HOUSE OF REPRESENTATIVES—*Thursday, August 6, 1992*

The House met at 9 a.m.

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

May our hearts be open, gracious God, to the bountiful gifts of Your hand. With so much to do and to accomplish may we not neglect the good things of the spirit and be sensitive to Your will so the gifts of grace and Your unmerited favor continue to support us in all our circumstances and sustain us in our very hearts and souls. Bless us 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.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. LEWIS] please come forward and lead the House in the Pledge of Allegiance.

Mr. LEWIS of California led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair will receive 1-minute requests. The Chair will receive five 1-minute requests on each side.

PERMISSION FOR COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, TO SIT ON THURSDAY, AUGUST 6, 1992, DURING THE 5-MINUTE RULE

Mr. VALENTINE. Mr. Speaker, I ask unanimous consent that the Committee on Science, Space, and Technology be permitted to sit on Thursday, August 6, 1992, while the House is in session under the 5-minute rule.

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

There was no objection.

PERMISSION FOR COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY, TO FILE REPORT ON H.R. 5321, THE NATIONAL COMPETITIVENESS ACT OF 1992

Mr. VALENTINE. Mr. Speaker, I ask unanimous consent that the Committee on Science, Space, and Technology have until midnight, Thursday, August 6, 1992, to file a late report on H.R. 5231, the National Competitiveness Act of 1992.

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

There was no objection.

GEORGE BUSH'S BROKEN PROMISES

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

Mr. FROST. Mr. Speaker, during the next few weeks, we are going to hear a lot about George Bush's broken promises. I think there is no better way to express this than in the man's own words. Let me quote from the President's acceptance speech on the Republican nomination in 1988. We know his famous quote, "Read my lips, no new taxes."

He also said, "And I am the one who will not raise taxes. My opponent now says he will raise them as a last resort, or a third resort. Well, when a politician talks like that, you know that is one resort he will be checking into, and my opponent won't rule out raising taxes, but I will."

George Bush, August 18, 1988.

What is the record? President Bush supported the 1990 budget summit agreement, which included new taxes and user fees totaling $147.7 billion.

In 1989, President Bush supported $6 billion in tax hikes, including airline and gasoline excise taxes.

In 1990, President Bush called for $28 billion in new taxes and user fees in his budget for fiscal years 1991 and 1992.

Mr. Speaker, broken promises.

NOT IMPRESSED ANY MORE WITH GOVERNOR CLINTON

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

Mr. LEWIS of California. Mr. Speaker, a couple of days ago, I saw the Democrat candidate for President on television. The Arkansas Governor said he had balanced 12 budgets. I was impressed.

Then, I started to think. There is more than one way to skin a cat, and there is more than one way to balance a budget. One way is to keep spending down. The other way is to raise taxes.

So, I asked myself, which way did Governor Clinton choose? The answer—He raised taxes. In fact, he raised taxes 128 times. I am not impressed anymore.

SURROGATE SLEAZE

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

Mr. JONES of Georgia. Mr. Speaker, yesterday in this Chamber, we heard a not so shining example of an old political custom, surrogate sleaze.

Having been inspired by Penthouse magazine, and the National Star, the gentleman from California [Mr. DORNAN] engaged in the character assassination of Governor Clinton.

The gentleman from California [Mr. DORNAN] said, "I'll carry the President's water here."

Well, it is bad water. It is stagnant and it stinks. It will poison the gentleman from California [Mr. DORNAN] and all who drink it.

Not one of us is without sin, I say to the gentleman from California [Mr. DORNAN], certainly not the gentleman from California, certainly not me, not Governor Clinton and not President Bush.

But perhaps the question here is whether we are going to use this well to degrade the public debate or shall we use it to appeal to the best in people to inspire a better America.

TAXATION WITHOUT HESITATION

(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, more than 200 years ago, the Founding Fathers discovered a common threat that united the colonists against English rule. That threat was taxation.

In fact, the rallying cry of the day was "No taxation without representation."

Today, however, one can hear the muffled new cry of the Democratic Party: "Taxation without hesitation."

You can hear Gov. Mario Cuomo commend Bill Clinton for his willingness to raise taxes.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

You can see the spending plans of the Democratic Congress.

And you can almost feel the Democrats' anticipation at getting their hands on your money.

Bill Clinton shows no reluctance to raise taxes.

For him, it will be taxation without hesitation.

I hope the American people keep that in mind for the coming election.

GEORGE BUSH'S 30 MILLION NEW JOBS

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

Mr. TRAFICANT. Mr. Speaker, everybody remembers the infamous political line, "Read my lips, no new taxes," but everybody seems to forget, "If you elect me, George Bush, in 8 years I will create 30 million new jobs."

I want to rise today and say that I think Democrats have been a little too partisan. I think we have been too tough on the President, too critical, because I predict today that if the American voters elect George Bush, he will come close to creating 30 million new jobs, Mr. Speaker, in Mexico, Taiwan, Singapore, Europe, Hong Kong, and Russia. Believe me, he cannot miss. Between foreign aid giveaways, trade programs that are so misdirected that if you threw them at the ground, they would miss. He will create 30 million new jobs.

The bad news is that we will keep standing in the unemployment lines.

BILL CLINTON'S ECONOMIC PLAN—$150 BILLION IN NEW TAXES

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

Mr. EWING. Mr. Speaker, America is still reeling from the budget deal. You remember that one.

On the brink of an economic recession, the liberals in Congress forced the largest tax increase in our Nation's history down a conservative President's throat. Luxury taxes, boat taxes, taxes on taxes, these were bitter pills for Americans, but now instead of a budget deal, "Willie's deal" sits on the table.

It is Gov. Bill Clinton's economic plan, with $150 billion in new taxes, way more taxes than the budget deal.

It is even more than the tax increase programs of such illustrious liberals as Walter Mondale and Michael Dukakis.

Mr. Speaker, Governor Clinton's economic plan for $150 billion in new taxes is not just a bitter pill for America to swallow. It is the whole pharmacy.

LEGISLATIVE GRIDLOCK MUST BE BROKEN ON CAMPAIGN REFORM BILL

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

Mr. MAZZOLI. Mr. Speaker, the Washington Post is doing a front page series on legislative and governmental gridlock. They even sent out their lexicographic detectives to try to figure out who first used gridlock in connection, not with a crowded freeway, but with regard to impasse on taking legislative action.

Now, gridlock is not always terrible. Sometimes it gives us a chance to fashion a better bill, to develop a broader consensus. But, with regard to the failure to reform campaign finance laws, gridlock has been terrible. It has further deepened the public cynicism about the political process.

□ 0910

The President followed poor advice earlier this year when he vetoed the campaign finance reform bill which would have limited spending and reduced the impact of PAC and special-interest money on elections. We need very quickly to break this particular legislative gridlock. We need to pass campaign finance reform, and soon.

WE NEED CHANGE HERE IN THE CONGRESS

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

Mr. THOMAS of Wyoming. Mr. Speaker, I am disappointed again that all we do in the morning is stand here, bash the President, talk about things that someone else is doing. Where is your idea? Why do we not do something? Why do we not do something useful here?

We talk about change in this campaign, and I am for it. The problem is that change does not take place in this place. This leadership in this House does not seek to have change.

What we do is spend more money on the same programs and expect something to turn out differently. Do we want more Government? Of course, not, we want change that works. What do we do about that? We send more money to welfare. Why? Because we are unhappy with the way it works? No; we just spend more money in the same programs. We do not change it.

We need some fundamental change in Government. We need to decide what services the Government is going to offer, what is appropriate, how we provide those services.

Let me tell you, my friends, putting more money in the same programs does not raise the expectation for different results. If we want change, we ought to start right here by doing something different than what we have been doing.

U.S. AGRICULTURE INDUSTRY RUSHES TO SUPPORT THE FREEDOM SUPPORT ACT

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

Mr. BEREUTER. Mr. Speaker, as this body moves toward consideration of H.R. 4547, the Freedom Support Act, it should be very clear that passage of this legislation is not just important for the future of the former Soviet Union—passage is also important to the American economy. American businessmen and labor recognize that if the former Soviet Union succeeds in its transition to a market economy, that United States exporters will benefit greatly from this potential market of 290 million individuals. American business and labor are increasingly aware that the Freedom Support Act will result in more jobs for American workers who will supply the equipment and services to this newly opened part of the world.

Recently this Member received a policy statement from the National Agricultural Advisory Committee, a consortium that includes four former Secretaries of Agriculture and more than 100 of America's leading farm, commodity, and agribusiness organizations. It is a veritable who's who of America's agricultural interests. This distinguished committee was unanimous in their strong support for H.R. 4547.

Mr. Speaker, the agricultural community supports the Freedom Support Act not only because it responds to the economic, political, and social needs of the former Soviet Union, but because it responds to our needs, the needs of the United States and the United States agriculture-agribusiness community. There are many outstanding reasons to support the Freedom Support Act which I will address later today. If you care about the American farmer and agribusiness, vote to support the President, vote to support the majority and minority leadership of this body, vote to support the Freedom Support Act.

DISCOURAGING POLITICAL COURAGE AND LEADERSHIP

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

Mr. PORTER. Mr. Speaker, legislators of both parties in the State of Oregon acted to determine which Medicaid procedures their taxpayers could afford to provide and which were not cost effective nor of high priority. Anyone who understands anything about

health care knows that this kind of prioritizing is necessary if medical costs are ever to be brought under control.

The Oregon approach took leadership and courage. It should have been recognized and encouraged by the Department of Health and Human Services whose approval was required for Medicaid funding. Instead, they rejected this courageous approach on the unsubstantiated ground that it might violate the ADA; that an alcoholic who abused his liver all his life and needs a new one would be denied a transplant under the Oregon approach, which properly deems it a low priority.

Mr. Speaker, at a time when the American people are starved for leadership, at a time when bold action is needed in so many areas, HHS not only fails to provide it, it actively discourages those who do. This is not good government and this is not good politics.

RECIPROCAL ARRANGEMENTS WITH FORMER SOVIET UNION

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

Mr. BENNETT. Mr. Speaker, we have a very important piece of legislation before the Congress today, the question of whether we will try to help the Soviet Union remainders to become viable democracies and part of the free world. I hope that we will stand behind that idea.

Mr. Speaker, I did feel, along with Mr. MCEWEN and others, and do still feel, that it would be a good idea if we ask in return some assistance with regard to our stockpile, with regard to oil, with regard to platinum and other things that the Russian countries have in large abundance. They are No. 1 in the production of gold, oil, and other things like that. They could make arrangements with us to repay some of the assistance we give them at this particular time. I hope that will be allowed on the floor, but even if it is not, I hope the President will work in that direction.

