to schools across this country: Use the power of your purse. Tell businesses what you will accept and what you will not, and they will adhere to your demands. The market for university merchandise like sweatshirts and baseball caps is big enough to influence the way the goods are made. In fact, schools sell nearly $2.5 billion worth of goods each year.

Without a code of conduct, schools will not know whether they are participating in labor exploitation. And without a good code, promises made about good labor conducts can be easily broken.

A quote by the provost of Harvard, made in another context, illustrates the importance of codes of conduct to schools. He said, "All members of the University and the institution as a whole benefit when its name is well used, and suffer when it is ill used."

Codes of conduct alone are not enough to assure honest wages, a safe workplace, and respect for workers, and I believe Congress should look to take additional actions against child labor and sweatshops. There are many bills pending in the House today that would help in that effort.

But simply raising the issue can make a difference. Look at the soccer ball industry. After widespread publicity and outrage over the manufacture of soccer balls by small children in Pakistan, a few of the manufacturers announced they would no longer use child labor for soccer balls.

The international economy today places great pressure on companies to compete for low wages and low standards. Consumers are the last defense for workers and children in the United States and around the world. The codes of conduct for universities and colleges are one important weapon in our arsenal against exploitation.

CONTINUED ELIGIBILITY FOR THE FREELY ASSOCIATED STATES

As passed by the House, this legislation included language which would have abruptly ended eligibility to the Republic of the Marshall Islands, the Federated States of Micronesia, and Palau for Pell Grants, Special Educational Opportunity Grants (SEOG), and the College Work-Study Program.

I am therefore particularly pleased that the conferees were able to agree to continue these programs and thereby honor our commitment to these Pacific islands to assist them in becoming self-sufficient. Under the conference report students will continue to benefit from these important programs through 2004, by which time the Compacts of Free Association with these nations will have been renegotiated.

CAUTION ON TRADE AND PROPRIETARY SCHOOLS

Trade and proprietary schools play an integral role in educating and training our nation's workforce and we should do whatever we can to ensure that students have access to the high quality training that they provide.

But, unfortunately, this bill contains new loopholes that will weaken monitoring and enforcement of current laws that address trade school abuses of federal student aid programs.

In the last reauthorization of the Higher Education Act, Congress tightened oversight of proprietary and trade schools in response to widespread instances of fraud, abuse, and mismanagement. Since 1990, more than 1,500 trade schools have been kicked out of federal student aid programs, saving taxpayers millions of dollars and protecting thousands of students from being ripped off.

The Department of Education's Inspector General recommended this year that we tighten program requirements even further. But instead the Congress, under heavy pressure from trade school owners, has decided to retreat in the battle against fraud and abuse.

I fear that once again we will see a spate of press accounts of schemes to bilk students and taxpayers. I fear that once again, a few bad apples will be allowed to tarnish the reputations of schools that are doing an effective job of training and educating students.

I intend to monitor the implementation of these new provisions closely and hope that if and when problems do arise, Congress will act swiftly and responsibly to protect students and taxpayers.

EDUCATION CAN AND SHOULD BE A BIPARTISAN ENDEAVOR

On balance, however, this is a good bill with many important provisions that will benefit America's students and workers. It is an example of what can be accomplished when partisan differences are set aside and members work together to find common ground on issues of great importance to our nation. It is an example I hope we continue to follow on education legislation.

HONORING THE IMANI SCHOOL

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BENTSEN. Mr. Speaker, I rise to congratulate the Imani School of Houston as it celebrates 10 years of excellence at a Gala on November 13, 1998 at The Power Center.

The Imani School is a private, Christian coeducational school serving children from preschool through eighth grade. Founded in 1988 by Windsor Village United Methodist Church, it began with 25 three- and four-year-olds. Today, the enrollment for 1998–99 includes 450 students, with a waiting list of more than 100 applicants each year. The school is accredited by the National Private Schools Accreditation Alliance, and admission is open to all students on a first come, first serve basis.

The Imani School has earned a national and international reputation for academic excellence and service to the community. The School has been featured on numerous television programs, including on CBS television as a "Cool School" for its outstanding community service, on NBC Today Weekend, and on a British Broadcasting Company program broadcast around the globe. Its success has attracted many dignitaries, including First Lady Hillary Rodham Clinton, Texas Governor George W. Bush, former Governor Ann Richards, and Houston Mayor (and former director of the U.S. Office of Drug Control Policy) Lee Brown, who hailed Imani as "one of the finest schools in the nation".

The Imani School's record certainly backs up these claims. Ninety percent of all former Imani students who enter area public schools for the first time place in classes for the academically gifted. SAT scores for the school surpass the national average in both reading and math at every grade level. Students in fifth through eighth grades won a gold medal for "Best of Show", as well as first and second place awards, at the Regional Association of Christian Schools International Science Fair. In addition, Imani students received seven out of ten of the first awards given at the 1997 NTA Regional Science fair sponsored by the National Aeronautics and Space Administration (NASA). Imani students also were awarded first and second place in the primary division and first in the intermediate division in the area Juneteenth Black History Essay contest.

The Imani School is also involved in positive school/community partnership efforts including a collaboration with the Garden Terrace Retirement Home, where students in the third to eighth grades make weekly trips to do crafts, entertain, or just visit with elderly residents. Also, middle school students join preschoolers and parents to repair and paint homes and provide food, clothing, and toys to needy families. Each summer, the Imani School provides summer camp programs to residents of the Patrice House, a shelter for abused and neglected children. Imani students also speak before corporations including Exxon and Chevron and at educational events throughout the community.

The Imani School has also achieved athletic success. At the end of Imani's first season in the Private School Basketball League, two students were chosen All Tournament Players.

To the students, their families, and faculty of the Imani School, I say congratulations. Your hard work and dedication is paying off. To the Windsor Village United Methodist Church, I say thank you for having the wisdom to start the Imani School and the fortitude to keep it strong. Your efforts have produced a school that is an example of the educational success that can be achieved with a supportive community, dedicated parents and teachers, and a commitment to innovation and excellence.

IN MEMORY OF A HERO AND A PASTOR, REV. EDWARD CONNORS

HON. JAMES P. McGOVERN

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. McGOVERN. Mr. Speaker, it has been nearly thirteen years since the Rev. Edward T. Connors, retired pastor of Immaculate Conception parish and chaplain of the 9th "Yankee" Infantry Division during World War II, passed away on January 28, 1986, but his memory and spiritual inspiration still remain strong in Central Massachusetts.

Father Connors received many awards and honors throughout his lifetime, including the Silver Star, one of our nation's highest honors for heroism, for rescuing a soldier from "no man's land" through a mine field that was considered suicidal to cross. He was also honored frequently for his life's work in the Worcester region, including the Fourth Degree Patriotism Award from Bishop O'Reilly Assembly, Knights of Columbus, in 1980, and the Crusader of the year award from Holy Cross College in 1981. In 1985, he was honored by 1,600 at a testimonial at Worcester Auditorium.

Many families and veterans, clergy and faculty, from the cities and towns of Worcester, Northbridge, Grafton, North Grafton and Whitinsville still remember his courage, humor, intelligence and dedication as a pastor, community leader, and humanitarian.

In his memory, and on behalf of all whose lives were touched by this pastor and gentleman of distinction, I would like to enter into this RECORD the January 30, 1986 article in the Worcester Telegram and Gazette describing his deeds and his contributions to our nation.

[From the Worcester Telegram and Gazette Thursday, Jan. 30, 1986]

REV. EDWARD CONNORS, RETIRED IMMACULATE CONCEPTION PASTOR

The Rev. Edward T. Connors, 80, retired pastor of Immaculate Conception parish and chaplain of the 9th "Yankee" Infrantry Division during World II, died Tuesday in St. Francis Home, 37 Thorne St.

He lived at 87-5 Park Ave.

Father Connors was chaplain of the 9th Infantry Division during the invasions of Tunisia, Sicily, Italy, France, Belgium and Germany—invasions which cost the division 4,581 lives during the war.

After he was discharged from service in 1945, Father Connors returned as a curate at St. Peter's Church.

In 1950 he was named pastor of St. Phillip's Church in Grafton. He was also pastor at St. Mary's parish in North Grafton before becoming pastor of Immaculate Conception parish in Worcester in 1952. During his pastorate at Immaculate Conception, the parish built a new church in 1957. He retired in 1980.

Born in Whitinsville, he was a son of Bartholomew J. and Mary (Haggerty) Connors.

He graduated from Northbridge High School and from Holy Cross College in 1927. He studied at St. Mary's Seminary in Baltimore from 1927 to 1931, and was ordained in Springfield in 1931 by Bishop Thomas J. O'Leary.

He was assigned as curate of St. Peter's church and athletic director of St. Peter's High School in 1931, when the football team

then won the state championship. Lester "Buster" Sheary, who was coaching three sports at St. Peter's when the new curate arrived, recalled, "If anyone ever revived St. Peter's athletics, it was Father Ed."

And Joseph Walsh, St. Peter's basketball standout during Father Connors' second tour there after World War II, recalled his spirit: "He had a special enthusiasm for the athletes and the teams."

Two years after his arrival at St. Peter's, Father Connors joined Father James M. McCarron in forming the Catholic League for Worcester and County high school basketball teams.

In 1935, Father Connors was transferred to Sacred Heart Academy and a year later to St. Bernard's High School in Fitchburg, where he was athletic director until he entered the Army in 1942.

"CONNOR'S COFFEE SHOP"

Partly because of his pleading with military and church authorities, he was allowed to follow "his boys" into the front lines.

The legend of the chaplain's "coffee shop," his friendly mingling with enlisted men, his disregard for rank, his intense interest in "his boys" regardless of their religion, and his heroism long outlived the war.

In particular, "Connors' Coffee Shop" was a tradition among the troops of the 9th during any respite from battle. Brewed in a big aluminum pitcher and heated on a ration-can stove with kerosene, the coffee was simply boiled and served. When the coffee ran low, Father Connors just added more grounds and water.

"We never dared get all the way down to the bottom of the pot," he mused. "We were afraid of what we might find in it. There was a quarter-inch cake of coffee on the sides of it to add to the flavor, and there were days when the men claimed they had to chew it—it was too strong to drink."

Father Connors was awarded the Silver Star for rescuing a soldier from "No Man's Land" through a mine field that was considered suicidal to cross.

One veteran of the 9th, of the Greek Orthodox faith, recalled Father Connors as "a great chaplain . . . he was right down in front when it all counted. He was one of the troops."

In recalling the growth of the ecumenical movement, he once said of the soldiers of the 9th, "We didn't talk it; we've lived it . . . It was no big deal for us. This was the way we lived those years: Dedicated to our own faith, praying together in a common purpose." He told of a Jewish chaplain who was shelled and dying in a battlefield in France.

"He asked for my blessing before dying. Not absolution," he added. "He died a strong, dedicated Jew, but wanted my blessing. We all must have a faith. We must believe in it. Stand up for it. But—we can all pray together."

During the war, he became a close friend of Gen. William C. Westmoreland, later Army chief of staff.

When he returned to Worcester after the war, Father Connors yearned for a reunion with his 9th Division comrades. So he launched a yearly tradition in his home parish, then St. Peter's parish. The reunion and memorial Mass were conceived, he said, to celebrate the living and honor the dead of the 9th.

HONORED MANY TIMES

Father Connors received numerous awards, including the Fourth Degree Patriotism Award from Bishop O'Reilly Assembly, Knights of Columbus, in 1980, Crusader of the Year award from Holy Cross College in 1981.

Of his parishioners, Father Connors said, "I hope I have inspired them as much as they inspired me."

In March 1985, he was honored by 1,600 at a testimonial at Worcester auditorium.

Bishop Bernard J. Flanagan then called Father Connors "a good friend and an example of a dedicated and zealous priest."

The Rev. Paul T. O'Connell, his associate for 10 years at Immaculate Conception Church, said Father Connors had really taught him "the good things in life."

And President Ronald Reagan wrote from the White House, "Your spirit of patriotism and your spirit of faith is the same that built America."

Father Connors was spiritual director for 35 years of the Worcester Diocesan Council of Catholic Nurses. He was also chaplain for Division 36 of the Ancient Order of Hibernians in Worcester and chaplain of the St. Patrick's Day Parade Committee in Worcester.

He was a member of the Emerald Club.

He leaves several cousins.

The funeral will be tomorrow with a concelebrated Mass at 11 a.m. in Immaculate Conception Church, 353 Grove St. Bishop Timothy J. Harrington will be principal celebrant. Burial will be at 2 p.m. tomorrow in St. Patrick's Cemetery, Whitinsville.

Calling hours at the church are 2 to 9 p.m. today.

A wake service will be there at 7 p.m. today. Members of Division 36, Ancient Order of Hibernians, will convene at 7 p.m. to attend the service.

It is requested flowers be omitted. Memorial donations may be made to the Clergy Fund of the Diocese of Worcester, 49 Elm St.

Athy Memorial Home, 111 Lancaster St., is directing arrangements.

INDIAN PRIME MINISTER'S APPEARANCE MET WITH LARGE PROTEST

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. TOWNS. Mr. Speaker, Indian Prime Minister Atal Bihari Vajpayee went to the United Nations in New York last week. He was met by about 200 protestors, mostly Sikhs, Kashmiri Muslims, and others, who were there to protest Indian nuclearization of South Asia and demand freedom for their people. This protest did not get as much coverage in the media as you might have expected under normal circumstances, so it is appropriate to take note of it here.