LET US LOOK AT THE LEGISLATIVE RECORD

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

Mr. HASTERT. Mr. Speaker, it is a time, certainly, the season of political rhetoric, the season of mean times, a season when we point the finger across the other side of the aisle and in reciprocation it comes back here. But a season of charges that pass between the Bush candidacy and the Clinton candidacy.

Let us look at the record. The President is accused of not having an economic policy. He does. Where is that economic policy? Where is the crime package? It is in a committee in the other body. Where is the economic and jobs package? It is here in a House committee. Where is the health care reform package? It is here in a House committee. Where is the energy policy? It is stuck in a conference committee. But even things that we worked together on, like the earnings test repeal for working seniors today that we have agreed on and passed out of this body, it is stuck in a conference in the other body. We need change. The American people want change. Maybe change ought to start right here.

PORKER OF THE WEEK AWARD

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

Mr. HEFLEY. Mr. Speaker, tuition is on the rise, but so, it seems, are the Federal grants that colleges get, especially those that get tucked into the Federal budget year after year. Let me explain. You have heard about the late-night sessions that the leadership calls when we are under deadline. For the tax-and-spend Members of Congress, this is the ideal time to tack on their favorite pork projects. They know that at that hour no one will have time to read the bill and find out what is actually in it. That is exactly how 156 colleges around the country recently got $95 million in taxes.

Let me give you an example. Ask Senator BYRD how a little-known college in the Allegany foothills recently was selected for $41 million in Federal research projects, a windfall, almost three times its $14 million annual budget. When you realize this little college has 1,400 students and no doctoral program, maybe this money is well spent but maybe not. How do we know, with this crazy way of doing business? The grants, along with the shady way they get attached to the budget every year get my vote for the Porker of the Week Award.

GIVE THE PRESIDENT A LINE-ITEM VETO

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

Mr. ALLARD. Mr. Speaker, today I rise to bring to your attention a letter that I, along with 66 of our colleagues, Republicans and Democrats alike, will be sending to both Speaker FOLEY and Minority Leader MICHEL requesting their leadership in bringing any one of the many line-item veto bills introduced this session to the floor for a vote.

The time has come for Congress to act on giving the President of the United States a line-item veto. With both President Bush and Governor Clinton endorsing the line-item veto the time to move in a bipartisan fashion has arrived on Capitol Hill.

We must pass a line-item veto this session because at this point no one can predict with certainty who our next President will be. The time has come for Congress to address this issue head-on, instead of hiding behind partisan politics.

After January it will be to late. One party will control the White House and the other may hesitate to work for passage of a line-item veto.

This is not an issue of Republicans versus Democrats.

Instead, it is a matter of someone having the responsibility to eliminate the wasteful expenditures from our budget. Passage of a line-item veto is certain to send a clear message to all Americans that Congress is listening to their call for bringing our Nation's budget under control.

Together, let us take that first step.

FIFTIETH ANNIVERSARY OF GUADALCANAL

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

Mr. SKELTON. Mr. Speaker, tomorrow, August 7, 1992 marks the 50th anniversary of the first offensive ground action undertaken by American military forces during World War II. Operation Watchtower undertaken by the First Marine Division included landings on three islands—Tulagi, Gavutu, and Guadalcanal. The two smaller islands, were secured within 3 days at the cost of 122 American and more than 800 Japanese lives. There marines discovered that the Japanese defenders would fight fanatically to the death rather than surrender.

The unopposed amphibious landing on Guadalcanal, the largest island, marked the turning point of the Pacific campaign. After Pearl Harbor, the Japanese Imperial Army had captured Hong Kong, Burma, Thailand, the Philippines, Singapore, The Netherlands, East Indies, and other island outposts. At Guadalcanal, however, the Japanese Imperial Army lost its aura of invincibility.

The battle for Guadalcanal would continue until the following February. Army units which would supplement and relieve Marine forces landed the following October. They included the 23d Infantry Division, the 25th Infantry Division, and the American Division. Let us remember the skill, determination, and sacrifice of those who fought in such dire circumstances at Guadalcanal 50 years ago tomorrow.

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PROVIDING FOR CONSIDERATION OF H.R. 3603, FAMILY PRESERVATION ACT

Ms. SLAUGHTER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 543 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 543

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. 3603) to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs is present, and to improve the quality and delivery of child welfare, foster care, and adoption services. The first reading of the bill shall be dispensed with. Points of order against consideration of the bill for failure to comply with clause 2(1)(3)(A) of rule XI or clause 8 of rule XXI are waived. General debate shall be confined to the bill and the amendment made in order by this resolution and shall not exceed ninety minutes, with sixty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and thirty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the committee amendments now printed in the bill it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 5600, modified by the amendments printed in the report of the Committee on Rules accompanying this resolution. The amendment in the nature of a substitute shall be considered as read. Points of order against the amendment in the nature of a substitute for failure to comply with clause 7 of rule XVI are waived. No amendment to the amendment in the nature of a substitute, as modified, and no other amendment to the bill shall be in order. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendment as may have been adopted. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. VALENTINE). The gentlewoman from New York [Ms. SLAUGHTER] is recognized for 1 hour.

Ms. SLAUGHTER. Mr. Speaker, I yield the customary 30 minutes of debate time to the gentleman from California [Mr. DREIER], 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, House Resolution 543 is the rule providing for the consideration of H.R. 3603, the Family Preservation Act of 1992.

The rule waives points of order against consideration of the bill under clause 8 of rule XXI or clause 2(L)(3)(A) of rule XI. Clause 8 of rule XXI requires a Congressional Budget Office estimate to be included in any measure providing for changes in direct spending or receipts. Clause 2(L)(3)(A) of rule XI requires the inclusion in the report accompanying the bill of a separate and clearly identified statement of the committee's oversight findings and recommendations.

The rule provides for 90 minutes of general debate; 60 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and 30 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture.

Further, the rule makes in order as an original bill for the purpose of amendment, and amendment in the nature of the substitute consisting of the text of H.R. 5600, as modified by the Education and Labor Committee amendments printed in the report accompanying the rule. Points of order under clause 7 of rule XVI, which prohibits nongermane amendments, are waived against the substitute.

No amendments to the substitute or other amendments to the bill are in order.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, the substitute, which this rule makes in order, combines the provisions of the Family Preservation Act of 1992 and the Mickey Leland Childhood Hunger Relief Act. The consolidated bill offers the hope of a healthier, happier, and more secure future to the millions of American children who, each day, face abuse, hunger, and neglect.

It is well documented that the American family has steadily disintegrated over the past decade. Since 1980, the reported incidence of child abuse and neglect has tripled. The number of children living apart from their families in foster homes rose by 50 percent to more than 407,000 in 1990. At least half a million infants were born drug-exposed in 1991. The poverty rate among children has increased 5 percent and an estimated 5 million children suffered from hunger during 1991. We've strayed far from the idyllic families of the 1950's, when Mr. and Mrs. Cleaver were more the rule than the exception.

The legislation we consider today would help keep families together and healthy, and would help put food on their tables. The bill establishes new family preservation programs including counseling, support, and respite services. It also makes needed reforms in foster care and adoption assistance programs.

The Mickey Leland childhood hunger relief portion of the substitute expands eligibility and benefits for the food stamp program to ensure that no American child is malnourished.

As a cosponsor of these vital and ambitious initiatives for America's children and families, I encourage the Members of the House to cast their votes for our Nation's children, who have no vote and who are too young to speak out for their own interests. We will be making a wise investment in our country's future.

Mr. Speaker, I ask my colleagues to support the rule so that we may proceed with consideration of the merits of this most important legislation.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank my friend, the gentlewomen from New York [Ms. SLAUGHTER], for yielding.

Mr. Speaker, this rule should be indicted on charges of aiding and abetting an egregious assault on the Amercian taxpayer. It makes in order a bill that denies any common sense of fiscal responsibility and then prevents bipartisan amendments to improve child welfare services in a responsible manner.

A bipartisan group, Democrats and Republicans, very hard working Members, came before the Committee on Rules yesterday. They included members of the Committee on Ways and Means, the gentlewoman from Connecticut [Mrs. JOHNSON], and the gentleman from Iowa [Mr. GRANDY].

□ 0930

It also included Members of the majority, the gentlewoman from South Carolina [Mrs. PATTERSON], and the gentleman from New Jersey [Mr. ANDREWS]. This group also included the ranking Republican on the Select Committee on Hunger, the gentleman from Missouri [Mr. EMERSON].

They asked that a significant child welfare reform amendment be made in order under this rule. Their amendment, Mr. Speaker, would do something besides simply filter more money into the present child welfare programs.

Their message to the Committee on Rules was simple. The current child welfare bureaucracy wastes too many valuable resources on Federal mandates, reporting requirements, and paperwork. If they streamlined the system and permitted the States to use the resources already budgeted for child welfare service, we could get better services for less. That is a very unique prospect.

The Johnson-Patterson-Grandy-Andrews-Emerson-Sarpalius-Weldon amendment is real child welfare services reform, not just old-fashioned big Government spending. By improving the system, their amendment will improve children's services without requiring a tax increase.

Mr. Speaker, that may very well have been their undoing. Since they did

not ask for the politically charged millionaire's surtax because they do not need it, their amendment does not provide the right political fight for the Democrat leadership. It is not a millionaires versus children amendment.

The administration has indicated that a veto of H.R. 3603 is in order. However, the President would support the Johnson-Patterson version of the bill. This rule illustrates quite clearly that the Democrat leadership is far more interested in political showmanship than in good Government.

Mr. Speaker, Members should have the right to debate the two different family preservation alternatives openly on this floor. To do so, we need to defeat the previous question. This gag rule not only denies us the ability to debate real welfare reform, but also denies improved welfare services to families that are truly in need.

Every Member who wants to improve services to families in crisis, every Member who opposes higher taxes on small business, and every Member who believes in fairness should vote "no" on the previous question.

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

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time.

Mr. DREIER of California. Mr. Speaker, I am happy to yield 6 minutes to the distinguished ranking member of the Select Committee on Hunger, the gentleman from the Show-Me State, Missouri [Mr. EMERSON].

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

Mr. Speaker, I do not ordinarily testify on rules before the Rules Committee. Of course, we vote on all the rules that come to us from the Rules Committee, and I listen to what is said about the efficacy of those rules, but on the consideration of the rule that is before us now I went to the Rules Committee yesterday with a bipartisan group of my colleagues. We had represented there, I think, pretty much the total spectrum of the House of Representatives, from liberal democrats to conservative Republicans, testifying, requesting, asking for an opportunity to submit a substitute measure, one that is bipartisan in nature.

The Rules Committee listened well, such Members as were there. There were a couple of Republicans there and a couple of Democrats. They asked questions, and we all felt we had been fairly heard. Good questions were asked and we felt we had made a reasonable case for which the substitute should be permitted.

Let me say this in all fairness. Here we have a group of Republicans and Democrats who want to submit a substitute to the measure that is going to be pending. We felt good about it. But then we heard late yesterday afternoon that the Rules Committee had come down and said, no, this substitute will not be permitted.

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. EMERSON. Certainly, I yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I thank my friend for yielding.

I would simply respond by saying that the Rules Committee did make that decision upstairs, but the rules of this House give us an opportunity to modify that rule. That is why I have an amendment here which would make the gentleman's very, very well-structured amendment in order. That is why it is imperative that we vote to defeat the previous question so that we can make the gentleman's amendment in order.

Mr. EMERSON. Mr. Speaker, I thank the gentleman for his contribution, and certainly I will vote with him to defeat the previous question. But I want to disagree with the gentleman from California in one thing. I seriously doubt that the Rules Committee made this decision about the rule. I think the Rules Committee got the order from somebody in the leadership sitting in a back room over here somewhere else in the Capitol who had not heard the case that was made for this substitute to be offered.

Mr. Speaker, having had this experience of participating before the Rules Committee, I do not believe that the Rules Committee made that decision.

Mr. DREIER of California. Mr. Speaker, if the gentleman will yield further and if I could respond briefly to the gentleman, let me say that what happened upstairs was that we made an attempt to offer an open rule and we were defeated on a party line vote. Then we made an attempt to offer specifically the gentleman's amendment. Then on a party line vote, all the Democrats voted to prevent the gentleman from having a right to offer the amendment, and all the Republicans voted in favor of ensuring the right to offer that amendment. Because the makeup of the Rules Committee upstairs is nine to four, two to one plus one against us, that was the decision.

Mr. EMERSON. Mr. Speaker, if I may reclaim my time, I believe what the gentleman says is true. But what I am really saying is not that the Rules Committee did not decide; of course, technically they made the decision, but I seriously doubt, I say to my friend, the gentleman from California [Mr. DREIER] that the Democrats on the Rules Committee are independent agents to judge these rules that come before them. I think they had to take instructions from somewhere.

I cannot believe that we were denied on that basis. For example, the gentleman from California [Mr. BEILENSON] asked such good questions and indicated that agreed in large measure with a lot of what was being said. I do not believe the gentleman from California [Mr. BEILENSON] would, for example, vote to deny the base on which the substitute was offered. I cite the gentleman from California as one example.

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

Mr. EMERSON. I yield to my colleague, the gentleman from Pennsylvania.

Mr. GEKAS. Mr. Speaker, the gentleman strikes an important note here. I think we have to make sure that the public understands this.

The gentleman went before the Rules Committee with a bipartisan group to present an alternative, not to be adopted but to be given a chance for debate on the floor. On the other hand, a majority of the Rules Committee determined that the policy for the United States shall be their policy and made a policy decision on the Rules Committee.

Mr. EMERSON. Absolutely.

Mr. GEKAS. It was not a parliamentary decision, it was not a Rules Committee decision, but it was a policy decision, that no matter what comes, their version is going to be the one that would prevail on the floor of the House.

Mr. EMERSON. Absolutely.

Mr. GEKAS. That is what the public should understand.

Mr. EMERSON. There is absolutely no question about it.

Mr. DREIER of California. Mr. Speaker, I thank my friend for educating our colleagues.

Mr. EMERSON. Mr. Speaker, I say to my friend that this is a gag rule. Actually what the Democrat leadership is saying through the Rules Committee is that free and open debate on a very plausible, responsibile substitute alternative should not be tolerated. It is a gag rule. That is absolutely what this is.

I am shocked. I work very hard on welfare reform issues as the ranking member of the Select Committee on Hunger. The chairman of the Select Committee on Hunger, the gentleman from Ohio [Mr. HALL], is also a member of the Rules Committee. Now, the gentleman from Ohio [Mr. HALL] knows where I am coming from on the need to consolidate and integrate and automate in the process of welfare reform.

The child welfare provisions of the measure that will be before us on which the substitute is sought to be offered is one of those areas in which States are crying out for some flexibility. They say, "Give us some flexibility on how we administer these programs."

□ 0940

I am finding it difficult, given what I know of the level of understanding of the gentleman from Ohio [Mr. HALL] on this issue, that he of his own volition

would vote to deny us the opportunity to debate this proposition. I am shocked at the rule that is before the House. It is an outrage.

We seek a bipartisan substitute, and urge that we defeat the previous question so the bipartisan substitute may be offered. All the Democrats of good will and all Republicans should vote to defeat the previous question.

Yesterday I joined with several of my colleagues, Republicans and Democrats, to testify before the Rules Committee to ask that a substitute be made in order to H.R. 3603. We were denied that opportunity by the Committee on Rules. Instead, we are being presented with a closed rule on a major piece of legislation—one that raises taxes and spends $7 billion over 5 years. I strongly oppose this rule.

Yesterday we asked the Committee on Rules to give members the opportunity to choose between an expensive bill and reform of the child welfare programs. We were denied that opportunity.

This is nothing more than a cynical act by the leadership of the majority party in the House. The funding mechanism in H.R. 3603, the timing of consideration of the bill, and the rule are purely political actions. I can come to no other conclusion.

I am an original co-sponsor of the Mickey Leland Childhood Hunger Relief Act. I support the goals of the provisions within that bill and over the past several years have worked to help achieve those goals. However, I will not be supporting the rule or H.R. 3603, the Downey/Panetta children's initiative.

Since 1983, when I became the ranking Republican on the Nutrition Subcommittee, I have been working on issues related to improved food and nutrition for needy families. I have served on the Select Committee on Hunger since 1984. I have visited soup kitchens, food banks, public assistance offices and employment and training centers. I have spoken to the people receiving assistance, the administrators and the volunteers. I am convinced that these programs are worthwhile and necessary.

I am also convinced that there are major problems facing the entire public welfare system. Until we address these problems, which must include budgetary, regulatory, tax and welfare reform, real assistance for the needy families we all seek to help will not be achieved.

But today we will not have an opportunity to debate reform. We were denied that opportunity.

I urge my colleagues to defeat this rule.

Mr. DREIER of California. Mr. Speaker, I am pleased to yield 3 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], a hard-working member of the Committee on Ways and Means, who coauthored this amendment.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in opposition to the rule, and in support of a motion to recommit. I want to talk about not just the bill but the process, because the American people are outraged at the Congress. This is exactly why. We went before the Committee on Rules and we asked simply for the right for a clean vote on a legitimate alternative to the bill before us.

First of all, the alternative does not raise taxes. The underlying bill raises taxes a lot, though that is not the only issue, and in my own mind, it is not even the most important issue. More important, the alternative reforms the program in the very way that we have seen factories changed to become competitive, that we have seen the insurance industry, the banking industry, and every other industry in the private sector change to deliver a better quality product at lower cost.

What the alternative does is to address what we heard in the hearings. We heard social workers saying "We spend 80 percent of our time on paperwork." We want that social worker to spend 80 percent of her time on kids. That matters. It matters whether we are pouring new money into a system that concentrates primarily on paperwork and not on kids. It matters whether or not we reform the Government service delivery system as the private sector is reforming its delivery systems.

It is time this Congress began to look at how we are spending taxpayers' money; that we stop dealing with rhetoric and we start helping kids; that we stop supporting bureaucracy and we start dealing with reality.

The people out there sense something is terribly wrong down here in Washington, and they are right. This place is sick. The majority party has controlled this House for 40 years, and they do not have the courage to let us have an up or down vote on a legitimate alternative? Are they so without confidence in the quality of their product that they could not even allow us, and "us" in this case is a very strong bipartisan group, to have a vote?

We made an outstanding case for our bill in the Rules Committee. Democracy is about the competition of ideas. This is a competition of ideas. We in the bipartisan group asked for the opportunity to allow the right debate on the House floor, the policy debate on the House floor, the responsible choice for House Members, and the Democrat leadership cut off debate—an intellectually, morally, and politically corrupt act. No wonder the public has gotten the message that the Congress is out of touch.

What the Democrats on the Rules Committee said when they denied us the right to offer our well-developed, long-introduced alternative was that they believe their product is vulnerable; that they understand that the social workers who are going to get $8 billion more of new money raised through raising taxes are still going to spend 80 percent of their time on paper and only 20 percent of their time on kids. That is irresponsible. It is a crime against kids. It is an attachment to the old way that we in America can no longer afford.

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

Mr. DREIER of California. Mr. Speaker, I am happy to yield 2 additional minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], but I hope very much that Members of the majority will listen to her remarks, and I hope that they will have a very good response that they can provide.

Mrs. JOHNSON of Connecticut. Mr. Speaker, the point that I am making is that it is time we begin to understand and address the problems in government in the same way that manufacturing had to understand and address the production problems and the overhead problems and the cost problems in manufacturing in order to provide a better product and better services at less cost.

It is an absolute scandal that, with social workers testifying that they spend 80 percent of their time on paperwork and 20 percent on children, that we did not address the bureaucratic waste in the foster care program. It is a scandal that the House's own Committee on Rules, under the direction of the Speaker, would not allow the democratic process to go forward, the underlying principle of which is a competition of ideas, and in this case, not even along partisan lines.

Mr. Speaker, I rise in strong support of the alternative, the substitute. We address all the administrative problems. We have reduced the administrative cost. We not only provide new money, which we do, but we provide also new resources, because we have stopped doing things that are not productive and we start doing things with the same man-hours that are kid productive. That is terribly important about our alternative.

There is one last point I must make. This is the third year in a row we have failed to act. We have failed to help these kids in foster care. All those statistics the Members are going to hear about what distress this program is in have been there for 3 years and we have failed to act year after year because the majority insists on coming up with a bill that cannot make its way through the Senate and be signed by the President. Our alternative will make its way through the Senate, it will be signed by the President, it will put new money into the system to help families in crisis and prevent foster care placements when appropriate. Very simply, it will free resources that will go to kids, not bureaucrats.

I ask the support of the Members for the motion to recommit. If this body does not begin to take power to establish responsible policy for kids and children, then we have not done our moral duty as well as neglecting our legislative duty.

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, I yield 7 min-

utes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Speaker, for the past several weeks, the people of this country have been subjected to a nonstop barrage from the President and the Vice President about family values.

They are for family values, we are told.

And, of course, it goes without saying that all those terrible Democrats must be against family values.

We are told that these much extolled family values are things like giving kids the opportunity to have what all kids need: The chance to grow up with their parents in healthy, safe, secure homes.

The President and Vice President may think they have done a great job on promoting family values. But they have done very little to demonstrate an understanding of the value of families.