The demonstration was led by Sikh youth in the New York area and the President of the Richmond Hill (N.Y.) Gurdwara. The demonstrators shouted slogans against Indian nuclear-weapons development. They also shouted slogans like "India stop genocide" as well as slogans for Sikh independence.

In a flyer circulated at the demonstration, the organizers wrote that "Vajpayee's government is responsible for plunging South Asia into a nuclear arms race. They are taking India towards a bloody confrontation with neighboring countries that could involve the entire world."

India has recently deployed its Agni and Prithvi missiles in Punjab, Khalistan. Some of these missiles are capable of reaching parts of the United States. This deployment greatly increases the likelihood of war in South Asia, a war we now know can easily become nuclear.

The Indian government has also practiced genocide against the minorities it rules. It has murdered over 250,000 Sikhs since 1984, more than 200,000 Christians in Nagaland since 1947, almost 60,000 Muslims in Kashmir since 1988, and ten of thousands of Assamese, Manipuris, Tamils, Dalits, and others. The government paid thousands of cash bounties to police officers who killed Sikhs!

This is why the organizers wrote that "the Indian government's main mission is Hindu, Hindi, Hindustan. There is no room for Muslims, Sikhs, Buddhists, or Christians. A religiously intolerant government can never be democratic."

While India pursues this undemocratic, imperialist objective, it takes the average Indian worker three days' pay just to buy a box of Corn Flakes. Half the population of the country lives below the international poverty line, which is substantially lower than the U.S. poverty line. Yet America officially supports this repressive, hegemonic country. We must be a beacon for freedom in South Asia.

Mr. Speaker, the United States must codify the sanctions now in place against India. We must stop providing aid to this repressive regime. And finally, we must put this Congress on record in support of a free and fair plebiscite in Punjab, Khalistan and in Kashmir—the latter in accord with India's 50-year-old promise to the United Nations.

Mr. Speaker, I would like to thank Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, for bringing this event to my attention. I would also like to insert the Burning Punjab article on the demonstration and the flyer from that event into the RECORD for the information of my colleagues. I hope that this information will help make it clear to us all just what kind of country India really is.

[From the Burning Punjab News, Sept. 26, 1998]

SIKHS AND OTHERS HOLD LARGE PROTEST AGAINST INDIAN PRIME MINISTER'S UN VISIT

(By Atam Inder Singh)

NEW YORK.—A large numbers of Sikhs came to the United Nations in New York on Thursday to protest the appearance of Indian Prime Minister Atal Bihari Vajpayee. In addition, Kashmiri Muslims and other victims of Indian tyranny protested simultaneously. Protestors distributed a large number of flyers to passers-by. They shouted slogans of "India stop genocide," and "Raj Kare Ga Khalsa", as well as slogans against Indian nuclear weapons development. Agni and Prithvi missiles have been deployed in Punjab. The flyer pointed out that "Vajpayee is the leader of the BJP, the militant Hindu fanatic party in India, and is the head of a repressive, fascist government that oppresses its minorities and is unfriendly to the United States." The flyer said that "Vajpayee's government is responsible for plunging South Asia into a nuclear arms race. They are taking India towards a bloody confrontation with neighboring countries that could involve the entire world," it said. The flyer took note of the deployment of Agni and Prithvi missiles in Punjab, of its support of the nuclear efforts of rogue states like Iraq, and of the murders of large numbers of minorities living under Indian rule. The Indian

government has eliminated large numbers of Sikhs since 1984, over 200,000 Christians in Nagaland since 1947, almost 60,000 Kashmiri Muslims since 1988, and tens of thousands of Assamese, Tamils, Manipuris, Dalits, and others. "The Indian Government's main agenda is Hindu, Hindi, Hindustan," the flyer said. "There is no room for Muslims, Sikhs, Buddhists, or Christians. A religiously intolerant government can never be democratic," it said. "On behalf of the Sikh Nation, I salute the organizers of this demonstration, especially Gurpreet Singh and the President of the Richmond Hill Gurdwara, Mr. Balwinder Singh Cheema," said Gurmit Singh Aulakh, President of the Council of Khalistan, the organization that leads the peaceful, democratic, nonviolent struggle to free the Sikh Nation. "This effort was mostly done by the educated Sikh youth," he added.

PROTEST AGAINST NUCLEAR ARMS BUILDUP

The American Sikh community and its supporters are gathering at the United Nations on September 24th 1998, to protest the visit of the Prime Minister of India, Atal Bihari Vajpayee. Mr. Vajpayee is the leader of the BJP, the militant Hindu nationalist party in India, and is the head of a repressive, fascist government that oppresses its minorities and is unfriendly to the United States:

Mr. Vajpayee's government is responsible for plunging Southeast Asia into a Nuclear arms race. They are taking India towards a bloody confrontation with neighboring countries that could involve the entire world. Earlier this year, two members of the BJP publicly called for Pakistan to become part of India.

The Indian government has deployed its Agni and Prithvi missiles in Punjab, Khalistan greatly increasing the likelihood of war and putting the lives of Sikhs and other minorities at risk.

Indian has provided heavy water to Iran and is now working closely with Saddam Hussein's regime in Iraq. India votes against the United States at the United Nations more often than any other country except Castro's Cuba. India publicly supported the Soviet invasion of Afghanistan.

The Indian government's main agenda is "Hindu, Hinda, Hindustan (India)". There is no room for Muslims, Sikhs, Buddhists, for Christians. A religiously intolerant government can never be democratic.

The government made every effort to disrupt the first meeting of the Punjab People's Commission, which was set up to investigate human-rights violations at Punjab. They cancelled the reservation the commission had for meeting space and tried to influence other facilities not to grant them space. The People's Commission issued citations to 90 police officers and now has received 3,000 more cases. The Indian government has spent over 20 million Rupees in legal fees to protect the police officers that have carried out these atrocities.

On July 23, Indian police arrested human-rights activist Jaspal Singh Dhillon and his attorney on a false charge. Dhillion worked with Jaswant Singh Khalra on his report which showed that the police abducted, tortured, and murdered tens of thousands of Sikh youth, then declared their bodies "unidentified" and cremated them, a policy the Indian Supreme Court called "worse than a genocide."

In August, it was reported that death squads from the Central Reserve Police Force (CRPF) are going into villages in the Faridkot district of Punjab and murdering villagers.

To date, Amnesty International and other Human Rights organizations have been denied access to Punjab to witness for themselves the atrocities that the Sikhs are suffering.

Please join us and raise your voice to condemn Nuclear India and support human rights for Sikhs and all minorities in India.

THE SAVE SOCIAL SECURITY ACT

HON. JIM McCRERY

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. McCRERY. Mr. Speaker, I commend Chairman ARCHER on the inclusion in this bill of the provision to modify and extend the present law treatment of active financial services income under Subpart F of the Internal Revenue Code. The provision permits U.S.-based insurance companies, banks, finance companies, securities dealers, and other financial services firms—like other U.S. industries doing business abroad—to defer the U.S. tax on the earnings from the active operations of their foreign subsidiaries until such earnings are returned to the U.S. parent company. The provision is vital to the global competitiveness of the U.S. financial services industry.

In particular, I commend Chairman ARCHER and the staff for the resolution of the question relating to the interaction of this subpart F provision regarding active financial services income and the ability of the U.S. financial services industry to use so-called hybrid arrangements and other techniques to reduce their foreign taxes. In January of this year, the Treasury Department issued notice 98–11, attacking the use by U.S.-owned foreign companies of hybrid arrangements to reduce their foreign taxes. Chairman ARCHER, along with a bipartisan majority of the Ways and Means Committee, strongly opposed the Treasury Department's action on Notice 98–11. In response to the concerns raised by Congressman ARCHER, in June of this year, the Treasury Department issued Notice 98–35, withdrawing Notice 98–11. According to Notice 98–35, "the purpose of this action [was] to allow Congress an appropriate period to review the important policy issues raised . . . and if appropriate, address the issues by the legislation." Notice 98–35 further provides specific rules with respect to the use of hybrid arrangements during the interim. In Notice 98–35, the Treasury Department wisely anticipated and explicitly provided for the use of hybrid arrangements to reduce foreign taxes with respect to financial services income.

Concerns had been raised regarding whether the provision in this bill modifying and extending the subpart F treatment of active financial services income could be interpreted to limit in any way the ability to use hybrid arrangements to reduce foreign taxes. Of course, such a limit would be inconsistent with the position regarding active financial services income set forth by the Treasury Department in Notice 98–35. Moreover, such a limit would be inconsistent with the purpose of this provision, which is intended to improve the ability of the U.S. financial services industry to compete with its foreign counterparts. Because of the importance of this issue, I am very pleased that the provision modifying and extending subpart F treatment of active financial services income was carefully drafted so that nothing in the provision would authorize or allow this treatment to be denied because a hybrid arrangement, or any other technique available under foreign tax law, is used to reduce foreign tax.

TRIBUTE TO THE HONORABLE SIDNEY R. YATES

SPEECH OF

HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mr. SHIMKUS. Mr. Speaker, I rise to pay my respects to my Illinois colleague, Congressman SIDNEY YATES, as he nears the end of this, his 24th and final term as a Member of this body.

Congressman YATES has been a true patriot in the very best sense of the word. He has been a stalwart advocate for issues near and dear to his heart and those of the people he has so ably represented over the years.

In 1996, Congressman YATES told the Chicago Sun-Times that, "my promise is to fight, and I did that."

Indeed he has done so. SIDNEY YATES has been a tremendous advocate for the arts, for our environment and for our nation. His work has made a difference for all of us but has a particular impact on our home state of Illinois.

Back home, SIDNEY YATES is regarded as a living standard of excellence in public service by which the rest of us only hope to be measured favorably.

Not long ago, Congressman YATES showed me a certificate from a congressional baseball game that game he had played in back in 1950. It amused me because I hadn't even been born when that game had been played. As a current participant in the game, I will play hard and play to win as SIDNEY did back in 1950.

It humbled me by the notion that I was standing next to a man who had played the game and played it well for so many years. SIDNEY YATES stands among us tonight as a reminder of the fact that age and experience can never be matched or duplicated, but can be a learning tool for those of us who attempt to follow it.

From your downstate admirers, let me say thank you to an illustrious career whose full measure has yet to be realized.

A SPECIAL TRIBUTE TO HULON B. "ROCKY" WHITTINGTON FOR HIS DEDICATION AND SERVICE TO THE UNITED STATES OF AMERICA

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. GILLMOR. Mr. Speaker, I rise today to pay a very special tribute to an outstanding individual from Ohio's Fifth Congressional District, the late Hulon B. "Rocky" Whittington.

Mr. Whittington, who hails from the small town of Oak Harbor, Ohio, in Ottawa County, lived a truly memorable life. During his life he was committed to the principles of duty, honor, country. Nowhere is this legacy more evident than in the fact that Mr. Whittington was a recipient of the Congressional Medal of Honor.

For his bravery and commitment, Mr. Whittington was presented with our nation's most prized and coveted military recognition. His heroism and patriotism are examples for each of us to live by, and his efforts played a key role in securing the very freedom that we, as Americans enjoy each and every day of our lives.

The Congressional Medal of Honor's origin dates back to the Civil War, where it was signed into law by President Abraham Lincoln. The Medal of Honor is presented to those in combat having gone "above and beyond the call of duty."

In July of 1944, near Grimesnil, France, Sergeant Hulon B., Whittington, Second Armored Division, led a group of men into battle against an advancing German tank column. with their platton leader missing in action and in the face of scores of enemy troops, Sergeant Whittington's expert leadership and bravery resulted in the destruction of more than 100 German vehicles. During the battle, countless numbers of German soldiers were killed or taken prisoner during a bayonet charge that he inspired.

Mr. Speaker, On Saturday, October 3, 1998, Sergeant Whittington will be recognized by members of the Oak Harbor Masonic Lodge for his dedication and commitment to service. He was an outstanding community member and a caring and devoted Mason. His efforts have been and will continue to be sorely missed.

Mr. Speaker, although Sergeant Whittington passed away several years ago, his deeds on the battlefields of World War II and in the Oak Harbor community will not soon be forgotten. I would urge my colleagues to stand and join me in paying special tribute to a true American hero, Sergeant Hulon B. "Rocky" Whittington.

THE PASSING OF MEG DONOVAN

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. HAMILTON. Mr. Speaker, I would like to bring to the attention of my colleagues the tragic death yesterday of Meg Donovan, a former member of the staff of the Committee on Foreign Affairs, now the Committee on International Relations, and most recently a Deputy Assistant Secretary of State for Legislative Affairs.

Meg worked for our committee for eight years. During that time, and in her previous work for the National Conference on Soviet Jewry and the Commission on Cooperation and Security in Europe, she was a tireless advocate of human rights. At a time when it was not always fashionable, she worked to ensure that every piece of legislation which this committee considered took into account the human rights record of the governments involved. Many staffers, and Members, learned—sometimes the hard way—that whatever their own agenda might be, their legislation would be "scrubbed" by Meg for its human rights implications before it left this committee. In short, Meg put the human rights issue on the Congressional map.

Some Members would be more familiar with Meg in her more recent work, as an indispensable aide to first Secretary of State Christopher and then Secretary of State Albright. Both Secretaries relied heavily on Meg in their relations with Capitol Hill, and to help run the State Department.