The Republican record is a record of utter failure—failure inflicted on the poorest American families, on children who need the compassion and the assistance of their leaders the most.

Six months before the Reagan-Bush team took office, we wrote historic legislation reforming the Nation's overburdened and unresponsive foster care system. We expanded preventive services to reduce the need for out-of-home placements, and to reduce the duration of placements when they were unavoidable.

We removed barriers to adoptive placements of children, and assisted those who sought to take these children into their homes permanently.

Then, only weeks after taking office, the Reagan-Bush administration sought to repeal that new law on the specious grounds that it hadn't worked. Not weaken it; not ignore it, as they did so many other laws. But repeal it because it had not ended the foster care crisis in just a few months.

Our law did make a tremendous difference for tens of thousands of children and families. But we could not keep up with the policies of indifference and insensitivity that shattered so many vulnerable lives.

Poverty, the greatest scourge of families, has engulfed millions of children. In 1978, fewer than 16 percent of children lived in poverty. Today, that figure has grown to nearly 21 percent, an increase of one-third under the economic neglect of the Reagan-Bush years.

Hunger, which should affect not a single child in this abundant Nation, haunts 5 million American children under the age of 12.

Reports of child abuse and neglect have exploded, tripling to nearly 3 million cases between 1980 and 1991 on the Reagan-Bush watch.

CRIME, DRUGS, MENTAL DISORDERS, DESPERATION, DIVORCE

Are these the family values we are lectured by George Bush about? Because they are the effects of 12 years of neglect and indifference by those now lecturing us to show greater concern for our families.

And yet what has been the response of the Bush administration, other than words? Other than speeches? Other than campaign promises and platitudes?

Despite the growing crises, the desperation, the tragedies—the Bush administration has been silent and cautious.

Enforcement of the foster care and adoption law ignored.

Audits of billions of dollars in child welfare programs postponed.

Federal grants to help prevent the shattering of vulnerable families increased by less than 1 percent over the last decade.

One percent, while poverty is skyrocketing. One percent, while drug use and violence are skyrocketing. While child abuse, sexual abuse, and foster placements are skyrocketing.

Why is an administration so committed to trickle down for the richest Americans so hostile to allowing a few dollars to trickle down to the poorest?

George Bush and DAN QUAYLE are going to continue to berate us and bore us with their tired rhetoric about family values. America's families need more than rhetoric. More than campaign speeches. More than stern lectures.

H.R. 3603 offers families more. Much more. It offers the hope of a government with compassion to help the most vulnerable, and the wisdom to invest in family preservation instead of foster care, welfare, and despair.

Our bill will direct comprehensive resources to families at risk to offer coordinated services aimed at reducing foster placements and more severe, and more expensive, interventions that result from indifference. That new funding, which will save us billions in the long term, will not be susceptible to the strict limits that have starved the child welfare services program for a decade.

Had our original law been enforced, had we had an administration more concerned with the value of families than rhetoric about family values, this new law might not be necessary in 1992.

But we have had a dozen years of neglect, and we have produced millions of victims to show for it. Many of those victims are beyond the reach of the child welfare system. They are in courts; they are in jail; they are in unemployment lines; and many of them are in graves.

Millions of children can still be helped, can be rescued, can be given a chance to survive and prosper if families have the minimal resources they need to avert a lifetime of dependence and poverty.

Let us give families that opportunity by passing H.R. 3603 today. It will do more than all the rhetoric in the world to demonstrate that we are serious about the value we place on American families.

□ 0950

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I want to say to the gentleman in the well that I have no doubt that he believes what he said. If he believes it as devoutly as he has delivered his speech, he should support the substitute.

If he believes what he has said, first of all, most of what he has said would support the substitute motion before us. But if he believes as devoutly as he sounded as he did about the position that he has spoken of, he should have no fear of this substitute being offered. He should vote for the motion to defeat.

Let us have an open and honest debate. This is a gag rule.

If the gentleman believes what he has said, he cannot deny us the opportunity to say what we believe.

Mr. MILLER of California. Mr. Speaker, will the gentleman allow me to respond?

Mr. DREIER of California. Mr. Speaker, we have a number of requests for time over here.

The SPEAKER pro tempore (Mr. VALENTINE). The Chair will advise that the gentleman from Missouri has the floor and his time has not expired.

Mr. EMERSON. Mr. Speaker, the gentleman from California [Mr. DREIER] told me he wanted to reclaim his time.

Mr. DREIER of California. Mr. Speaker, we have a number of requests for time here.

Mr. Speaker, I yield 4 minutes to the gentleman from Iowa [Mr. GRANDY], coauthor of the substitute.

Mr. MILLER of California. Mr. Speaker, will the gentleman yield for 30 seconds? It is interesting that a Member asked me to yield, and the gentleman decided that I would not be allowed to yield for a response. The gentleman talks about a gag rule, and he will not allow a person to respond.

Mr. DREIER of California. Mr. Speaker, I would say to my friend, the gentleman from California [Mr. MARTINEZ], that if we successfully defeat the previous question, my friend will have an entire hour to debate this.

The SPEAKER pro tempore. The House will be in order. The gentleman will take his seat.

You are going to stop acting like children, and you are going to listen to the Speaker, as long as the current occupant of the chair has this gavel. The gentleman from California will be seated.

The gentleman from California [Mr. DREIER] has yielded 4 minutes to the gentleman from Iowa [Mr. GRANDY].

The Chair recognizes the gentleman from Iowa [Mr. GRANDY] for 4 minutes.

Mr. GRANDY. Mr. Speaker, I yield to the gentleman from California [Mr. MILLER], to complete his diatribe.

Mr. MILLER of California. Mr. Speaker, I would use my time to say it is outrageous for the gentleman from Iowa to suggest he wants to characterize my speech. He is free to do so, but it is outrageous.

The gentleman from Missouri had asked me to yield so he could pose a question. He put a question to me. I asked for a chance to respond, and I was not yielded time. So I will get the time over here, but it is interesting at the same time the gentlemen are talking about a gag rule, they will not allow me to respond to the gentleman from Missouri who was talking about whether or not I believe what I said.

The SPEAKER pro tempore. The gentleman from Iowa [Mr. GRANDY] has 3½ minutes remaining.

Mr. GRANDY. Mr. Speaker, I yield to the gentleman from California.

Mr. Speaker, if the gentleman from California would like more time to acknowledge the gentleman from Missouri, to respond to him, I will be happy to yield to him.

Mr. MILLER of California. Mr. Speaker, 3 minutes, that is all I ever wanted.

I would say to the gentleman from Missouri, the reason I support this legislation as opposed to the substitute is that this legislation has been hammered out within the Committee on Ways and Means in conjunction with the Select Committee on Children, Youth, and Families, with the Committee on Education and Labor, all of which share jurisdiction over children and foster care and programs affecting them. And it has been hammered out over a period of almost 2 years, as we have called witnesses before this committee.

And we have taken what they have said. We have asked the Governors, we have asked people that wanted to be liberated from Federal laws what kind of system they want to design. That is reflected in this bill.

I saw the gentleman and others last week, Friday, talking to the staffs in the Rayburn Room over here, saying: What are we going to do? How can we put it together? How can we make it not cost any money?

I will support a bill that has been well thought out, that has been carefully crafted with the Governors of States and with others that allow them an opportunity to run their system the way they want to run it.

Mr. GRANDY. Mr. Speaker, do I have the time at this point?

The SPEAKER pro tempore. The gentleman from Iowa [Mr. GRANDY] has the time.

Mr. GRANDY. Mr. Speaker, if I could yield my time back to the gentleman from California [Mr. DREIER], with the understanding that I will get some time later on, I have no objection to allowing them to complete this colloquy.

The SPEAKER pro tempore. That is up to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, we have obviously taken up a great deal of time here. It is essential that we defeat the previous question so that we will have the opportunity to continue this.

Mr. Speaker, I yield 15 seconds to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I just want to say to the gentleman from California [Mr. MILLER] that if he feels as strongly about this proposition as he evidenced in the well, he should have no fear of at least debating the substitute.

□ 1000

The debate before the House right now is whether we, a bipartisan group of people, are going to be gagged and denied the right to debate.

Ms. SLAUGHTER. Mr. Speaker, before yielding further, I would like to take as much time as I may consume.

The motion to recommit provides an ample opportunity for the Johnson-Weldon substitute. At yesterday's hearing when the Rules Committee learned that this substitute had never been offered as a package before the Ways and Means Committee, and that they had never had an opportunity to assess its effects and its impacts as a whole, and indeed that it left out the part on children and hunger, we decided that we would make it only in order as the motion to recommit.

Mr. Speaker, for purposes of debate only, I yield 7 minutes to the gentleman from New York, [Mr. DOWNEY].

Mr. DOWNEY. Mr. Speaker, I thank the gentlewoman for yielding me the time.

It is impossible, of course, to weigh the value or calculate the loss of a childhood, and that is, in part, what we are talking about here today. There are literally millions of children across this country who are taken from their families needlessly; with a little help from the State they could remain together, and their childhoods would flourish.

Our subcommittee has heard countless stories of children who have been in 10 through 20 different foster homes over the course of their childhood. One child, a 12-year-old, described what it was like to sleep in her clothes for fear that the morning might find her moving to another home. And we found that the problems in that particular child's family life were such that with a little remediation, with a little bit of help, the family could have been kept intact, the family could have been kept together, and this child could have been spared the agony of foster care and moving from home to home. And there are millions of other stories that are similar to this.

The question that my friend from Missouri raised is a good one about debating the substitute. And we should, and I hope that during the course of the debate we can put to bed the notion that somehow less money is more, which is what the substitute suggests. That works with lite beer. It does not work with children. If you somehow believe that just shifting around money will make a difference to children, you will also believe that the Yankees will win the World Series and that George Steinbrenner will be a kinder and a gentler owner, or that DAN QUAYLE is a spelling bee champion.

The reality is that resources are essential here to make a difference in the lives of children. The gentleman from California [Mr. MILLER] spoke eloquently in the well, and I want to address him and thank him personally. For many years as chairman of the Children, Youth, and Families Select Committee, he has been the children's champion. The 1980 law that was designed to save foster children, and was never properly implemented by the Reagan or the Bush administrations, was his handiwork. There are millions of American children who are in his deepest debt, as am I and the others who have followed his enormous footsteps. And I mean that literally and figuratively in this case.

But the biggest reason to vote against the motion to recommit, and to vote against the substitute is aside from just three-card monte, that it plays with the money for children, it eliminates the money to feed them. There is no provision in the substitute that our Republican friends will offer that deals with the Leland Hunger Act. So for that reason alone it deserves to be defeated.

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

Mr. DOWNEY. I yield to my friend, the gentleman from California, chairman of the Budget Committee.

Mr. PANETTA. I thank the gentleman for yielding. I regret that this has become a partisan battle, because with regards to the Mickey Leland hunger bill we have had bipartisan support for every element of the Mickey Leland hunger bill to try to improve nutrition for the hungriest children in this country. And one thing you will not hear mentioned during the debate on the substitute is that the substitute totally wipes out any money at all for the Mickey Leland bill.

It is not a question of reforming the Food Stamp Program. It is not a question of reforming that they are talking about. They are talking about absolutely no money at all for the nutritional element which is essential if we really care about children.

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

Mr. DOWNEY. It is my time to yield, and I am happy to yield to the gentleman from Missouri.

Mr. EMERSON. I will talk about that. But that is not the issue before the House now. The issue before the House now is this rule, in which you have gagged us from the opportunity to present a substitute.

I am open as to how I will vote on final passage. But I will tell you, if you move forward in this unfair procedure of gagging a bipartisan group of people from offering the substitute because you are afraid to have it debated, I will be constrained to vote no on the final passage. I think this is an absolute travesty. You are gagging the House, you are gagging your own Members.

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

Mr. DOWNEY. I yield to the gentleman from California.

Mr. PANETTA. Mr. Speaker, I think as the gentleman knows the rule provides for a debate on the issue with time divided between the sides. I am sure that both sides will be getting more than adequate opportunity to talk about the merits of both proposals.

But the key here is whether we care enough to really do something about the problem. That demands resources. What the substitute is trying to do is to somehow legislate the miracle of loaves and fishes. You cannot simply produce something from nothing.

Mr. DOWNEY. Let me just make one final point if I have any time, and that is that during the course of this debate I want our colleagues and those who are watching this debate carefully to listen to the discussion of both sides. I want to make sure that there is ample time to discuss in detail, and I hope that our Republican friends will do this, the nature of the problem, because it seems to me that there is no debate about the problem.

There is a crisis, and the crisis must be dealt with. That is not open to dispute.

What my fear is, is that what we will hear from the Republican side is the familiar mantra that you use, that this is more entitlement spending, tax and spend, that the budget deficit is increasing out of proportion, and that these are our first concerns. And I would say that the first concern of this country, in my mind, is to produce the healthiest and the smartest children in the world. And the best way we can do that is to make sure that children are raised in loving homes.

Now we cannot legislate that, but we can provide the means to keep those families that are in crisis together. That cannot be done, that cannot be done unless we provide the States additional resources, because what the States have told us, what the gentlewoman who will offer the motion to recommit has heard, what my friend from Iowa has heard is that they are overwhelmed, overwhelmed just dealing with cases of neglect and abuse. They do not have the resources to reach down and to anticipate problems and deal with them, that the court system deals with the lives of human beings in just under a minute, that judges are forced to make decisions about children with hundreds of cases waiting, and that they need help.

Explain to us how a substitute that conceivably will provide less money will help these children.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I might consume to respond to my friend from New York by saying he makes a very compelling case in behalf of the issue of debate. As my friend from Missouri said, what we are trying to do right here is allow debate on a substitute. My friend from New York stood in the well and pointed to this side of the aisle. I would say to my friend that LIZ PATTERSON from South Carolina, BILL SARPALIUS from Texas and ROB ANDERSON from New Jersey do not serve on this side of the aisle. They are majority Members, and they are part of this substitute which they want to have considered on this floor, and that is why we want to defeat the previous question.

Mr. Speaker, I yield 4 minutes to my friend, the gentleman from Iowa [Mr. GRANDY].

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

Mr. Speaker, let me say at the outset that I appreciate the eloquence of the gentleman from New York. I rarely appreciate the gentleman's argument, but at least he gets to make it.

He said we will debate the options today. There are no options here today. This is not a question about versions of good government. This is a question of government or nothing.

I am not going to be able to rise in support of the Johnson-Patterson or Grandy-Andrews and other substitute because it is not in order. And do not tantalize us with a motion to recommit. We all know what a motion to recommit is. It is scrap from the master's table.

The fact of the matter is we are not having a debate about values, family or otherwise. We are having a debate about volume. So what else is new? I can get up here and trot out the statistics that we have all offered in committee that these programs have grown by 4,000 percent since 1991, from $30 million to $1.3 billion. And you might ask at some point where is the money going? Why is this not working?

Maybe the solution is not more money. Maybe we should be talking about values and not volume. But we are not having a debate here.

□ 1010

This is a eulogy, because the Family Preservation Act as written is dead. The President will veto it. He signaled it to the Rules Committee. He will send that message to us as many times as you force him to.

The real losers here are not the Republicans. We are used to being bound and gagged. There is no difference between this rule and any other rule.

My condolences to Messrs. SARPALIUS, ANDREWS, and Mrs. PATTERSON. They are not as used to it as we are; but the people who are getting screwed are our children, and that is something that we ought to have a debate about, but which we will not because the previous question will probably be ordered.

We will not get a chance to extend the kind of debate that we often have with the gentleman from New York [Mr. DOWNEY] in the subcommittee, and that we have with the gentleman from New York [Mr. DOWNEY] and the gentleman from Illinois [Mr. ROSTENKOWSKI] in the full committee, and is productive.

Now, we can have a debate on taxes today. I am fully prepared to weigh into that. If you want to pit Republicans on the side of millionaires and Democrats on the side of children, we can do that. It is not constructive, does not help anybody, does not pass any legislation.

But I want to concur with my friend, the gentleman from Missouri [Mr. EMERSON], who has worked beside the gentleman from California [Mr. PANETTA] for years on the Agriculture Committee to feed children, and beside the gentleman from Ohio [Mr. HALL] on the Select Committee on Hunger for about the same amount of time.

I want to salute a bipartisan coalition that has already passed worthwhile legislation. Why can we not do that again today?

If the Family Preservation Act is everything they say it is, if the Leland Act is everything they say it is, then let us go head to head; but we are bound and gagged and unilaterally disarmed under this rule, and we have nothing but our meager portion of discontent, which is in the motion to recommit which Democrats react to as though it contained leprosy.

Let us not talk about a debate here. Let us not talk about having a discussion of values or the role of government or the role of the Federal Government versus State government. That is not even before us, unless we defeat the previous question. That is all we ask.

I do not ever expect the gentleman from California [Mr. MILLER] to accept our substitute. I would be stunned if he did that, but I would assume that at least under the rather constrained definition of free speech that defines our process here, we should at least be allowed to offer our substitute to this body to vote on without the unnecessary negative stigma of the motion to recommit.

This bill is going to be recommitted right into the President's waste basket. He will veto it. The debate will be over, and the same lousy 10-year administration of the child welfare system in this country will continue unabated. In the next Congress we will start again, perhaps with a new Congress, perhaps with a new President, who knows. But we could have done it today. It could have happened.

So I rise not as much in opposition to the rule or in the opposition to the Family Preservation Act, but to mourn what might have happened and will not.

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Speaker, I thank the gentlewoman for yielding this time to me.

I must say, I think this is a very, very important day and America's children really could be finally put back front and center, and I really hope we can move on with this.

I hear all sorts of issues being raised, but let us admit what this does. The other side will have half the time, 50 percent of the time to present their case. They will also get a chance to present their substitute.

The real issue is, are we going to be serious today and move toward feeding children, or are we going to do what the gentleman from California talked about, legislate the equivalent of loaves and fishes, which means we are just going to talk about it, but there is not going to be any funding to do it.

Let us talk about how serious this is. The Fortune 500 CEO's have said all along that the one very important investment we could make would be feeding America's children, that for every dollar we spend feeding a child we save Federal dollars within the next 5 years in a much greater magnitude than the $1 invested in feeding them. Imagine what a radical concept.

But how marvelous it was to have the Fortune 500 CEO's come here and testify to that. That is not usually what they testify to.

If you take very esteemed academics who have been working on children's issues forever, they will show you charts of what this Federal Government did in the eighties. Every single category of spending went up in the decade of the eighties, except children. Children do not even come off the bottom line. We have stopped investing in children.

We know the immunization rates are awful. The gentlewoman from New York spoke on that just yesterday on the floor.

We know we have not invested in Head Start the way we should, with less than a third of the kids going.

And we know we have not fed them. Let us talk about Los Angeles. When the riots in Los Angeles happened, one of the largest feeding programs burned down that the Federal Government runs. In that center they were so oversubscribed that when children were 18 months old they stopped qualifying for food. If you think children stop growing at 18 months, that is outrageous. This is a chance to do what Mickey Leland did for children all over the world, and when you are doing it all over the world and not doing it at home, we are in trouble. So he is saying we ought to feed kids everywhere. It is a doggone good investment. In the long term we are going to save money.

The second part of this is so critical, our Governors, our States all want the chance to make American families successful. I do not know anyone, I have never met an American who did not want to be successful as a family member, and yet unfortunately the Federal incentive to States is not to help that family be successful, but instead to immediately run and grab the child and put the child in foster care.

You know, the amazing thing is, no matter how badly children have been treated in their homes, we find over and over again they will try to break away from foster care and go back home.

There is something about all of us that want our home life to work, no matter how bad it is.

We know again that if we spend the money trying to get families functional that are disfunctional, it is still much cheaper than putting a child in a foster care home for the rest of their minority years.

To me, this is something that we have got to do. We know the patterns and how difficult it is for people to break them. This is a big chance.

Over and over again, we have found in America that the children who have had the wings, the children who have been what we want all our children to be, the scholars, the ones who have done the best, one of the things that runs in common is that they have dinner with their parents.

To get those wings, you needs roots. We have not had a root feeding program. We have had an uprooting program, where if anything is wrong with the family, grab the kid, put it somewhere else and then you pay for that.

This is switching it to trying to do the root feeding program.

Yes, it will not work everywhere, but I will bet you will be absolutely surprised, because State after State that has experimented with this has been bowled over by the success model.

There is a way to pay for this in the bill. It is not off the budget.

I think it makes all the sense in the world. The other side will get their chance, too.

It is time that we move and talk about this real issue and get this done, and again I hope we can get on to the topic of the debate.

Mr. DREIER of California. Mr. Speaker, I appreciate that my friend, the gentlewoman from Colorado, and my friend, the gentleman from New York, have argued vigorously in behalf of debate, and that is why we hope we can defeat the previous question.

On the recommital motion, I would hope that my friend, the gentleman from New York, would support an effort which would see an additional hour granted so that we can have a full debate on this issue.

Mr. Speaker, I am happy to yield 4½ minutes to the gentleman from Pennsylvania [Mr. WELDON], a member of the Select Committee on Children, Youth, and Families, and a cosponsor of this very valuable substitute, which I hope we can put into place once we defeat the previous question.