While her professional accomplishments were extraordinary, I think what most of us will remember about Meg is her always cheerful smile, her infectious laughter, her enthusiasm for life, and her endless energy. Meg was one of those rare people who brought warmth, laughter and joy to so many lives.

I know all of our hearts go out to Meg's husband, her three children, and to all her family.

IN SUPPORT OF INCREASED FUNDING FOR THE OLDER AMERICANS ACT

HON. MARION BERRY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BERRY. Mr. Speaker, I rise today in support of programs funded through the Older Americans Act including congregate meals, home delivered meals and supportive services. These programs are of vital importance to the First Congressional District of Arkansas.

In the ten county area of North Central Arkansas over 100 persons are on the Home Delivered Meal waiting list due to a lack of federal funding. Furthermore, because of a lack of funds, two County Aging Programs consisting of 15 Senior Centers now operate only four days per week.

The Older Americans Act has not received substantial increases in almost a decade—local Senior Centers now have to do fund-raising to provide at least 30 percent of their budgets. Local communities, particularly those in rural areas, can only generate a small portion of the funding needed.

With the expected rise in the older population, the demand for services is expected to double over the next 15 years. An increase in federal funding is urgently needed.

I urge my colleagues to support an 8 percent increase to support the reauthorization of the Older Americans Act contained in H.R. 4344.

OLDEST YEAR-ROUND SCHOOL CELEBRATES 30TH ANNIVERSARY

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. STARK. Mr. Speaker, I rise today to pay tribute to the Park Elementary School in Hayward, California, the oldest year-round school in the nation. Over three decades ago, two elementary school principals, Mr. Barney Moura and Dr. Dan Foster, proposed the idea of an all year-round school schedule. In 1968, Park adopted the first single-trick, 200-day school calendar under provisions of a special seven year pilot program approved by the California State Legislature.

Now celebrating its 30th anniversary as a year-round school, Park Elementary has provided a wealth of research and experience to corroborate the original goals of the program. Currently, almost 2 million students in 41 states attend year-round schools and I am proud that Park Elementary has led the way.

Park Elementary not only deserves recognition as the original pioneer for year-round school, but it should also be acknowledged as the working model for success. Recent studies have demonstrated that student achievement is significantly higher at schools with a single track schedule than their nine-month counterparts.

On November 6, Principal Jeanne Duarte-Armas will join with students and faculty, along with representatives from the Hayward Unified School District, to celebrate Park School's 30th anniversary with an afternoon picnic. I extend my hearty congratulations on their accomplishments and offer my best wishes for continued success. Mr. Speaker, I ask my colleagues to join in honoring those who have helped Park Elementary School reach its 30th year of achievement and excellence.

IN HONOR OF RUSSELL L. HANLIN

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. GALLEGLY. Mr. Speaker, I rise to pay tribute to Russell L. Hanlin, a man who has had an enormous impact on America's agricultural industry during his illustrious 48-year career. Not only has he been the consummate businessman, but he has served three presidents—and his countrymen—as well.

Mr. Hanlin is retiring soon as President and Chief Executive Officer of Sunkist Growers, Inc., an agricultural marketing cooperative representing more than 6,500 citrus growers in California and Arizona, many of which operate in my home, Ventura County. Mr. Hanlin is the epitome of the American dream, and proof that hard work and perseverance in this great land will carry anyone to the pinnacle they seek. He started with Sunkist as a clerk in

1951. Over the years, he served in several capacities before earning an appointment as a corporate officer. After serving six years as Vice President of the Producers Group, he was elected President and CEO in 1978.

President Bush appointed Mr. Hanlin to the President's Commission on Executive Exchange. Presidents Carter and Reagan both appointed him to the President's Advisory Committee for Trade Negotiations, an appointment he held from 1978 to 1984. President Reagan also appointed Mr. Hanlin to the President's Export Council, a post he held for five years.

In 1990, Mr. Hanlin was inducted into the World Trade Hall of Fame.

Mr. Hanlin is past Chairman of the National Council of Farmer Cooperatives. He is a member of the Agricultural Task Force on Japan-U.S. Economic Relations, a member of the U.S./Hong Kong Economic Cooperation Committee, a member of the Board of Directors of the California Chamber of Commerce, and Chairman of the Chamber's Agricultural Committee. He is a member of the Board of Trustees of Woodbury University, Chairman of the United Fresh Fruit and Vegetable Association, and Chairman of the Japan America Society of Southern California. In 1996, he was Chairman of World Trade Week.

Mr. Hanlin has won several awards, ranging from the Good Scout Award from the Western Los Angeles County Council, Boy Scouts of America; to the Maple Leaf Award from the Canada-California Chamber of Commerce, which he earned for promoting understanding between the United States and Canada.

Mr. Hanlin and his wife, Norma, live in Pasadena, California. They have been blessed with three children.

Mr. Speaker, I know my colleagues will join me in thanking Mr. Hanlin for his many years of promoting and nurturing America's agricultural industry and wish him well in any future endeavors.

A TRIBUTE TO WALDO PROFITT

HON. DAN MILLER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. MILLER of Florida. Mr. Speaker, for 37 years, the people of Sarasota, Florida have been lucky to have Waldo Profitt Jr. as Editorial Page Editor of the Sarasota Herald-Tribune. Waldo provided great journalism with unquestioned integrity and commitment to community service.

Waldo Profitt recently retired from the Herald-Tribune. His reporting and commentary on the social, fiscal, political and public environment of Sarasota County during its fast-paced growth years are a tribute to the finest qualities of a first-class journalist. Waldo was on the front lines on many issues and he never failed to thoroughly investigate, and then critically comment, on what this meant in the big picture.

Long before the mainstream environmental movement, Waldo Profitt educated his readers that environmental protection, resource conservation and local responsibility for community resources were crucial to the preservation of Florida's quality of life and to the State's long-term economic viability and vitality. He emphasized that environmental protection was not about hugging trees, but enhancing and protecting our future.

Anyone in public life would appreciate Waldo's approach to his craft, which rejected attack journalism and recognized that "today's opponent may be tomorrow's ally." His colleagues pay him a high compliment when they say that he taught them that successful journalists need not be mean or unpatriotic. Even those who disagreed with him philosophically, will honestly say, that Waldo "wrote with integrity" and that he was "incisive, fair and balanced."

One of my proudest moments in Congress was when Waldo wrote, "I've been underestimating Dan Miller." Let me tell you, NO ONE has ever underestimated Waldo's ability to quickly humble any public servant in Southwest, Florida. So, his words meant a great deal to me.

For Waldo Profitt, Jr., professional integrity and decency were watchwords. It is a fitting time for us to recognize those qualities in his career and to salute a gentleman who served his country in the U.S. Army Air Corps during World War II. But I want to especially honor Waldo for always taking the courageous path of the highest standards in his chosen field—journalism. My hat goes off to him.

DID TAX AVOIDANCE PLAY A ROLE IN THE FALL OF LONG-TERM CAPITAL?

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. NEAL of Massachusetts. Mr. Speaker, in the past week, we all read about the gathering of Wall Street's financial giants and their agreement to bail out Long Term Capital Management L.P., which "The Wall Street Journal" has referred to as a "high flying hedge fund that was on the verge of collapse."

After a meeting orchestrated by the Federal Reserve, a group of investment firms and commercial banks agreed to a $3.5 billion bailout of Long-Term Capital. Without this bailout, Long-Term Capital's $80 billion balance sheet and additional exposure in the form of off-balance-sheet agreements would have been liquidated. A forced liquidation could have had an adverse impact on worldwide markets.

The financial service industry bears the overwhelming portion of blame. Lenders extended enormous amounts of credit without adequate supervision or knowledge of the activities of the fund.

However, Congress also shares a part of the blame for this debacle. Derivatives have legitimate uses, but they can be used to create excessive levels of leverage by avoiding margin requirements. They have the potential of tax avoidance. Congress was aware of this. The Commodity Futures Trading Commission (CFTC) raised questions earlier this year about the adequacy of supervision of hedge funds. Congress not only chose to ignore the warning of the CFTC, but it pushed legislation that would prohibit the CFTC from proposing new derivatives regulation.

This tax avoidance potential of derivatives did not cause the fall of Long-Term Capital, but it may have added fuel to the fire in the failure. In the fall of 1997, management of Long-Term Capital wanted to increase its stake in the fund. Rather than invest directly, the founder and partners entered into a complex transaction with Union Bank of Switzerland (UBS) that gave them $750 million of equity in the fund through the use of derivatives. According to Derivatives Strategy Special online Report, the management of Long-Term Capital deliberately chose this complex transaction in order to convert foreign interest income from their offshore hedge fund into long-term capital gains and defer it for seven years. Their motivation for this transaction was pure and simple—tax evasion.

Congresswoman KENNELLY was the only one who had the foresight to recognize that the tax avoidance potential of derivatives should have a legislative response. On February 5, 1998, Congresswoman KENNELLY introduced H.R. 3170, legislation which would prevent the use of derivatives to convert ordinary income into long-term capital gain eligible for the 20% capital gain rate. That legislation was aimed at investments in hedge funds through derivatives. The deal that the management of Long-Term Capital entered into with UBS is an example of a transaction that the Kennelly legislation would have shut down.

I commend Congresswoman KENNELLY on her efforts to prohibit transactions that use derivatives for tax avoidance. If this legislation had been enacted, the motivation for the transaction between the managers of Long-Term Capital and UBS would have not existed.

The rise and fall of Long-Term Capital will be studied by Congress in the upcoming months. I plan on following Congresswoman's KENNELLY lead and to work towards the passage of legislation which addresses the tax avoidance potential of derivatives.

The Kennelly bill affects transactions such as the transaction between the founder and partners of Long-Term Capital and UBS that are not available to the ordinary investor because of their cost. In an economic sense these transactions are equivalent to ownership, but their costs are substantially greater than the costs of a simple purchase.

Congresswoman KENNELLY believes that there is no tax policy justification for giving an investor in a derivative more favorable tax treatment than an investor in an identical underlying product. The Kennelly bill redefines the concept of when there is ownership for tax purposes in order to take into account the economic substance of these new transactions.

I look forward to working on the Kennelly bill and ultimately working towards passage of legislation that addresses the potential tax avoidance of derivatives. Attached is a technical description of the Kennelly legislation.

CONSTRUCTIVE OWNERSHIP TREATMENT

The Kennelly bill would apply to taxpayers who hold constructive ownership positions with respect to any financial property. The legislation would treat gain from constructive ownership positions as long-term gain

only to the extent the investor would have received long-term gain treatment if he/she held the underlying asset directly.

The bill would define constructive ownership as any of the following transactions (and any other transaction having substantially the same effect as a transaction described below):

1) entering into an offsetting notional principal contract with respect to the same or substantially identical property;

2) entering into a futures or forward contract to acquire the same or substantially identical property;

3) granting a put and holding a call with respect to the same or substantially identical property and such options have substantially equal strike prices;

4) entering into 1 or more than other transactions (or acquiring 1 or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

The bill would only apply to financial positions in stock, debt instruments, partnerships and investment trusts held through derivatives. This legislation is not intended to apply to interests held through mutual funds.

A deferred interest charge would apply to constructive ownership transactions in order to recapture the benefits of deferral. The deferred interest charge would be equal to the underpayment of tax rate in Section 6601.

The legislation would be effective for gains recognized after date of enactment.

IN CELEBRATION OF THE 40TH ANNIVERSARY OF THE U.S. CIVILIAN SPACE PROGRAM

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BROWN of California. Mr. Speaker, today marks the 40th anniversary of the establishment of the U.S. civilian space program. I would like to congratulate Administrator Goldin and all of the NASA team of NASA's 40th anniversary. It is a significant milestone, and all of the present and former NASA and contractor employees should feel proud of what our nation's civil space program has accomplished. I believe that space exploration is a noble calling, and one that is worthy of our continued support.

When I celebrate a birthday or anniversary, I like to reflect both on what has come to pass in my life and what might still lie ahead. I think that it is appropriate that we do the same at this juncture in NASA's life as an institution.

It is difficult to know what to say and what to leave out in a statement such as this. I have been interested in our nation's civil space program since its inception, and I have rejoiced at its successes and grieved at its setbacks over the years. I also have tried to play a small part in helping to nurture our space program's growth during my tenure in Congress.

As we try to assess how best to approach America's future in space, I would like to offer some thoughts on ways in which our civil space program has succeeded, as well as ways in which it has fallen short. I hope that those observations may provide useful guideposts for NASA's future.

Where has our civil space program succeeded? I believe that there can be no disputing that the nation's history of excellence in space and Earth science is one of the most gratifying outcomes of the space program's establishment 40 years ago. To say that we have been unlocking the secrets of the universe may be a cliché—but it also is a simple statement of fact. Robotic probes have visited every other planet in our solar system except Pluto. Equally important, we are gaining insights into our own planet and into how human activities affect its systems.

Yet, as the news about the immense burst of gamma-rays and X-rays from deep in space that bathed Earth in radiation last month and disrupted spacecraft operations demonstrates, we also are learning how little we really know about the universe. Nevertheless, we are making advances. From the earliest satellites to the Hubble Space Telescope, the Mars Pathfinder, and beyond, NASA's scientific activities have enriched our stores of knowledge and captured our imaginations. I find it incomprehensible that anyone could seriously assert that NASA has made these space activities "boring."

Another area where I think our space program has succeeded is in the use of space technology to deliver benefits to society. Communications satellites, weather and remote sensing satellites, technologies for health care and industrial competitiveness, and so forth—all of these have improved the quality of our lives. Yet I strongly believe that we can do more to harvest the potential of space to help people in America and around the world to live better lives. We dare not walk away from that responsibility.

Another development that has been gratifying to me has been the emergency—allbeit somewhat unevenly—of a healthy and growing commercial space sector. Can anyone dispute the importance of commercial satellite communications to the world's economy, both directly and indirectly? I expect to see similar developments in commercial remote sensing, launch services, and in areas we do not even contemplate at present.

Yet, a world with a large, global commercial space sector offers challenges to policymakers. I would gently note that those who argue for unleashing the private sector to commercialize space on a global scale should not then attempt to demonize companies for pursuing their interests globally. Loose allegations of unpatriotic behavior against American companies are not helpful as we attempt to sort out the complex issues associated with commerce in a multipolar world.

Next, I must say that I consider one of NASA's finest achievements to have been its continued adherence to the principle that "activities in space should be devoted to peaceful purposes for the benefit of all mankind." NASA has made international cooperation an integral part of its mission, and I think it has paid dividends to our nation over the past four decades. As I testified to the House space subcommittee fifteen years ago on NASA's 25th anniversary:

"We have tended to cut back on these activities when budgets are tight, or when we get nervous about technology transfer to other nations. My view is that international cooperation serves many functions and is important to support; political, scientific, and economic benefits can be derived from international cooperation."

I continue to stand by those sentiments.

Before I close, I must confess that I have been disappointed by what we have not accomplished in our space program since its inception. Among my frustrations is our sorry record in the development of low-cost space transportation. For too long, we have seen advances in transportation come in fits and starts, instead of being an integral part of the space agency's R&D portfolio. That approach has seriously impeded the progress of our nation in space exploration and utilization. I believe that we are making some improvements in our approach to developing new transportation systems; however, we must not go overboard in the other direction and make our programs dependent on the delivery of revolutionary advances by a date certain. Innovation does not work that way—especially under constrained budgets.

Speaking of budgets, those who know me know that I long have been troubled by the nation's inconsistent support of our civil space program. Both Congress and the White House have at various times over the last forty years, wreaked havoc on NASA's ability to make and carry out long-range plans. While some have argued that there is no long-term vision or plan for NASA, I would submit that over the years there have been no lack of plans, studies, and recommendations both from the space agency and from distinguished panels of outside experts—my files are filled with them! Rather, the nation—and I most definitely include Congress in this criticism—has been unable or unwilling to establish institutional mechanisms for providing a stable budgetary and programmatic framework in which long-term (i.e., over multiple Administrations and Congresses)—and possibly multinational—R&D initiatives can be carried out successfully. Until we address that situation, I am not optimistic that we will be able to achieve many of the ambitious goals that NASA is contemplating for the 21st century.

One of those goals, of course, is human exploration beyond low Earth orbit. I believe that this is one of the areas in which we have fallen most short, to my intense disappointment. I still consider it extremely short-sighted for the Nixon Administration to have canceled the nation's program of lunar exploration just as it was transitioning from an amazing technological and managerial achievement to a sustained program of scientific and human exploration.

Then, when President Reagan approved the development of a Space Station in 1984, I never would have believed that almost fifteen years later we still would not have launched even the first elements of the Station into orbit. Still, there are no easy villains in the Space Station saga—as much as some would like to find them. The simple truth is that NASA, successive Congresses, and successive Administrations all have had their fingerprints on this program, and any blame for the slow progress of this program needs to be shared. At the same time, all of us will have to now work together for this program to be completed successfully.

However, I would like to look forward to the future of human space exploration and not just dwell on past missteps. There are no lack of worthy goals for human exploration. Those goals need to be a fundamental part of our vision for NASA's future.

While there is more that I could say, I will conclude my statement on that note. I have offered these observations with the intention of stimulating some discussion on how best to proceed as our space program enters the 21" century. We must learn from our past if we are to avoid becoming captive to our past.

HONORING THE INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES LOCAL UNION 51 OF HOUSTON, TEXAS

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BENTSEN. Mr. Speaker, I rise to congratulate The International Alliance of Theatrical State Employees Local Union 51 as they celebrate their 100th Anniversary on February 23, 1999. Local 51, which is an integral part of Houston's highly successful arts community, will celebrate with a Gala Program in the Brown Theater of the Wortham Theater Center in Houston, Texas.

The International Alliance of Theatrical Stage Employees, Moving Pictures Technicians, Artists and Allied Crafts of the United States and Canada (I.A.), which began in 1893, represents people behind the scenes in the manifold media of show business and exhibitions. Today, there are over 800 local unions throughout the United States and Canada. The local chapter of the Galveston-Houston Theatrical Stage Employees Protective Union was chartered on May 1, 1899. Houston's own Local 51 broke away from that larger group and is today the only stage crafts union in Harris County. In the early part of this century, members of Local 51 set up the traveling vaudeville shows and performances by touring companies that came to the Bayou City first by train, later by truck. Local 51 even supplied the personnel for the backstage work at the downtown movie houses. By the time Houston's major arts organizations presented their first performances, the Local was already in place to provide professional, behind-the-scenes service.

Every stage craft is practiced by these dedicated men and women, making each a valuable link in the production of any show. From the moment a production or meeting is conceived until the last truck pulls away, I.A. technicians are on the job. Today, Local 51 boasts a work roster of over 400 technicians and can fill a producer's or promoter's crew needs with only one telephone call. The local provides a network of qualified technicians for projects of any magnitude.

The members of Local 51 are known and respected worldwide for the quality of the work they provide. They have traveled from China to Singapore to Cairo and throughout the United States with the road tours of hits such as "Phantom of the Opera", "Jesus Christ Superstar", "State Fair", "Carousel", and with David Copperfield. The talents of Local 51 are not limited to the stage. The local has provided convention and exhibit support for several local audio visual companies and in every major hotel and meeting facility in Houston.

Mr. Speaker, I congratulate Local Union 51 as they celebrate this special time in their history, and extend to all members my personal appreciation for their contributions to the arts in Houston.

ASSESSING TAX CUTS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Friday, October 2, 1998 into the CONGRESSIONAL RECORD.

ASSESSING TAX CUTS

With the new congressional session approaching and a projected $1.6 trillion surplus in the U.S. Treasury over the next ten years, it is not surprising to see Washington politicians crafting and talking about tax cuts which will appeal to constituents. People will naturally be eyeing the several proposals to determine how they affect their own pocketbook. That is an entirely appropriate perspective, but people ought also to be looking at another question: What impact will the tax proposals have on the distribution of income and wealth in the country?

Broad income trends: Tax proposals need to be assessed in light of two broad trends in our country—the widening income gap between the haves and the have nots, and the difficulty middle-class families have had in improving their status despite the current economic boom.

There is not much doubt but that the gap between the nation's poorest and richest workers has widened. Adjusted for inflation, the incomes of the poorest fifth of working families dropped by 21% between 1979 and 1995, while the incomes of the richest fifth jumped by 30% during the same time period. So during both good times and bad the gap has grown. Most economists think that a principal reason for the widening gap is technology. Other factors are the erosion over several years of the minimum wage, international trade, the decline of unionization, and immigration. So while the new technologies are creating growth in the economy and new opportunities, they are also increasing economic inequalities and sharpening social divisions.

In the last few years, lower-income workers have gotten some help from the strong economy and from the 90 cent an hour increase in the minimum wage in 1996. Yet middle-class members overall have not done as well in the race to improve their incomes. At the top and the bottom of the economic ladder, wages have risen briskly but in the middle they have risen more slowly. Computers, technology, and imports have diluted the demand for medium-skilled workers, and corporate downsizing has made middle-income people feel less secure in their jobs and more reluctant to push for wage increases.

The middle class today is not complaining too visibly because their pay has gone up faster than the inflation rate over the last two years, even if the increase is not as great as the one by lower- and upper-income workers. But the longer the expansion of the economy lasts, the more people will begin to understand their position in the total economy and the less happy they will be. If a recession occurs and the trends continue they will become quite angry.

Policy choices: There is no shortage of answers to this widening income gap. The best medicine may be steady economic growth and the extraordinarily low unemployment rates we have today that can help push workers' hourly wages up. But several other steps have been proposed. Some people want to remove regulatory barriers, improve school systems, and expand programs to improve workers' skills. Others want to concentrate on tougher trade rules, better anti-poverty programs, and strong labor protections. We need to create and keep good high-wage jobs.

But it seems to me that we also need to consider carefully the impact of any proposed federal tax cuts. Tax policy should recognize the need to improve the lot of moderate-income working Americans. At a minimum it shouldn't worsen the income gap by giving the most benefits to those already very well off.

The income trends in the American economy are disquieting. The scale of the problem and the dearth of solutions add up to difficult political challenges ahead in the not too distant future. Historically tax policy has helped keep inequality from going too far. Too much inequality almost certainly leads to making societies unstable. There may be little risk of instability at this point, but nonetheless the broader question of the impact of tax cut proposals on the distribution of income and the wealth in society should not be ignored.

House proposal: The main tax cut currently being considered in Congress is a House proposal to cut $80 billion over the next five years. The biggest tax cuts in the package—accounting for three-fourths of its total cost—would provide "marriage penalty" tax relief to two-income married couples whose tax liability is higher than if they were single; expand the amount of interest and dividends excluded from income taxes; and move up the date for exempting from taxation estates worth up to $1 million.

This proposal faces problems in the Senate and a likely Presidential veto because it spends money that we don't have. 98% of the projected overall budget surplus is due to the temporary surplus being built up in Social Security in order to help cushion the blow when the baby boomers retire. For now and the next several years the budget is in deficit, other than Social Security. If it were not for Social Security, the federal budget would have an estimated deficit of $137 billion over the next five years.

Looking at the tax cut bill's impact on the income gap, it has some reasonable provisions, and it is certainly tilted far less toward the wealthy than other recent House-passed tax bills. But it is still not what we would propose if one of our primary concerns was looking out for moderate-income people. For example, it does nothing to address Social Security payroll taxes, even though most lower and middle-income workers pay more in Social Security taxes than they pay in federal income taxes. And several of its provisions—such as its tax relief for million-dollar estates—benefit primarily upper-income Americans. Overall, the changes in this tax bill would make the tax system less progressive.

Conclusion: It is inevitable that we will be hearing more proposals to cut income taxes

in the days and months ahead. There are many ways to assess proposed tax cuts. But the increasing income gap in America suggests to me that it may be time for us to ask what they mean for the country, not just for each of us as individuals. That's not an easy question to answer, but in light of recent economic trends it appears to me to be an important factor in making a judgment on tax cuts.

TRIBUTE TO THE HONORABLE JOSEPH M. McDADE, MEMBER OF CONGRESS

SPEECH OF

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mr. COYNE. Mr. Speaker, I rise today to pay tribute to JOSEPH MCDADE—a distinguished member of this body who will retire at the end of the session.

The House of Representatives will lose a great Member of Congress when Representative MCDADE retires. Mr. MCDADE has represented both his constituents and the United States well and faithfully since he was first elected 36 years ago.

Mr. MCDADE began his career in politics as the Solicitor of the City of Scranton. This experience, along with his degree in law from the University of Scranton, provided him with an excellent foundation for becoming a Member of Congress.

JOSEPH MCDADE was first elected to the House in 1962. Since then, he has worked hard to protect the environment, keep military bases open in his district, and help Americans buy homes. Today, he has served longer in Congress than any other Republican and longer than all but two Democrats.

Mr. MCDADE has served for many years as Chairman of the Appropriations Subcommittee on Energy and Water Development. He is also Vice Chair of the Appropriations Subcommittee on National Security (formerly Defense) and is a member on the Subcommittee on the Interior. He also served on the Appropriations Subcommittee for Housing and Urban Development, and he was the most-senior Republican on the Small Business Committee, of which he was a member from 1978 to 1991.

Representative MCDADE has been the ranking Republican on the Defense Subcommittee since 1985. On this subcommittee, he helped to craft much of the annual defense and national security legislation during the final years of the Cold War. His emphasis throughout his tenure on the Defense Subcommittee has been on military programs that stress a high-quality force that is trained and ready for combat. He also was instrumental in keeping the region's largest employer, the Tobyhanna Army Depot, open during the periods of base closures in 1991, 1993, and 1995.

Mr. MCDADE, through his seat on the Interior Appropriations Subcommittee, has led the charge in addressing nation's energy problems and has fought to reduce our dependence on foreign oil. He was invaluable in establishing the Delaware Water Gap National Recreation Area, the Steamtown National Historic Site in Scranton, and the Fishery Laboratory in Wellsboro. From this position, he has also helped to enact major clean air and water legislation. Representative MCDADE was honored for these and other efforts by the National Parks and Recreation Association.

Over the years, Mr. MCDADE has also pushed for community rehabilitation and development, promoted housing for the elderly, handicapped and low-income families, and in 1990, led the effort to enact the Housing Guaranteed Loan program enacted into law. This program will help more than 50,000 low- and moderate-income Americans buy homes this year. Congressman MCDADE also drafted measures to help stimulate and protect small companies in his time on the Small Business Committee.

His work with many philanthropic organizations, including the Kennedy Center and the National Cultural Center in Washington, D.C., are evidence of his strong commitment to the arts. He is also committed to education, as his trusteeships at both the University of Scranton and Keystone College both indicate.

Congressman MCDADE has had an active career in the United States House of Representatives. He has helped to pass many significant pieces of legislation and will not soon be forgotten by friends and colleagues on either side of the aisle.