Mr. WELDON. Mr. Chairman, I have taken great pride in the 6 years I have been here in not coming down to this podium to speak in a partisan manner.

I take great pride in my efforts to work with coalitions from both sides of the aisle on important environmental issues, on labor issues and on social and domestic issues.

As a matter of fact, I would remind my colleagues on the majority side that I was the Republican author of the bipartisan Family Medical Leave Act that brought 40 of our Republicans along on that very important bill.

But this rule is an absolute outrage. You have gone too far.

I say that because we are not going to be given a chance to offer our alternative, not the Republican alternative, a bipartisan alternative that I worked out with Congressmen SARPALIUS, ANDREWS, and that the gentleman from Texas [Mr. FROST] cosponsored, and combining it with an alternative offered by the gentlewoman from South Carolina [Mrs. PATTERSON], that we offered to this body as an alternative to what is being proposed here today.

□ 1020

This is an outrage because we had an alternative that would work. We developed this alternative over the course of the last year. I, as someone who spent 7 years teaching in an impoverished city, who was a chapter 1 program director for 3 years in an impoverished community, who was the mayor of an impoverished town for 5 years, and chairman of the county government that has to administer these programs, and now as a member of the Select Committee on Children, Youth and Families, I thought I could contribute something to this debate. We developed this bill as a result of hearings that we held in our committee. We listened to the Governors, we listed to the States, and we realized that we could double the amount of children we are currently servicing through our child welfare programs by simply eliminating the bureaucratic red tape, where we

have seen a 2,000 percent increase in administrative costs in the last 10 years alone. We want to eliminate that. We want the funding now going to the bureaucracy to go to the kids, to take care of their special needs.

We heard horror stories. I have one in my own district concerning a foster mother who had a child still in the custody of her natural mother, who has had 9 children and 9 abortions. Yet we the taxpayers still bear the cost to fly her back and forth to Colorado to visit that child who does not want to see her.

We want to remove that inflexibility. We want to give the States a chance to use the money as they see fit. My colleagues on the majority side said, "Well, we have the Governors." Well, guess what, folks, we sent our proposal to all 50 Governors. Mr. Speaker, at this time I would like to insert the comments of Governor Jim Florio of New Jersey, Bruce Sundlun of Rhode Island, Mike Sullivan of Wyoming, Evan Bayh of Indiana, Mary Dean Harvey, director of the department of social services for Nebraska, and Curt Schmoke, the mayor of Baltimore, all of whom have written comments on our proposal.

The comments referred to are as follows:

Mr. Chairman, Jim Florio, a former colleague of ours and the Democratic Governor of New Jersey, stated that:

We support the capped entitlement program as long as the cap is linked to the elimination of the burdensome administrative costs involved with eligibility requirements and the cost allocation plan.

This proposal does so. He goes on the state:

* * * it would be naive to believe that the House and Senate proposed family preservation legislation will be enacted into law this year. The Administration and some legislators, * * *, have indicated that they may not support any new funding programs due to the condition of the economy and the growing federal budget deficit. If the Administration and Congress cannot agree on the above-cited Downey and Bentsen bills this year, then the State of New Jersey would support your proposal.

This letter was written before the 10 percent surtax was added to the Downey proposal. It is clear from this statement that the Johnson proposal makes serious changes which that States desire. It makes clear that we can greatly assist our children and States without raising taxes.

BRUCE SUNDLUN, GOVERNOR OF RHODE ISLAND

The Democratic Governor of Rhode Island Bruce Sundlun calls my proposal "a positive step in federal support for preventive services to children and families. The elimination of redundant and time consuming federal reviews will allow Rhode Island to concentrate on the delivery of services that can truly help families." He goes on to state, "I applaud your initiative in proposing this valuable legislation."

MIKE SULLIVAN, GOVERNOR OF WYOMING

"Any legislation which would reduce the administrative burden of state government would be most welcome. The combining of IV-B and IV-E into a single program should reduce administrative overhead. It is our understanding that the current audit requirements for IV-B and IV-E would be eliminated by this proposal, thus, relieving states of burdensome and costly compliance issues."

"Finally, I support the change in Section 472, which should grant states' flexibility in achieving the goals and objectives of the Independent Living Program."

EVAN BAYH, GOVERNOR OF INDIANA

"I support you opinion that there should be more flexibility in funding to improve the delivery of services to troubled families and children. This flexibility coupled with increased federal funds would provide Indiana better tools to meet these needs." This is what our plan does, by providing flexibility with approximately a 16 percent increase in funding each year over the next five years.

MARY DEAN HARVEY, DIRECTOR OF THE DEPT. OF SOCIAL SERVICES FOR NEBRASKA FOR GOVERNOR BEN NELSON

"I share several of the concerns you raise. It is burdensome to have several funding sources, each with its own limitations, requirements, reports, and reviews. It is nonsensical to eliminate some children from eligibility for Title IV-E maintenance and adoption funds assistance while turning around and having non-IV-E children be eligible for IV-E Independent Living Services and IV-E Non-Recurring Adoption Expenses. I also share your belief that states must be given greater flexibility, so that funds can be used for preventive and reunification services."

KURT SCHMOKE, MAYOR OF BALTIMORE BEFORE W+M SUBCOMM. ON HUMAN RESOURCES

He would like the money of Downey but states, "We could make a good start with some changes in rules and regulations that would allow targeting exiting resources in a more effective way. * * * There have to be some policy changes made."

But guess what, Mr. Speaker, these comments may be supportive and positive, but we will not be given an opportunity to vote on our alternative. Why? Is it because we have not thought out our alternative? No, it is not that at all. Mr. Speaker, this is a case of pure partisan politics. The majority knows that they cannot get this bill signed at the White House.

The majority knows the President will veto this bill.

They know that our bill would get the majority of the votes, and I can tell you even though we have five Democratic sponsors, I have talked to the moderate Democrats and they would vote for our alternative. They would vote for it. But they are not going to be given that opportunity, and you know it. You do not want to give them the opportunity to vote for the compromise. You want to jam something down our throats so it is all or nothing.

Well, let me tell you something, folks, "you just don't get it, you just don't get it." The American people are fed up with your politics, they are fed up with your trying to jam things down our throats that are not going to solve problems.

Mr. Speaker, let me ask all of my colleagues in this House to veto against this rule and send a signal to the liberal caucus of the Democratic Party that we want to solve problems, not play politics in an election year.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time. Does the gentleman from California have further requests for time?

Mr. DREIER of California. I know this comes as a surprise to my friend, the gentlewoman from New York, but, yes, we do have further requests for time. I am happy at this point to yield 2½ minutes to my friend from Indianapolis, Mr. BURTON.

Mr. BURTON of Indiana. I thank the gentleman for yielding this time to me. Mr. Speaker, one of the things that has not been discussed here today is where we are going as far as the spending in this country is concerned. The chart that is in front of me shows the growth of entitlements over the last 20 years. In 1972, we were spending $91.7 billion on entitlements. In 1975, it went to $160 billion, in 1978, it went to $220 billion, in 1981, it went to $329 billion, in 1984, it went to $293 billion, and in 1987, $462 billion, in 1990, $602.5 billion, and it is going to be $804 billion in 1993. And this is a new entitlement program.

The total spending of this Government is close to $1.5 trillion next year, and that is $400 billion more than the tax revenues coming in. The national debt has gone from $1 trillion, which took us 200 years to achieve, to $4 trillion in 10 years, 1992.

Now, what does this mean? This means that in the next few years we are going to see a national debt approaching $13.5 trillion, and what we are doing today, if we pass this bill, is adding a new entitlement program that is going to exacerbate the situation.

What does this mean? We are going to help, according to the people that advocate support of this bill, we are going to help the underprivileged children, the people on welfare, the children who need assistance.

But what are we going to be doing in 5, 6, or 7 years? Well, let me tell you: The Federal Reserve Board, when we get to the point where we cannot even pay the interest on the Federal debt, will start to monetize the debt. That means print money to pay off the debt. The servicing of the debt, the interest on the debt in the next 5, 6, and 7 years is going to be almost as much as all the personal income taxes coming in. That means we will not have the money to pay for this program or Medicaid or Medicare or Social Security or these other programs. At that point, the Federal Reserve Board is going to have to figure out a way to pay off the debt. The only way they can do that is print money.

Now, the people you want to help, the poor children and senior citizens on Social Security and Medicare, at that point they are going to be flooding the marketplace with all this newly print-

ed money and the cost of a loaf of bread is going to be $30, the cost of a quart of milk is going to be $30 and the people you pretend to want to help will not be able to spend the money you give them because it will not be worth anything.

□ 1030

Every single country in the history of mankind that has gone through this has had hyperinflation, and these programs are going to cause that.

Ms. SLAUGHTER. Mr. Speaker, for purposes of debate only, yield 1 minute to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I appreciate the gentlewoman from New York [Ms. SLAUGHTER] yielding this time to me.

Mr. Speaker, one of the reasons why the Republican substitute was not acceptable to us is that it did not recognize the stark, harsh, cruel impact that hunger has on the kids of America; 5 percent, 5 percent, of the kids in America live in poverty, and an estimated 5 million kids, 5 million kids, do not have enough to eat and suffered hunger in the year 1991. This was only one of the reasons why the Republican substitute was not acceptable. It did not meet the awful, tragic, appalling needs of kids in America, the richest country in the world, who do not have enough to eat every day of the week.

Mr. DREIER of California. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we have been spending a great deal of time over the past hour debating the issue of child welfare reform, but clearly what we are here to do is to debate the rule. All we are trying to do is put into place a bipartisan substitute. Members of the majority, Members of the minority, who came before the Committee on Rules and wanted to have the opportunity to offer their amendment, are denied that opportunity under this rule. Clearly every Member who wants to improve services to families in crisis, every Member who opposes higher taxes on small businesses, and every Member who believes in fairness should vote no on the previous question.

The gentlewoman from Colorado [Mrs. SCHROEDER], my colleague, made the case that we have seen dramatic cuts in child welfare and safety net programs. In the past 3 years, in constant dollars, we have actually seen a 60-percent increase. She is wrong. We need to have this bipartisan substitute at least considered.

So, Mr. Speaker, I urge my colleagues to vote against the previous question.

The SPEAKER pro tempore (Mr. JONES of Georgia). The time of the gentleman from California [Mr. DREIER] has expired. Does the gentlewoman from New York [Ms. SLAUGHTER] yield back the balance of her time?

Ms. SLAUGHTER. If first, Mr. Speaker, I may make one statement, and that is: I want to restate again, as succinctly as I can, that the bipartisan measure presented to the Committee on Rules had never gone before the Committee on Ways and Means.

Mr. GRANDY. Mr. Speaker, will the gentlewoman yield?

Ms. SLAUGHTER. I yield to the gentleman from Iowa.

Mr. GRANDY. That does not happen to be factual. This substitute, although it did not contain the Leland provision, which is not under our jurisdiction, was offered in the subcommittee. It was rejected, but it was offered in a modified form in the full committee.

There has been a legislative history to this.

Ms. SLAUGHTER. Mr. Speaker, if I can restate what I am attempting to say, the impact of this measure on the bill by the Committee on Ways and Means was never fully considered, and indeed we believe that we met the needs of the authors of the substitute by allowing them to give it in a motion to recommit, and I urge all my colleagues to vote for the previous question.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

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

Ms. SLAUGHTER. 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 247, nays 166, not voting 21, as follows:

[Roll No. 369]

YEAS—247

Abercrombie	Brown	Dellums
Ackerman	Bruce	Derrick
Alexander	Bryant	Dicks
Anderson	Bustamante	Dingell
Andrews (TX)	Byron	Dixon
Annunzio	Campbell (CO)	Donnelly
Anthony	Cardin	Dooley
Applegate	Carper	Dorgan (ND)
Aspin	Carr	Downey
Atkins	Clay	Durbin
AuCoin	Clement	Dwyer
Bacchus	Coleman (TX)	Dymally
Beilenson	Collins (IL)	Early
Bennett	Collins (MI)	Eckart
Berman	Condit	Edwards (CA)
Bevill	Conyers	Edwards (TX)
Bilbray	Cooper	Engel
Blackwell	Costello	English
Bonior	Cox (IL)	Erdreich
Borski	Coyne	Espy
Boucher	Cramer	Evans
Boxer	Darden	Fascell
Brewster	de la Garza	Fazio
Brooks	DeFazio	Feighan
Browder	DeLauro	Flake
Foglietta	Mavroules	Russo
Ford (MI)	Mazzoli	Sabo
Frank (MA)	McCloskey	Sanders
Frost	McCurdy	Sangmeister
Gejdenson	McDermott	Sarpalius
Gephardt	McHugh	Savage
Geren	McNulty	Sawyer
Gibbons	Mfume	Scheuer
Glickman	Miller (CA)	Schroeder
Gonzalez	Mineta	Schumer
Gordon	Mink	Serrano
Guarini	Moakley	Sharp
Hall (TX)	Mollohan	Sikorski
Hamilton	Montgomery	Sisisky
Harris	Moody	Skaggs
Hayes (IL)	Moran	Skelton
Hefner	Mrazek	Slattery
Hertel	Murtha	Slaughter
Hoagland	Nagle	Smith (FL)
Hochbrueckner	Natcher	Smith (IA)
Horn	Neal (MA)	Solarz
Hoyer	Neal (NC)	Spratt
Hubbard	Nowak	Staggers
Huckaby	Oakar	Stallings
Hughes	Oberstar	Stark
Jefferson	Obey	Stenholm
Jenkins	Olin	Stokes
Johnson (SD)	Olver	Studds
Johnston	Ortiz	Swett
Jones (GA)	Orton	Swift
Jones (NC)	Owens (NY)	Synar
Jontz	Owens (UT)	Tallon
Kanjorski	Pallone	Tanner
Kaptur	Panetta	Taylor (MS)
Kennedy	Parker	Thomas (GA)
Kennelly	Pastor	Thornton
Kildee	Patterson	Torres
Kleczka	Payne (NJ)	Torricelli
Kolter	Payne (VA)	Traficant
Kopetski	Pease	Unsoeld
Kostmayer	Pelosi	Valentine
LaFalce	Penny	Vento
Lancaster	Perkins	Visclosky
Lantos	Peterson (FL)	Volkmer
LaRocco	Peterson (MN)	Waters
Laughlin	Pickett	Waxman
Lehman (CA)	Pickle	Weiss
Lehman (FL)	Poshard	Wheat
Levin (MI)	Price	Whitten
Lewis (GA)	Rahall	Williams
Lipinski	Rangel	Wilson
Lloyd	Reed	Wise
Long	Richardson	Wolpe
Lowey (NY)	Roemer	Wyden
Manton	Rose	Yates
Markey	Rostenkowski	Yatron
Martinez	Rowland	
Matsui	Roybal	

NAYS—166

Allard	Duncan	Hutto
Allen	Edwards (OK)	Hyde
Archer	Emerson	Inhofe
Armey	Ewing	Ireland
Baker	Fawell	Jacobs
Ballenger	Fields	James
Barrett	Fish	Johnson (CT)
Barton	Franks (CT)	Johnson (TX)
Bateman	Gallegly	Kasich
Bentley	Gallo	Klug
Bereuter	Gekas	Kolbe
Billrakis	Gilchrest	Kyl
Bliley	Gillmor	Lagomarsino
Boehlert	Gilman	Leach
Boehner	Gingrich	Lent
Broomfield	Goodling	Lewis (CA)
Bunning	Goss	Lewis (FL)
Burton	Gradison	Lightfoot
Callahan	Grandy	Livingston
Camp	Green	Lowery (CA)
Campbell (CA)	Gunderson	Machtley
Chandler	Hammerschmidt	Marlenee
Clinger	Hancock	Martin
Coble	Hansen	McCandless
Coleman (MO)	Hastert	McCollum
Combest	Hayes (LA)	McDade
Coughlin	Hefley	McGrath
Cox (CA)	Henry	McMillan (NC)
Crane	Herger	Meyers
Cunningham	Hobson	Michel
Dannemeyer	Holloway	Miller (OH)
DeLay	Hopkins	Miller (WA)
Doolittle	Horton	Molinari
Dornan (CA)	Houghton	Moorhead
Dreier	Hunter	Morella

Morrison	Rogers	Stump
Murphy	Rohrabacher	Sundquist
Myers	Ros-Lehtinen	Tauzin
Nichols	Roth	Taylor (NC)
Oxley	Roukema	Thomas (CA)
Packard	Santorum	Thomas (WY)
Paxon	Saxton	Upton
Petri	Schaefer	Vander Jagt
Porter	Schiff	Vucanovich
Pursell	Sensenbrenner	Walker
Quillen	Shaw	Walsh
Ramstad	Shays	Weber
Ravenel	Shuster	Weldon
Ray	Skeen	Wolf
Regula	Smith (NJ)	Wylie
Rhodes	Smith (OR)	Young (AK)
Ridge	Smith (TX)	Young (FL)
Riggs	Snowe	Zeliff
Rinaldo	Solomon	Zimmer
Ritter	Spence	
Roberts	Stearns	

NOT VOTING—21

Andrews (ME)	Gaydos	McMillen (MD)
Andrews (NJ)	Hall (OH)	Nussle
Barnard	Hatcher	Roe
Chapman	Levine (CA)	Schulze
Davis	Luken	Towns
Dickinson	McCrery	Traxler
Ford (TN)	McEwen	Washington

□ 1053

Mr. McGRATH changed his vote from "yea" to "nay."

Ms. KAPTUR and Mr. LANCASTER changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. McMILLEN of Maryland. Mr. Speaker, I was detained on my way to vote on the motion ordering the previous question on House Resolution 543, roll call vote No. 369. Had I been present to vote, I would have voted "yea."

The SPEAKER pro tempore (Mr. DE LA GARZA). The question is on the resolution.

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

Mr. DREIER of California. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 220, nays 196, not voting 18, as follows:

[Roll No. 370]

YEAS—220

Abercrombie	Brewster	DeLauro
Ackerman	Brooks	Dellums
Alexander	Browder	Derrick
Anderson	Brown	Dicks
Andrews (ME)	Bruce	Dingell
Andrews (TX)	Bryant	Dixon
Annunzio	Bustamante	Donnelly
Anthony	Campbell (CO)	Dorgan (ND)
Applegate	Cardin	Downey
Aspin	Carr	Durbin
Atkins	Clay	Dwyer
AuCoin	Clement	Dymally
Bacchus	Coleman (TX)	Early
Bennett	Collins (IL)	Eckart
Berman	Collins (MI)	Edwards (CA)
Bevill	Conyers	Edwards (TX)
Bilbray	Cooper	Engel
Blackwell	Costello	Espy
Boehlert	Cox (IL)	Evans
Bonior	Coyne	Fascell
Borski	Darden	Fazio
Boucher	de la Garza	Feighan
Boxer	DeFazio	Flake
Foglietta	Mazzoli	Roybal
Ford (MI)	McCloskey	Russo
Frank (MA)	McCurdy	Sabo
Frost	McDermott	Sanders
Gejdenson	McHugh	Sangmeister
Gephardt	McMillen (MD)	Sarpalius
Gibbons	McNulty	Savage
Glickman	Mfume	Sawyer
Gonzalez	Miller (CA)	Scheuer
Gordon	Mineta	Schroeder
Guarini	Mink	Schumer
Hamilton	Moakley	Serrano
Hayes (IL)	Mollohan	Sharp
Hefner	Montgomery	Sikorski
Hertel	Moody	Skaggs
Hoagland	Moran	Slattery
Hochbrueckner	Mrazek	Slaughter
Horn	Murtha	Smith (FL)
Hoyer	Nagle	Smith (IA)
Hughes	Natcher	Solarz
Jacobs	Neal (MA)	Spratt
Jefferson	Neal (NC)	Staggers
Jenkins	Nowak	Stark
Johnson (SD)	Oakar	Stokes
Johnston	Oberstar	Studds
Jones (GA)	Obey	Swett
Jones (NC)	Olin	Swift
Jontz	Olver	Synar
Kennedy	Ortiz	Tallon
Kennelly	Owens (NY)	Tanner
Kildee	Owens (UT)	Thornton
Kleczka	Pallone	Torres
Kolter	Panetta	Torricelli
Kopetski	Parker	Traficant
Kostmayer	Pastor	Unsoeld
LaFalce	Payne (NJ)	Vento
Lantos	Pease	Visclosky
LaRocco	Pelosi	Volkmer
Lehman (FL)	Penny	Waters
Levin (MI)	Perkins	Weiss
Levine (CA)	Peterson (MN)	Wheat
Lewis (GA)	Pickett	Whitten
Lipinski	Pickle	Williams
Lloyd	Poshard	Wilson
Long	Price	Wise
Lowey (NY)	Rahall	Wolpe
Manton	Rangel	Wyden
Markey	Reed	Yates
Martinez	Richardson	Yatron
Matsui	Rose	
Mavroules	Rostenkowski	