JOE, you will be sorely missed in the House. We are going to miss your dedication, your intelligence, and your experience. I wish you the best of luck in your future endeavors.

TRIBUTE TO WILLIAM HAWKINS

HON. KAREN McCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to Mr. William Hawkins. On October 20, 1998 in St. Louis, Missouri, National Industries for the Blind will honor Mr. Hawkins with the first annual Milton J. Samuelson Career Achievement Award, named for the late Milton J. Samuelson in recognition of his leadership for upward mobility and placement programs for people who are blind.

Mr. Hawkins was diagnosed with progressive glaucoma and cataracts soon after birth. Before his third birthday he had lost all of his sight, but the challenge of his blindness did not prevent Mr. Hawkins from striving for excellence. With the help of his grandparents who raised him, he achieved an impressive record of success in his youth. He graduated from high school in 1983 as valedictorian, student boy president, and scholar athlete.

Following high school, Mr. Hawkins attended college at night while he worked as a successful insurance sales agent and for the Alphapointe Association for the Blind. Although his college career ended after marriage and the birth of his daughter, he continued to set and achieve meaningful goals for himself. He accepted a part time position as a telemarketer with United Missouri Bank (UMB), and within the next two years was promoted by UMB several times. Mr. Hawkins is currently a valued member of UMB management, and has assisted other people who are blind with securing employment at UMB. I applaud him for both his personal achievements and for his generosity to others.

Mr. Speaker, please join me in congratulating this admirable American upon being the first person to be honored with this prestigious award.

HONORING PHI DELTA KAPPA FOR TWENTY-FIVE YEARS OF SERVICE

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Ms. DELAURO. Mr. Speaker, I am pleased to rise before you today to honor the Southern Connecticut State University Chapter of Phi Delta Kappa on their twenty-fifth anniversary. Phi Delta Kappa members provide a variety of services to promote and improve education in our community.

Members of this successful international organization are Connecticut educators who are continually active in the education arena and dedicated to the ideals of service, research, and leadership. They are teachers, principals, administrators and superintendents—people who are with kids every day, who have given their all to ensuring that our children have the best start in life.

On October 3, 1973, one hundred and twenty charter members were initiated into the newly formed chapter of Phi Delta Kappa at Southern Connecticut State University. Twenty-five years later, I am proud to say, this chapter has grown to nearly five hundred members strong. It is these individuals, and all that they contribute, which make the Connecticut school system a success. Membership in this fraternity is recognition of the contributions to education made by our educators. I commend the members of the Southern Connecticut State University Chapter for all the work they have done in order to guarantee that our children will develop the skills they will need to build a successful future.

On behalf of the parents, students, and the residents of Connecticut, I thank you for your good work. It is for twenty-five years of dedicated and distinguished service of all members of the Southern Connecticut State University Chapter of Phi Delta Kappa that I am proud to stand and recognize their achievements today.

COMMEMORATING THE 150TH ANNIVERSARY OF MANALAPAN TOWNSHIP, NEW JERSEY

HON. MICHAEL PAPPAS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. PAPPAS. Mr. Speaker, I rise today to congratulate the people of Manalapan Township, New Jersey as they celebrate their 150th anniversary.

The word "Manalapan" means "land that produces good bread" in the language of the Leni Lenape Indians who were the first to inhabit the town. Another group of early settlers to Manalapan were farmers who were attracted to the area's rich soil and clear, running brooks. Some of these farms still exist today, having been handed down from one generation to the next.

The Battle of Monmouth, an important battle during our nation's War for Independence, was fought in Manalapan. The landmark, Old Tenent Church, still an active congregation, served as a temporary hospital for the war's wounded, while its cemetery serves as a final resting place for those who died. Our nation's battle for independence is commemorated in the township's Battleground Park, a recreation area for township residents and those who visit this beautiful area of central New Jersey.

Over the past 150 years, Manalapan has grown from a rural, farming community to one of over 27,000 residents. It boasts a strong educational system, many parks and recreation facilities and a close-knit community atmosphere. Manalapan is a major reason why Monmouth County, New Jersey was voted the third best place to live in the United States by *Money* Magazine.

I wish to commend the Township Committee and all of the people of Manalapan on this historic anniversary. It is an honor to have this great township within the borders of the twelfth congressional district.

INTRODUCTION OF SMALL BUSINESS INVESTMENT INITIATIVE

HON. JENNIFER DUNN

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Ms. DUNN. Mr. Speaker, the American economy is moving quickly from one dominated by large corporations to one whose growth is fueled by emerging entrepreneurial high-growth companies. Entrepreneurial companies are today's leaders in job creation, technological innovation, and international competitiveness. America's future economic well-being lies in the hands of today's emerging companies and the central organizing principle for our nation's economic policy should be entrepreneurship.

Over the course of many years, a complex fabric of public policies have created the environment in which entrepreneurial firms compete. Due to the fact that the public policy needs of this community have not been articulated in a united fashion or widely understood by policy makers, however, the basic "building blocks" used to enhance economic growth have not been properly constructed. I rise today to begin to lay the foundation for this policy and ensure that the engine that drives this economy has access to the fuel it needs to thrive: capital.

Entrepreneurs are synonymous with jobs. Between 1980 and 1990, U.S. private sector employment grew by 19 million jobs, but employment in the Fortune 500 firms dropped by three million jobs. In other words, job creation outside of the Fortune 500 companies rose by 22 million. By creating an environment for entrepreneurship to thrive, we also ensure that "spin off" companies develop to foster even greater job creation and technological development. Nowhere is this more clearly demonstrated than in the biotechnology and computer industries that have grown up in my home state of Washington.

The bill I am introducing today will ensure that these new capital-intensive small businesses will have the money they need to create innovative technologies and create jobs. By raising the Section 1202 definition of small business from $50 million to $300 million and raising the capital gains exclusion from 50% to 75%, we can create a climate in which individual investors are rewarded for their risky investment and entrepreneurs have the tools they need to succeed.

Capital gains taxes are one of the nation's primary obstacles to job creation and technological innovation. anything to reduce the effective or actual rate on capital gains taxes will help put more money in the hands of our nation's most enterprising citizens and lift the standard of living for everyone. In addition, this proposal is completely consistent with Speaker GINGRICH's effort, of which I am a supporter, to reduce the broad-based capital gains rate to 15%.

Over the course of the next two years, I expect a healthy debate over tax policy. It is my hope that this bill will put the primary focus of this debate where it ought to be: removing incentives to economic freedom and entrepreneurship.

I urge my colleagues to support this effort.

TRIBUTE TO KRISTEN GRACZYC

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mrs. WILSON. Mr. Speaker, Kristen Graczyc is a constituent of mine. Although she is not old enough to vote, the lesson she has learned and taught to students and adults make her wise beyond her years. A 15-year-old soccer star at La Cueva High School, Kristen has been called the Mia Hamm of New Mexico soccer. As a sophomore she has scored 20 goals in the first six games for one of the best high school soccer teams in the Nation.

And then, before the Homecoming dance, she got drunk. At the dance she was pulled off the dance floor by principal Sam Soto, her parents were called and she was kicked off the soccer team. In these times, the story might have been that she found a lawyer and fought the suspension all the way to the Supreme Court. But Kristen did something different. She wrote a letter to her team and all of the media outlets in Albuquerque.

In the letter she takes responsibility for her actions and warns other children about the effects of alcohol and encourages them not to drink. She further said that she has let down her parents and her team and lost what meant the world to her; being part of the La Cueva women's soccer team. Kristen feels that this will make her a stronger person and a stronger player next year.

Kristen has made all of us stronger. She has taught all of us who have heard about her efforts about admitting your mistakes, taking responsibility for your actions, and apologizing when you are wrong. This year, Kristen is going to go to the soccer games and cheer for her teammates. Next year, she will be back on the team. A little older, a little wiser, and respected not only for her talent, but for her character.

YEAR 2000 INFORMATION AND READINESS DISCLOSURE ACT

SPEECH OF

HON. LOIS CAPPS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mrs. CAPPS. Mr. Speaker, I rise today in strong support of S. 2392, the Year 2000 Information and Readiness Disclosure Act.

This important piece of bipartisan legislation will encourage sharing of Y2K solutions by protecting businesses on the Central Coast of California and throughout the Nation from liability when they share Y2K technologies in good faith.

As an original cosponsor of similar legislation, HR 4355, I believe that the bill before us today will will increase the flow of technical data on solutions to this difficult problem.

In communities across the nation we could be facing widespread economic disruption and inconvience if the problems that the Year 2000 presents are not adequately addressed.

In my district, I am working hard to make sure that federal Y2K resources are available to small businesses and community leaders. We simply must raise the national consciousness on the Y2K problem before it is too late.

This bill is a positive step in that effort and I urge all Members to support it.

YEAR 2000 INFORMATION AND READINESS DISCLOSURE ACT

SPEECH OF

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mrs. MORELLA. Mr. Speaker, over 2½ years ago, my Technology Subcommittee first began our review of the Year 2000 problem and discovered that the fear of potential legal liability created a disturbing chilling effect that froze private industry from sharing important Y2K information with each other and with the American public.

As a result, instead of working together on an industry-wide basis to craft common solutions to expedite effective Year 2000 assessment, remediation, and validation efforts, many companies have simply chosen to not publicly discuss their Y2K situation. With just 450 days before January 1, 2000, clearly this needs to change. In the short time remaining, we must foster a climate of greater collaboration and not one of silence and uncooperation.

That is why passage of S. 2392, the Year 2000 Information and Readiness Disclosure

Act, the bill we passed late last night, is so very important. As the Co-Chair of the House Year 2000 Task Force and the Chair of the Technology Subcommittee, I was very pleased to be an original House sponsor of the bill, to help address some of the industry concerns in the original version of the bill, and to work towards its enactment.

Mr. Speaker, in one of the series of Year 2000 hearings conducted by my Technology Subcommittee, witnesses testified that the risk of failure and its liability consequences, including both punitive and compensatory damages, has created a large Year 2000 cottage industry for lawyers waiting to file suits. Some are even speculating that the cost of legal damages could ultimately exceed the total cost for actually fixing the Year 2000 problem.

It should then come as no surprise that certain industries have refused to acknowledge or share Year 2000 information for fear that such disclosure could ultimately leave them vulnerable to negligence and warranty suits. Many companies have resisted exchanging technical advice with one another, delaying the pace of repair work, because they fear costly litigation if the information they provide inadvertently turns out to be inaccurate.

The goal of S. 2392 is to encourage the widest possible dissemination of Y2K information so that organizations can move effectively to remediation by immunizing businesses from lawsuits if they share information about the problem. By incorporating certain provisions of H.R. 4455, the Year 2000 Readiness Disclosure Act, of which I am also an original sponsor, into S. 2392 the private-sector should now have the legal protection needed to share Y2K information.

The current language in the bill reflects changes to accommodate the concern of a number of industries that the original bill was crafted too narrowly and did not go far enough to achieve its stated goal. For example, the bill as originally introduced only protected companies from liability lawsuits based on unknowingly false Year 2000 information disclosures.

Many companies, however, feared that their accurate Y2K statements would be used against them as evidence in liability lawsuits. S. 2392, as amended in the Senate, addresses the full range of concerns regarding Y2K information-sharing by permitting private-sector entities to release "Year 2000 Information Disclosures," as contained in H.R. 4455. Accurate information in these written, labeled statements would be protected from use in any civil litigation related to Y2K failures.

Mr. Speaker, while S. 2392 is narrowly tailored to just the issue of information exchange and does not affect the greater liability questions, I believe that we must fully explore the legal liability issues and discuss the policy implications of creating liability caps, safe harbors, immunity protection, and alternative dispute resolution mechanisms, among other provisions, in the near future.

While I look forward to engaging in this debate in the upcoming 106th Congress, addressing legal liability will not be an easy task. We must continue to encourage all businesses to devote their full resources and commitment to solving the Year 2000 problem, and not to sit around in expectation of enacted legislation which has the potential of unburdening them from taking any corrective action. If we are to eventually enact liability legislation, we should not be providing companies an easy out for failing to engaging in Y2K remediation in a timely and effective manner.

It concerns me that the legal battles have already begun. A Michigan grocery store is suing the manufacturer of its cash registers because the machines reject credit cards with year 2000 expiration dates. Several software companies are facing lawsuits for breach of warranty, fraud, and unfair business practices because they charge clients for the upgrades necessary to correct the millennium bug. According to the Gartner Group, some 200 disputes have already been settled out of court across the country.

Mr. Speaker, S. 2392 is a necessary first step in the congressional review of Year 2000 liability issue and will play a significant role in helping the private sector in addressing the Year 2000 computer problem. I am pleased to support its enactment and I look forward to its signature into law by the President.

THE HIGH COST OF PRESCRIPTION DRUGS

SPEECH OF

HON. JAMES H. MALONEY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mr. MALONEY of Connecticut. Mr. Speaker, a number of studies have concluded that many older Americans pay high prices for their prescription drugs. Senior citizens across the country are becoming increasingly concerned about their ability to afford medications that are necessary to maintaining good health. It has even been reported that more than one in eight older Americans has been forced to choose between buying food and buying medicine.

At the request of my colleague, Rep. JIM TURNER, the Minority staff of the House Government Reform and Oversight Committee conducted several studies to determine why older Americans pay high prices for prescription drugs. Their findings are disturbing:

They uncovered a "discriminatory pricing" scheme whereby senior citizens pay, on average, over twice as much for prescription drugs as the drug manufacturers' most favored customers—such as large insurance companies, hospital chains and the Federal government. Specifically, corporate and institutional customers with market power are able to buy their drugs at discounted prices—however, prices are raised for sales to seniors and others who pay for needed prescriptions themselves in order to compensate for the discounts offered to favored customers.

The average price differential among the 10 drugs studied between what seniors pay and what favored customers pay is five times what it is for other consumer products.

This practice allows the drug industry to amass large profits at the expense of those who are least able to afford it—older Americans. Although the elderly have the greatest need for prescription drugs, they often have the most inadequate insurance coverage for the cost of these drugs. Medicare does not cover the cost of most prescription drugs, and supplemental "Medigap" policies are often prohibitively expensive or limited in their coverage. Furthermore, a 1996 AARP survey indicated that 37% of older Americans do not have insurance coverage for prescription drugs. As a result, many senior citizens—a large portion of whom live on a fixed income—are forced to pay the full, out-of-pocket expense of prescription drugs.

The problem is clear: drug manufacturers are selling drugs to their favored customers at drastically reduced prices while not passing along those same savings to retail pharmacies and senior citizens. HR 4646, the "Prescription Drug Fairness Act", addresses this problem by giving every Medicare-eligible person a prescription drug card that they can take to their pharmacy and use to purchase prescription drugs at the same prices enjoyed by the drug manufacturers' favored customers.

The bill accomplishes this by allowing local pharmacies to purchase drugs used by senior citizens from the General Services Administration (GSA) of the Federal government. Since the GSA is one of the entities able to purchase prescription medication at much lower prices, pharmacists will be able to pass on significant savings to our senior citizens.

This is smart legislation that will save Medicare dollars by allowing seniors to get the medications they need to stay healthy. But more importantly, this is an effective approach to the problem of discriminatory pricing that will improve the quality of life for our senior citizens. I believe this bill will save lives and promote the personal financial stability of older Americans.

I strongly urge my colleagues to support H.R. 4646.

TRIBUTE TO SUSAN DAVIDSON

HON. PHIL ENGLISH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. ENGLISH of Pennsylvania. Mr. Speaker, it is with great pride I rise today to honor a young woman from Butler, Pennsylvania, who has shown remarkable integrity and determination. She is Miss Susan Davidson, America's 1998 Junior Miss.

The 1998 Butler High School graduate is the first Miss Pennsylvania Junior Miss from Butler, Pennsylvania to win the national title. Susan Davidson is a straight A student as well as an accomplished pianist who practices four hours a day. In fact, she demonstrated her tremendous musical talents by placing in the top four in the creative and performing arts category with her moving performance of "Toccata" by Khachaturian. She also won a scholastic achievement award and took first place in the presence and composure category. Susan's dedication to her goals has become her trademark. She works hard to achieve her dreams.

At Butler High School, Susan was a member of National Honor Society. She also played the French Horn in Butler High School's marching band and participated in

the 1996 Governors School for the Arts, the 1997 All-State Chorus, as well as Regional Band and Regional Orchestra. Last year, she was the Butler County 1997 Fair Queen.

Miss Davidson best described her achievements when she said, "(Being a Junior Miss) doesn't make you something that you aren't. The title rewards you for who you are, for what you have inside." Well Susan, I could not agree with you more. Congratulations on your accomplishments. You are an inspiration to us all.

HEDGE FUND BAILOUT

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. PAUL. Mr. Speaker, the Federal Reserve orchestrated bailout of the hedge fund Long-Term Capital Management LP raises serious policy questions. At one point, the notional value of the Cayman Island-registered fund's derivatives totalled about $1.2 trillion. We should look seriously at this issue because of the taxpayer-backed liability concerns raised by the involvement of an agency with the full faith and credit of the U.S. government. The state of Michigan has taken a constructive first step regarding the public policy concerns of derivatives. I urge us to consider the wisdom of the State Representative Greg Kaza as we debate this issue.

STATEMENT OF HON. GREG KAZA, MICHIGAN STATE REPRESENTATIVE, ADJUNCT PROFESSOR OF FINANCE, WALSH COLLEGE

Derivatives are financial instruments broadly defined as any contract or convertible security that changes in value in concert with a related or underlying security, fixed-income instrument, future or other instrument, currency or index; or that obtains much of its value from price movements in a related or underlying instrument; or an option, swap, warrant, or debt instrument with one or more options embedded in or attached to it, the value of which contract or security is determined in whole or in part by the price of one or more underlying instruments or markets.

Although derivatives are a relatively recent development in financial markets, their use by corporations, pension and mutual funds, financial institutions, governments and those involved in money management are clearly ascendant, according to the Federal Reserve and other federal agencies. The issue is not whether the government should ban or in some way restrict the prudent use of derivatives to hedge risk. Rather, the issue is one of disclosure, i.e., how best to provide increased transparency as our complex international financial system enters the 21st Century.

Three years ago I addressed the very same issue in Michigan by authoring state legislation that provided increased transparency by requiring units of government to disclose their derivative holdings to the public. Government units have to make investment decisions regarding the money they receive or retain; unfortunately, investment practices and decisions can sometimes lead to significant losses when taxdollars are unwisely invested in derivatives. Orange County in California and Independence Township in Oakland County, Michigan are both examples of government units that experienced significant losses as a result of the imprudent use of derivatives.

Initially, some of my colleagues wondered whether a ban or restriction on the use of derivatives would be preferable. But committee testimony soon convinced them that derivatives, although complex, are used by many institutions, including government pension funds, to prudently hedge risk. Our five-bill package required public disclosure of derivative holdings by government units. The legislation garnered bi-partisan sponsorship and support, and ultimately became state law.

A related issue that we discussed privately at the time was whether the potential for moral hazard created by federal deposit insurance means private financial institutions should be required to disclose their derivative holdings in the interest of transparency. You are now likely to contemplate this issue yourselves given events surrounding the hedge fund in question, Long-Term Capital Management; and the potential for systemic risk posed by any future episode that might involve the imprudent use of derivatives and excessive amounts of leverage.

10TH ANNIVERSARY OF WCVE–FM

HON. TOM BLILEY

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BLILEY. Mr. Speaker, it is my pleasure to honor WCVE–FM (88.9 FM), a public radio station in my home town of Richmond. The station celebrated its ten year anniversary this year. I was glad to be a part of the WCVE–FM's opening ten years ago and I am proud to honor the station today.

WCVE attracts 96,000 listeners per week. There's nothing else like it on the radio dial in central Virginia. Listeners can tune into a diverse selection of unique music and unduplicated programming including classical music, jazz, National Public Radio (NPR), news magazines, and specialty programming.

One of WCVE's unique programs is Gallery, a local production that highlights the wealth of fine arts and humanities activities in Richmond. Each week, Gallery features interviews with members of the museum, performing arts and literary communities. WCVE's broadcasts of the Virginia Opera and the Richmond Symphony performances provide Richmonders with a wonderful cultural opportunity. The performances are enhanced with in-depth interviews with symphony and opera personnel—adding context and a better understanding to the performances for all the listeners.

In addition to cultural offerings, the station provides a variety of public affairs programs. Every winter WCVE–FM airs daily state legislature reports from the State capital. Throughout the year the station records and broadcasts speeches delivered to the World Affairs Council of Greater Richmond. These programs feature comments from foreign policy decision makers from all over the world on current international policy issues.

Mr. Speaker, I recognize the valuable service WCVE has provided to the citizens of my community in the past 10 years. In the past decade it has established itself as central Virginia's fine arts radio station. I appreciate WCVE's thoughtful discussion on a wide range of serious issues affecting the city of Richmond, the state and the world. I congratulate Charlie Sydnor, President of Central Virginia Educational Telecommunications Corporation, and station manager Bill Miller. I wish WCVE continued success.

YEAR 2000 ACT

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BARCIA. Mr. Speaker, I rise today to introduce the Year 2000 Act. While most people are aware of the Year 2000 computer problem, I have consistently been struck by the lack of specific information on the exact nature and magnitude of the problem.

The Subcommittee on Technology, of which I am the Ranking Member, has taken the led in holding hearings on the Y2K issue. We have spent a lot of time reviewing Federal efforts and promoting the free flow of information on the Y2K problem. However, there has been several gaps in our Y2K efforts, and the intent of this legislation is to fill these gaps.

This bill has four very specific goals: 1) to raise consumer awareness and create a consumer Y2K checklist; 2) to raise Y2K awareness in small and medium sized businesses and create a Y2K self-assessment checklist for the nation's small and medium-sized companies; 3) to require Federal agencies that have worked with outside entities to ensure that all date sensitive data exchanges are Year 2000 compliant; and 4) to require the Secretary of Commerce to report to Congress on the economic implications of a global Y2K problem.

Other than federal agencies, we have been given little more than anecdotal evidence and generalities regarding the total effect of the Year 2000 computer problem. However, there is general agreement that computer hardware and software, as well as embedded microchips found in many consumer products, could fail after January 1, 2000.

More importantly, I find that many people do not know how Y2K will impact them, nor do they know what specific actions they can take to minimize the impact of the Y2K problem on their everyday lives. This bill requires the Undersecretary for Technology at the Department of Commerce to develop a Year 2000 self-assessment checklist for consumers; provide a list of all federal government Year 2000 computer problem resources; list all GSA approved Year 2000 compliant products; and conduct a series of public awareness announcements and seminars on the impact of the Y2K problem on consumer products and services. These goals are consistent with the recommendations made by witnesses who have appeared before the Subcommittee on Technology, and I am confident that with the right information, consumers will be able to make those decisions necessary to minimize the disruption the Y2K computer problem.

The situation at small and medium-sized businesses mirrors that of consumers. The nation's more than 381,000 small- and medium-

sized manufacturers contribute more than half of the country's total value in manufacturing. However, as of 1997, 88% of all companies with fewer than 2000 employees had not yet started Year 2000 remediation projects.

Small and medium-sized companies are an integral part of the business supply chain, becoming increasingly reliant on computer applications for manufacturing operations, accounting and billing practices, and meeting just-in-time order and delivery concepts. To assist our small and medium-sized manufacturers in meeting the Y2K challenge, this bill requires that the National Institute of Standards and Technology's highly successful Manufacturing Extension Partnership program, working with the Small Business Administration, identify the best practices to attack the problem, develop a Year 2000 self-assessment checklist, and list all federal government Y2K resources including the General Services listing of approved Y2K compliant products.

Federal agencies make thousands of date sensitive data exchanges every day. These data exchanges include social security and Medicare information, information related to the air traffic control system, and important financial transactions. Consequently, as federal computer systems are converted to process year 2000 dates, the associated data exchanges must also be made Year 2000 compliant.

The testing and implementation of Year 2000 compliant data exchanges must be closely coordinated with exchange partners. Agencies must not only test its own software, but effective testing includes end-to-end testing, and agreed upon date formats with all exchange partners. If these Year 2000 data exchanges do not function properly, data will not be exchanged between systems or invalid data could cause receiving computer systems to malfunction. In other words, regardless of federal efforts to fix its own computer systems, unless their data exchange partners have Y2K compliant systems, the computer network as a whole will fail.

A recent GAO report entitled "Year 2000 Computing Crisis: Actions Needed on Electronic Data Exchanges" found that federal agencies have made little progress in addressing this data exchange issues. This legislation is based on these specific GAO recommendations, and will help ensure that federal agencies fully address the data exchange issue. This legislation also requires agencies to establish a test schedule with data exchange partners, notify exchange partners of the implications and consequences of non-compliance, develop contingency plans, and send a quarterly report to Congress outlining their progress.

Finally, this bill requires the Secretary of Commerce to report to Congress on the international implications of the Y2K problem, and outline the potential impact on the U.S. economy. Again, we lack specific information on how other countries are addressing the Y2K issue, and the international implications are truly profound. Disruptions in international financial services, international air travel, international telecommunications, and international commercial transactions are all possible scenarios.

However, it is near impossible to make contingency plans in the face of so little and often inadequate information. And as I mentioned earlier, it is lack of information that leads to panic and uncertainty. I believe that such an international assessment could be a guide post for federal and private sector actions.

With so much to be done before January 1, 2000, there isn't much time to act. While we can't legislate Y2K compliance, we must ensure the availability of good information so that consumers and small businesses are able to check existing products, make sure their equipment will work with other equipment, and most importantly, successfully address any Y2K problems in their operations.

With this information in hand, I believe that the public and Congress will be able to make the right decisions and avoid the panic which is so often predicted in articles about the Y2K computer crisis.

I urge co-sponsorship of this legislation, as well as its swift passage.

RAPE OF NUNS IN INDIA MUST BE INVESTIGATED

HON. JOHN T. DOOLITTLE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. DOOLITTLE. Mr. Speaker, I was very distressed to learn from Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, of the rape of four nuns in the Madhya Pradesh state of India. According to published reports, a gang of armed men forced their way into a Christy Jyoti Convent School, vandalized school property, and raped and terrorized the nuns.

This terrible incident shows that it is not safe to be a member of a religious minority in Hindu India. Christian groups have reported a spate of attacks on members of the minority community since a Hindu nationalist-led coalition took office in New Delhi six months ago. The Indian government seems to have little interest in protecting the rights of religious minorities, whether Sikh, Christian, Muslim, or other. India's claims of secularism and democracy are suspect.

The rapes were reported to India's National Commission on Minorities, which referred the incident to the National Human Rights Commission. America will be watching closely to see how the Indian Government handles it.

All who love freedom must condemn this terrible incident. This offers one more reason for American taxpayers to be wary of supporting the questionable Indian government. We must maintain pressure on India until all the people of South Asia are free. We must support self-determination for all states throughout the subcontinent, including a free and fair vote in Punjab, Kashmir.

I am placing the Council of Khalistan's press release and articles on the rape into the RECORD.

[From the Council of Khalistan, Sept. 28, 1998]

FOUR NUNS RAPED IN INDIA

WASHINGTON.—Four nuns were raped in the Indian state of Madhya Pradesh on September 23. The case was sent to the National Commission on Minorities, which referred it to the National Human Rights Commission.

"This rape was designed to threaten religious minorities and prevent anyone from objecting to the repression India practices against its religious and ethnic minorities," said Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, the government pro tempore of Khalistan, the independent Sikh homeland declared independent on October 7, 1987. The Council of Khalistan leads the Sikh Nation's peaceful, democratic, nonviolent movement for independence.

"Such ghastly crimes are a disgrace for the nation and make us hang our heads in shame," said Tahir Mahmood, chairman of the National Commission on Minorities.

"On behalf of the Sikh Nation, I extend our deepest sympathies to India's Christians and to the nuns who were raped for the political advancement of Hindutva," said Dr. Aulakh. "If swift action is not taken, it will once again show India's religious intolerance and its terrorism against the minorities under its rule," he said.

The Indian government has murdered more than 250,000 Sikhs since 1984, over 200,000 Christians in Nagaland since 1947, almost 60,000 Kashmiri Muslims since 1988, and tens of thousands of Assamese, Tamils, Manipuris, Dalits, and others. The U.S. State Department reported that the Indian government paid over 41,000 cash bounties to police officers for killing Sikhs. More than 50,000 young Sikhs have been abducted by the police, tortured, and killed, then their bodies were declared unidentified and cremated.

"These rapes are of a piece with the repression in Punjab, Khalistan, in Kashmir, and throughout the nations occupied by India," Dr. Aulakh said. "It is of a piece with the murders of Catholic priests in Bihar last year. The real aims of India's theocracy are now exposed to the world," he said. "It is clear that there is no place in Indian democracy for Sikhs, Christians, Muslims, or any other minorities," Dr. Aulakh added. "As the Sikhs who recently demonstrated at the United Nations noted, a religiously intolerant country cannot be democratic."

Dr. Aulakh called on the United States to maintain its sanctions against India. "The repression of minorities and the nuclearization of South Asia by the Indian government both support India's dreams of empire and its drive for hegemony over all South Asia," he said. He called on India to hold an internationally-supervised plebiscite in Punjab, Khalistan to let the Sikh Nation decide its future in a free and fair vote. He said that the people of Kashmir should have the plebiscite they are seeking as well. "That is the democratic way to do things," Dr. Aulakh said. "If India will not do this, how can it call itself a democracy?"

[From the Burning Punjab News, Oct. 2, 1998]

NUNS' RAPE CASE—MOOPANAR HITS OUT AT VHP

MADRAS.—Tamil Maanila Congress president G K Moopanar has demanded that those involved in the rape of four nuns in Madhya Pradesh and the Vishwa Hindu Parishad functionaries who justified the incident, be detained under the National Security Act. In a statement here, he termed as 'politically uncivilised,' the VHP describing the culprits as 'patriotic youth'. The BJP-led Government at the Centre should nip this tendency in the bud before such criminal act spread to other parts of the country, he added. Referring to the VHP's reported description of the nuns as 'betrayers of the country, Mr. Moopanar said this was unpardonable and went against the Constitution.

[From the Burning Punjab News, Sept. 29, 1998]

MINORITIES COMMISSION CONDEMNS RAPE OF NUNS

NEW DELHI.—India's National Commission for Minorities has strongly condemned the alleged rape of four nuns at Bhandaria village in Jharva district of Madhya Pradesh on September 23. "Such ghastly crimes are a disgrace for the nation and make us hang our heads in shame," said NCM chairman Tahir Mahmood in a press statement. Professor Mahmood added that the NC did receive a complaint by fax in this regard from a prominent all- India Christian organization. "Finding it to be a case of wild abuse of basic human rights and militancy against women's right to modesty, rather than violation of minority rights, I forwarded it with a request for immediate action to the National Human Rights Commission and the National Commission for Women," Professor Mahmood said. The Madhya Pradesh Government "must move into swift action treating this case as a test for its genuine commitment to protection of humanitarian values and human rights," the NCM chairman said.

[From the Hindustan Times, Oct. 1, 1998]

VHP WANTS FOREIGN MISSIONARIES TO LEAVE

NEW DELHI—The Vishwa Hindu Parishad (VHP) today demanded that foreign missionaries should not be allowed to function in the country since they were acting as insurgent groups in some areas and forcibly converting Hindus in some other parts.

Although senior VHP leader Giriraj Klshore refused to speak on it, he is understood to have raised this issue at a meeting with a Canadian High Commission official today.

But he was open in stating that the VHP would urge the missionaries to go on their own while also creating social awareness on the issue.

Interestingly, Mr. Kishore's remarks came at a Press conference called to disassociate the VHP from the views expressed by another senior VHP leader B.L. Sharma Prem on the Jhabna incident and the "one-side" projection given to it by a prominent daily which, he claimed, sought to put the entire blame for the incident on the VHP. Here, Mr. Kishore pointed out, even the delegation which called on Home Minister L. K. Advani did not blame the VHP.

Mr. Prem had justified the attack on the nuns on the ground that the missionaries represented "antinational forces" working against Hindu interests and that the incident was sparked by the anger of patriotic Hindu youth against them.

Mr. Prem, who had demanded that the Centre throw out those who sought to convert Hindus to Christianity, has reportedly been asked to seek the VHP's sanction before speaking on its behalf. Although Mr. Kishore disassociated the organization from Mr. Prem's remarks, he tried to defend his colleague by maintaining that Mr. Prem may have said what he did because of the track record of the Christian missionaries in tribal areas.

Mr. Kishore's remarks today reflected the VHP's dilemma of exploiting the Jhabua incident to put the Congress Government in Madhya Pradesh on the mat and to use it for its own campaign against the missionaries.

Although Mr. Kishore condemned the Jhabua incident and urged the Government to bring the culprits to book at the earliest, he could not restrain himself from demanding that the Christians also condemn any attack on Hindus in Christian-majority areas.

The VHP leader, who charged that a criminal issue involving Christians was being projected as a communal problem in the case of the Jhabua incident, however, virtually dubbed the insurgency problem in the North-East as a Hindu-Christian issue. He described the NSCN (National Socialist Council of Nagaland) as a "Christian and terrorist" outfit and alleged that several cases of attacks on Hindus were reported in Nagaland. To a question whether insurgency in the North-East was based on religion he maintained that members of a particular community were behind it.

While the VHP leader called for the ouster of the foreign missionaries, he defended the activities of ISKCON (International Society for Krishna Consciousness) and other organizations operating abroad. According to Mr. Kishore, these groups did not indulge in forceful conversions.

Mr. Kishore also dismissed reports about attacks on Christians in Gujarat as a "one-sided newspaper propaganda" and went on to allege that the Muslims were also seeking to marry Gujarai girls as part of a larger design.

CONGRESSIONAL BLACK CAUCUS FOUNDATION VETERANS BRAINTRUST

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Ms. BROWN of Florida. Mr. Speaker, this year during the Congressional Black Caucus Foundation proceedings, I along with my colleague on the Committee on Veterans' Affairs, Congressman SANFORD BISHOP, hosted the 10th annual Congressional Black Caucus Foundation Veterans Braintrust. For the past 10 years the Braintrust has been the premiere forum for discussion and policy debate between African-American veterans and leaders in government. It is important because so many African-Americans have served, or have family members who served honorably in the U.S. military. Consequently, what happens in terms of veterans' well-being is significantly interrelated to the African-American community as a whole. Congressman RANGEL, Ranking Democratic Member on the Committee on Ways and Means and a decorated Korean War veteran, established the Braintrust 10 years ago, and Congressman BISHOP and I are proud to continue his work and legacy on behalf of African-American veterans. Congressman RANGEL was honored during the proceedings for his work and legacy in this area. Overall, the proceedings were very well received, with a standing room only audience in attendance.

This year's Braintrust entitled "The Future of Veterans Education and Entrepreneurship," gave us a national forum to discuss ways to improve access to education and small business, two key elements essential for success and prosperity in our communities, particularly among veterans. The moderator for the Braintrust, Dr. Reginald Wilson, led a very distinguished panel of experts, government officials, military sociologist, academicians, advocates and veteran business owners including Dr. Joshua Angrist, Mr. Dennis Douglass, Mr. Steven Pappas, Dr. David Segal, Dr. Gantz, Dr. Dorothy Simpson-Taylor, Mr. Duane Jackson, Mr. Ralph Thomas III, Mr. Ramsey Alexander, Mr. Bruce Bolling, and Col. Anita McMiller, USA, Ret. These professionals were selected because of their everyday work with veterans issues and expertise in the veterans affairs and public policy arena. The Braintrust was designed to bring their work, insights, research findings, and historical background to the attention of the general public and leaders in government.

During the Braintrust, Congressman BISHOP reminded African Americans that September 18 marked yet another important day, National MIA/POW Recognition Day. He stated that a number of military bases are located within middle and southern Georgia, and that the new National POW/MIA Museum, dedicated this past spring within Andersonville National Historic Site near Americus, lies within his Congressional district. The MIA/POW issue is indeed an emotional one for him and veterans' families because for them there is never closure, just never ending grief and uncertainty. Like many of us, Congressman BISHOP said he was committed to doing everything possible to locate each and every American missing in action and to repatriate their remains.

Our keynote speaker was Secretary of Veterans Affairs, Togo D. West, Jr., who eloquently addressed the Braintrust about this being an important opportunity to think about the issues that affect veterans in this country from the African-American perspective. He also said that the Braintrust provides an excellent forum to discuss what we all can bring to challenging issues affecting veterans, and because these issues affect veterans, they affect all of us. In addressing the "Two E's: Education and Entrepreneurship," he asked why are fewer African Americans participating in Montgomery GI Bill benefits than in previous eras? Why was this happening after decades of African Americans pursuing civil rights, better housing, a higher standard of living, and opportunities for themselves and their children, particularly when this benefit is something earned through military service?

Secretary West also stated that entrepreneurship is a key to unlocking opportunity for veterans to be able to participate in the American dream. He indicated that last year, VA addressed the question of minority entrepreneurship, and he said that VA leads all other Federal agencies, in terms of percentages, in making grants to small and disadvantaged business. Secretary West agreed that VA would undertake a new partnership with the Braintrust as a way to digest information and put it to use. Secretary West urged persistence and determination in addressing these pressing issues, saying that for like the "Field of Dreams," if we have the determination, the resources will be found. Secretary West urged participants of the Braintrust to examine all of these issues and questions, and he expressed thanks for the role the Braintrust plays in this discussion.

At the conclusion of Secretary West's speech, Mr. Wayne Smith, President and CEO of the Black Revolutionary War Patriots Foundation presented him with the first Black Revolutionary War Patriots Commemorative Coin, legislated by Congress to commemorate Black

Patriotism, and the 275th anniversary of the birth of Crispus Attucks, the first African American killed during the American Revolution. Following this very moving moment, Mr. Michael Handy, Director of the New York City Major's Office of Veterans Affairs and Mr. Morocco Coleman, Assistant Director for the Office of Veterans Programs for the Georgia Department of Labor, presided over a special awards presentation to Mr. Ron Armstead, Executive Coordinator for the Congressional Black Caucus Foundation Veterans Braintrust, and Mr. Anthony Hawkins, Associate Director of the Center for Minority Veterans at the Department of Veterans Affairs. These awards were given on behalf of the entire Veterans Braintrust Executive Committee in appreciation of their outstanding leadership, commitment, and service to the Congressional Black Caucus Foundation, Congressional Black Caucus, and other Members of Congress over the past 10 years.

Other 10th anniversary awards were presented to 30 exemplary veterans for their national and equally important community service: Dr. Doris "Lucki" Allen, Dr. Irving Allen, M.D.; Mr. Ramsey Alexander, Jr.; Mr. Kent Amos; Mr. Charles Ballard; Mr. Lafayette Barnes; Dr. Anne Bell, M.D.; Mr. Bruce Bolling; Col. Mary Boyd; Dr. Howard Brabson; Ms. Thelma Branch, USNA; Ms. Sheila Chamberlain; Brig. Gen. Robert Cocroft, USAR; Ms. Nora Dunn, RN; Mr. Calvin Gross; Mr. Roger "Kevvy" Harris; Mr. Duane Jackson; Ms. Dorothy Johnson; Mr. John Johnson; Mrs. Norma King-Joiner; Mr. Alvin Jones; Mr. William Leftwich, III; Mr. Leonard Long; Dr. Shirley Marks, M.D., M.P.H.; Col. Anita McMiller, USA, Ret.; Mr. Michael Neely; Col. Felix "Pete" Peterson, Jr., USA, Ret.; Mr. Harold Raymond; Ms. Lizette Rhones; Mr. Michael Robbins; Lt. Col. Jordan Simmons, III, USA, Ret.; Mr. William Sims; Mr. Peters Spears; Mr. Ralph Thomas III; Mr. Charles Tompkins; Assemblyman Darryl Towns; Mr. Larry Williams; Mr. Carmen Wilson II; Dr. Reginald Wilson; Mr. Jacob "J.J." Chestnut, USAF, Ret. (Posthumous); Black Patriots Foundation; Troops to Teachers Program, Department of Defense, Defense Activity for Non-Traditional Education Support; and the Veterans Education Project.

The Congressional Black Caucus Foundation Veterans Braintrust activities closed with a tenth anniversary reception co-hosted by the Black Patriots Foundation, the Veterans Benefits Clearinghouse, Inc., the Gatehouse Group, Inc. and Amistad Associates. More than 100 veterans, family members and friends gathered to celebrate the accomplishments of the past 10 years and to renew old friendships. Veterans will always hold a very special place in my heart and I look forward to working together with African American veterans representatives and advocates in order to present a strong national voice for veterans. I thank Dr. Elizabeth Allen, Mr. Arthur Barham, Mr. Harold "Lightbulb" Bryant, Mr. Ralph Cooper, Mr. Morocco Coleman, Mr. Michael Handy, Mr. Thomas Harris, Ms. Lane Knox, Mr. Reginald Lawrence, Mr. Job Mashariki, Dr. Erwin Parson, Mr. Clyde Poag, Mr. Wayne Smith, Ms. Arlene Williams, Ms. Joann Williams, Dr. James Woodard, Mr. Arthur Wright, and Mr. Thomas Wynn, Sr. for their commitment, dedication, and perseverance. I also want to thank the Congressional staff members Mr. Nick Martinelli, Ms. Brittley Wise, volunteer Mr. Ron Armstead, Rev. Rosita Mathews, and forum evaluators Dr. Brenda Moore, Dr. Brenda "BJ" Jarmon, Dr. Lorraine Blackman, and Dr. Phillip Schervish, for their hard work and dedication.

TRIBUTE TO THE HONORABLE SIDNEY P. YATES

SPEECH OF

HON. BOBBY L. RUSH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Mr. RUSH. Mr. Speaker, I come before you today in recognition of the distinguished career of my colleague and friend Congressman SIDNEY YATES. His service to his district and commitment to the amelioration of the lives of his constituents has long been a source of admiration for me.

YATES' 48 years as a United States Congressman has been a gift to the city of Chicago, the state of Illinois and the nation on a whole. He is responsible for channeling billions of dollars into various local projects ranging from the Chicago Deep Tunnel project to the Chicago Shoreline project. Additionally, YATES served as the House's chief defender of the National Endowments for the Arts and Humanities. During the Bush years, when the NEA was under attack and politically unpopular, he insightfully recognized the institution's importance and successfully fought for its preservation for future generations of artists and art enthusiasts.

The assiduous and tireless efforts of SID YATES have never gone unnoticed by his constituents. Every two years, his general election percentages have consistently been robust and resilient.

So, today, I salute "Chicago's statesman." YATES' lifetime of service is a standard of excellent that I would encourage all of my colleagues to emulate.

DR. CARL M. KUTTLER HONORED AS OUTSTANDING COMMUNITY COLLEGE PRESIDENT OF THE YEAR

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. YOUNG of Florida. Mr. Speaker, it is a great pleasure for me to inform my colleagues that Dr. Carl M. Kuttler, Jr., President of the St. Petersburg Junior College, has just been named the outstanding community college president of the year by the National Association of Community College Trustees.

Having the privilege to represent the St. Petersburg Junior College, I know of the great work that Dr. Kuttler has done these past 20 years as President to make it one of the premiere colleges in our nation.

According to the U.S. Department of Education, the college ranks third in the Nation in the number of Liberal Arts and Science degrees conferred, fourth in the number of associate degrees awarded in Health Professions and Related Sciences, fourth in the number of associate degrees awarded in Nursing, and fourth in the total number of associate degrees awarded.

Dr. Kuttler has devoted his life to the growth of the St. Petersburg Junior College, having served in various capacities for 32 years. He was first a student at the college beginning in 1958 and in his second year was elected president of the student government, so he understands the needs of the students and faculty from various perspectives.

In addition to raising the academic level of excellence at the college, Dr. Kuttler has also established a number of unique programs that respond to the needs of our State and our community. In 1998, he negotiated a special agreement under which the Allstate Insurance Company agreed to donate to the college land and facilities valued at $11.2 million. With this gift in place, Dr. Kuttler and the college have secured Federal and State grants totaling more than $30 million to establish a state of the art Southeastern Public Safety Institute, which provides training to Federal, State, and local law enforcement officers and emergency response personnel.

Under his leadership, the college also responded to an unmet need for trained health care professionals by raising $3.4 million in gifts, and $6.5 million in State funds, to establish one of our Nation's finest allied health education centers at the St. Petersburg Junior College's Caruth Health Education Center.

Pamela Jo Davis, the Chairman of the college's Board of Trustees who nominated Dr. Kuttler for this award, said, "He personifies the 21st Century president, demonstrating all the global vision and community caring that balanced, successful leaders must have."

In presenting the association's most prestigious award to Dr. Kuttler, Ray Taylor, the President of the Association of Community College Trustees, said, "I only wish all of the Nation's 1,100 community colleges had somebody as outstanding as Dr. Kuttler."

Mr. Speaker, speaking for the people of the 10th Congressional District I represent, I can say that we are proud and fortunate to have an educational leader who is as committed to his students, faculty, and staff as Carl Kuttler. It is a most fitting honor that his peers across the country have recognized him with such a great honor this month.

TRIBUTE TO JUDGE SONIA SOTOMAYOR

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. SERRANO. Mr. Speaker, I rise today to congratulate and to pay tribute to Judge Sonia Sotomayor, an outstanding individual who has dedicated her life to public service. She was confirmed today by the Senate for the United States Court of Appeals for the Second Circuit. Clinton nominated Sotomayor in June 1997 and after an arduous process, the Senate ratified her nomination by voting 68–28.

The 2nd Circuit Court includes New York, Connecticut and Vermont.

Judge Sotomayor was born and raised in the South Bronx. After graduating summa cum laude from Princeton University, she earned her Juris Doctor from Yale Law School. I have known her personally for many years, and I am very familiar with her background, experience, character, and personality. She is a person of the highest personal and professional integrity.

Mr. Speaker, since her appointment to the United States District Court for the Southern District of New York by President George Bush in 1992, Judge Sotomayor has distinguished herself and has received continuous recognition for her outstanding performance. During her tenure, she has been reversed only six times in what is considered perhaps the most litigious and scrutinized district court in the United States.

Being the first Hispanic woman to serve on the United States District Court for the Southern District of New York, Judge Sotomayor is well known and highly respected by her peers and the different communities for her sensitivity, professionalism, integrity and sound judgment. Her confirmation brings to the Court an outstanding judge at the same time that it expands its ethnic composition.

This is the kind of issue that should be discussed in the classrooms. She is a role model for all Hispanics. Judge Sotomayor has set an example of how success is available for all of those who persevere to achieve their goals. She is an inspiration for many Puerto Ricans and for the people in the Bronx who are trying to break the cycle of poverty.

Mr. Speaker, I ask my colleagues to join me in commending Judge Sonia Sotomayor for her outstanding achievements and in wishing her continued success as Judge on the United States Court of Appeals for the Second Circuit.

THANKING THE HEROES OF THE STORM OF '98

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. WALSH. Mr. Speaker, this past Labor Day my home district endured one of the most furious storms ever to assault Central New York. A violent line of thunderstorms, which the National Weather Service calls a "derecho," began their attack just after one o'clock in the morning. With swirling winds surpassing one hundred miles an hour, Mother Nature unleashed her wrath—ripping roofs off buildings, smashing trees against houses, snapping telephone poles and leaving a path of desolate neighborhoods and a fractured infrastructure.

As the gusts finally deteriorated into breezes and the rain subsided, the members of the Central New York community showed their true spirit. People helped one another remove the debris from their yards and newspapers were full of stories about neighborhood heroes. But there is a group of "professional" heroes, too—the utility workers, telephone linemen, postal workers, the National Guard, fire fighters, local police and state, county, city and town public works crews. Not to mention the "official" heroes, those elected representatives of the people who did their jobs with the energy and skill we always expect. Emergency workers from all municipalities and members of the New York Air and Army National Guard emerged to aid those in need. New York Governor George Pataki, Onondaga County Executive Nicholas Pirro and Syracuse Mayor Roy Bernardi took immediate action to guarantee a rapid recovery for all affected. Working in conjunction with utility company crews on loan from all over New York, Pennsylvania, Ohio, Maine, New Jersey and the Canadian provinces of Ontario and Quebec, the members of local fire and police departments, emergency and medical personnel and employees of local telephone and cable companies as well as the Niagara Mohawk Power Corporation toiled for countless hours to restore power and phone service.

Mr. Speaker, I am proud of my office's role in working with Federal Emergency Management Agency Director James Witt to mitigate the aftershock of this disaster. Indeed we were on the phone within eight hours of the end of the storm and FEMA responded quickly and professionally. I ask my colleagues to join me in commending those who contributed their sweat, tears and labor to the recovery effort in Central New York during this time of crisis.

POLKA POWER

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, October 2, 1998

Mr. BARCIA. Mr. Speaker, today, I rise to pay tribute to a man whose musical talents have brought much joy and laughter to all who know him, Mr. Roger Balcer. On Sunday, October 4, Roger Balcer will be inducted into the Michigan Polka Music Hall of Fame.

Born in 1940, the oldest son of Barney and Henrietta Balcer, music was in young Roger's blood. Following in the footsteps of his uncle Leo Balcer, Roger too wanted to become a celebrated accordion player. He began to develop his skills early on, beginning accordion lessons at age eight. Even at this young age, everyone realized Roger had a talent. He took this talent and formed a band with his high school friends, Jerry Kolsowski, Fred Lenisz, and Tom Reder. In their first engagement, these four charmed the crowd at the Polish Falcon's Club of Saginaw.

However, Roger did not stop here. Along with playing in the band, Roger began signing with Choir Chopin under the directorship of Polish National Alliance Conductor Ted Nedzielski. Being a member of the acclaimed Choir Chopin gave Roger the opportunity to share his music with audiences in cities around the country.

As Roger grew older, his musical career continued to blossom. An electrician by day, Roger was a musician by night. He became a member of the Ray Massicolle Orchestra, playing at the "Shamrock" four nights a week. He soon began playing weekend engagements at the Washington Club. Roger also played Mexican Polkas at the Savoy in Saginaw as a member of Mike Luna's Band. Roger recorded albums with Tom Reder and John Lipiniski that were played on Otto Hubner's Polka Program. He spent sixteen years as a member of the Kings Four Group playing at various country clubs around Michigan. After taking a few years away from his music, Roger became a favorite entertainer of the Seniors at the State Hospital in Caro.

In 1984, Roger and his uncle Leo became representatives for the Iorio computerized accordion. He traveled to countless polka festivals demonstrating this instrument and expanding his exposure to many types of music. Today, Roger still performs at numerous functions playing music ranging from Jazz to Irish folk music. However, his first love is still polkas. Roger also spends time with his charming wife, Mary Ann and his four sons, Matthew, Steven, Mark and Vincent.

Mr. Speaker, Roger Balcer has dedicated his life to bringing music and joy to others. I ask you and our colleagues to roll out a barrel of applause and recognize the outstanding accomplishments of Roger Balcer as he is inducted into the Michigan Polka Music Hall of Fame.

THE HIGH COST OF PRESCRIPTION DRUGS

SPEECH OF

HON. SHEILA JACKSON-LEE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, October 1, 1998

Ms. JACKSON-LEE. Mr. Speaker, I rise in support of the "Prescription Drug Fairness for Seniors Act of 1998." It is a cruel fact that America's senior citizens are the subject of widespread price discrimination. While the federal government and large HMOs pay little, our seniors pay twice as much for their prescription drugs.

This price discrimination has a devastating effect on older Americans. For those on a fixed income, it is certainly not easy to meet all of their financial obligations. These high prices have forced many of our senior citizens to choose between buying food or paying for the medications they desperately need. This is a choice which I and every American should view as unacceptable.

Mr. Speaker, a recent Congressional study showed that our senior citizens pay on average 106% higher than those paid by "preferred customers." Ticlid, a drug prescribed for stroke victims, cost seniors two and a half times more than it does drug companies' most-favored customers. Mr. Speaker, this form of discrimination must end.

The Prescription Drug Fairness for Seniors Act will protect senior citizens from drug price discrimination and make prescription drugs available to Medicare beneficiaries at substantially reduced prices. This legislation will effectively reduce drug prices for seniors by over 40%.

The key provision of this bill will provide Medicare beneficiaries with a drug benefit card. This card will allow our seniors to purchase prescription drugs at significantly reduced prices. This bill will allow pharmacies to

purchase drugs for Medicare beneficiaries at lower prices. Pharmacies that enter into agreements with the Department of Health and Human Services will be able to purchase prescription drugs for Medicare beneficiaries at the same low prices available to federal agencies under the Federal Supply Schedule. This bill provides the framework for further reductions in prices by requiring Congressional oversight of the effectiveness of the legislation. This will ensure that Congress will continue to work for the health of our seniors.

Mr. Speaker, our seniors should not have to choose between food and the prescription drugs they need. No member of this body has to make that choice and our seniors should not either. I urge the members of this body to support our seniors by voting for the Prescription Drug Fairness Act.