NAYS—196

Allard	Emerson	Hyde
Allen	English	Inhofe
Archer	Erdreich	Ireland
Armey	Ewing	James
Baker	Fawell	Johnson (CT)
Ballenger	Fields	Johnson (TX)
Barrett	Fish	Kanjorski
Barton	Franks (CT)	Kaptur
Bateman	Gallegly	Kasich
Bellenson	Gallo	Klug
Bentley	Gaydos	Kolbe
Bereuter	Gekas	Kyl
Billirakis	Geren	Lagomarsino
Bliley	Gilchrest	Lancaster
Boehner	Gillmor	Laughlin
Broomfield	Gilman	Leach
Bunning	Gingrich	Lehman (CA)
Burton	Goodling	Lent
Byron	Goss	Lewis (CA)
Callahan	Gradison	Lewis (FL)
Camp	Grandy	Lightfoot
Campbell (CA)	Green	Livingston
Carper	Gunderson	Lowery (CA)
Chandler	Hall (TX)	Machtley
Clinger	Hammerschmidt	Marlenee
Coble	Hancock	Martin
Coleman (MO)	Hansen	McCandless
Combest	Harris	McCollum
Condit	Hastert	McDade
Coughlin	Hayes (LA)	McGrath
Cox (CA)	Hefley	McMillan (NC)
Cramer	Henry	Meyers
Crane	Herger	Michel
Cunningham	Hobson	Miller (OH)
Dannemeyer	Holloway	Miller (WA)
DeLay	Hopkins	Molinari
Dooley	Horton	Moorhead
Doolittle	Houghton	Morella
Dornan (CA)	Hubbard	Morrison
Dreier	Huckaby	Murphy
Duncan	Hunter	Myers
Edwards (OK)	Hutto	Nichols
Nussle	Rohrabacher	Stump
Orton	Ros-Lehtinen	Sundquist
Oxley	Roth	Tauzin
Packard	Roukema	Taylor (MS)
Patterson	Rowland	Taylor (NC)
Paxon	Saxton	Thomas (CA)
Payne (VA)	Schaefer	Thomas (GA)
Peterson (FL)	Schiff	Thomas (WY)
Petri	Sensenbrenner	Upton
Porter	Shaw	Valentine
Pursell	Shays	Vander Jagt
Quillen	Shuster	Vucanovich
Ramstad	Sisisky	Walker
Ravenel	Skeen	Walsh
Ray	Skelton	Weber
Regula	Smith (NJ)	Weldon
Rhodes	Smith (OR)	Wolf
Ridge	Smith (TX)	Wylie
Riggs	Snowe	Young (AK)
Rinaldo	Solomon	Young (FL)
Ritter	Spence	Zeliff
Roberts	Stallings	Zimmer
Roemer	Stearns	
Rogers	Stenholm	

NOT VOTING—18

Andrews (NJ)	Hall (OH)	Santorum
Barnard	Hatcher	Schulze
Chapman	Luken	Towns
Davis	McCrery	Traxler
Dickinson	McEwen	Washington
Ford (TN)	Roe	Waxman

□ 1109

Mr. McDADE changed his 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.

ANNOUNCEMENT REGARDING SUBMISSION OF AMENDMENTS ON H.R. 4323, NEIGHBORHOOD SCHOOLS IMPROVEMENT ACT

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

Mr. MOAKLEY. Mr. Speaker, this is to notify Members of the House of the Rules Committee's plans regarding H.R. 4323, the Neighborhood Schools Improvement Act. The committee is planning to meet on Tuesday, August 11, 1992, to take testimony and grant a rule on the bill.

In order to assure timely consideration on the bill on the floor, the Rules Committee is considering a rule that may limit the offering of amendments.

Any Member who is contemplating an amendment to H.R. 4323 should submit, to the Rules Committee in H-312 in the Capitol, 55 copies of the amendment and a brief explanation of the amendment no later than 3 p.m. on Monday, August 10, 1992.

We appreciate the cooperation of all Members in this effort to be fair and orderly in granting a rule for H.R. 4323.

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3603, the Family Preservation Act of 1992.

The SPEAKER pro tempore (Mr. DE LA GARZA). Is there objection to the request of the gentleman from Illinois?

There was no objection.

FAMILY PRESERVATION ACT OF 1992

The SPEAKER pro tempore. Pursuant to House Resolution 543 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3603.

□ 1111

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3603) to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs is present, and to improve the quality and delivery of child welfare, foster care, and adoption services, with Mr. STUDDS in the chair.

The clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 30 minutes, the gentleman from Texas [Mr. ARCHER] will be recognized for 30 minutes, and the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 15 minutes, and the gentleman from Missouri [Mr. COLEMAN] will be recognized for 15 minutes.

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

Mr. ROSTENKOWSKI. Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, our Nation's child welfare system is in a state of crisis. The system is charged with protecting and caring for children who are abused, neglected, and dependent, yet the system is overloaded.

Children are literally flooding the system in many parts of the country. Reports of child abuse and neglect have tripled in the last decade—to 2.7 million cases annually—and the number of children in foster care has increased by 50 percent in just 5 years. At the end of 1990, there were an estimated 407,000 children in foster care, and that number has surely increased by now.

While these numbers are staggering, the stories behind the numbers are far more personal and far more disturbing. Children in the system today face greater problems than children seen by caseworkers just 5 or 10 years ago. Substance abuse, particularly since the introduction of crack cocaine, has threatened the lives and futures of countless numbers of children, many of whom already are struggling with poverty, family dysfunction, mental illness, social isolation, and dangerous communities. In Chicago, for example, referrals of drug-exposed infants to the child welfare system increased by over 1,700 percent between 1986 and 1989.

Children are entering the child welfare system at younger ages than in earlier years. Without help, both for them and their families, many of these children are at risk of spending significant portions of their lives in the child welfare and foster care system. However, this desperate need for services simply cannot be met with the current level of staff and resources in many communities. This structure and funding levels of Federal child welfare programs have actually exacerbated the problem, by supporting and encouraging foster care over other child welfare services, particularly those designed to strengthen and preserve families and reduce the need for foster care. Under current law, the Federal Government provides open-ended entitlement funding to States for foster care placements, but only limited funds for social services to strengthen and preserve families.

H.R. 3603, the Family Preservation Act of 1992, would expand resources available to State and local child welfare agencies for the purpose of supporting and preserving vulnerable families, with particular emphasis on families affected by substance abuse. The bill would create a permanent capped entitlement under title IV–B of the Social Security Act, in addition to the existing title IV–B authorization of $325 million annually. Entitlement ceilings would increase from $200 million in fiscal year 1993 to $600 million in fiscal year 1997. The bill would provide flexibility to States in designing their child welfare programs, recognizing the innovative approaches already underway in many States. The bill would maintain—and financially support—the goal of Federal policy that families should be preserved whenever possible, and that when reunification is not feasible, children should be protected and placed in permanent situations expeditiously.

H.R. 3603 would also make numerous improvements in the existing foster care and adoption assistance programs. These include expanded eligibility for foster care and adoption assistance under title IV–E to abandoned children and children living outside the home before entering foster care, payment for respite care for foster parents of special-needs children, increased State accountability for out-of-State foster care, and establishment of a new system for the Federal review of State child welfare programs. The bill would also create a permanent Advisory Commission on Children and Families to collect and assess information on the economic, social, and physical well-being of children, and the effectiveness of social services and income security for children and families.

H.R. 3603 also includes several changes in the Food Stamp Program which will primarily assist families with children. The bill encourages the payment and collection of child support and allows families with extremely high housing costs to deduct more of these costs, thus increasing food stamp benefits.

The Congressional Budget Office has estimated the 5-year cost of the Family Preservation Act and the childhood hunger provisions to be $3.5 billion each for a total of $7 billion. The bill is fully funded by a surtax on individuals with taxable incomes above $1 million which raises $8.2 billion over a 5-year period. Thus, the bill meets the requirements of the Budget Enforcement Act of 1990 each and every year. The tax affects 60,000 tax returns, or less than one-tenth of 1 percent of all returns.

Mr. Chairman, this is a major bill affecting the lives of children who are at risk of being abused, neglected, and hungry. In the interest of millions of this country's children, I urge my colleagues to support this very important bill.

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

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

Mr. Chairman, we are used to the majority using House rules to control legislation. Here we go again.

Today we have a situation in which Republicans and Democrats have worked together on a bipartisan alternative aproach to an important public issue for more than 2 years. We put forward a proposal that spends no money above the amount already in the baseline.

Our bipartisan alternative simplifies administration and reduces bureaucracy—and yet promises real reform. The contrast between our approach and the majority bill could not be more clearly defined.

But under the rule the House will not be allowed to make that clear choice.

We have to offer our approach in the motion to recommit—instead of getting a fair debate and vote as an amendment in the nature of a substitute.

For 3 years, the Ways and Means Committee has been considering reform of the Nation's foster care and adoption programs. From the beginning, there has been a strong partisan cast to its consideration.

The central focus of the debate is this: Should we accept the current structure of Federal spending on child welfare, raise taxes, and simply spend more money—or should we change the structure and use the money we already spend in a more efficient way?

We believe that the latter approach is far preferable—and has the greatest chance of accomplishing the basis purpose of the legislation. Here is why:

The current structure of child welfare programs consists of six open-

ended entitlements to pay for: Child maintenance in foster care or adoptive homes; administration of out-of-home placements; and training of child welfare caseworkers, parents, or administrators.

In addition, we have one appropriated grant program to pay for services to help families that neglect or abuse their children.

Reflect for a moment on this structure: Open-ended entitlement money for children removed from their homes; appropriated, restricted money for troubled families to keep their children.

The message to States from the Federal Government is clear: If you remove children from their homes, we'll give you lots of money; if you leave them with their parents and try to help the family unit, we'll provide you with very limited funds.

The majority's solution to this problem is typical: Tax and spend; create a new entitlement to provide services to families. Now instead of six entitlements, we'll have seven.

But there is a much better, more economical, even more radical solution.

There is a better way to use the money we already have—and a courageous, thoughtful group of Republicans and Democrats have found that way—the Johnson-Weldon amendment.

But the majority leadership, evidently fearing that Members might choose to be responsible—do not want to take the chance that their politically motivated tax-and-spend plan will lose out to reason.

That is why they are limiting us to the procedural vote on the motion to recommit—which limits debate to 5 minutes.

According to the Congressional Budget Office, over the next 5 years—under current law—Federal spending on child welfare will rise from a little over $2 billion in 1992 to more than $4.5 billion in 1997. Total Federal spending on child welfare during that 5-year period will be more than $18 billion, $6 billion in new money over the 1992 baseline.

The majority's bill will add an additional $3.5 billion to that child welfare total through a new entitlement program—and another $3.5 billion in new entitlement spending on food stamps—a total of $7 billion more. They cleverly package this new spending with a new tax on those of high incomes—so they can debate the issue on the basis of making a choice between wealthy taxpayers and aid to children and the hungry.

Listen carefully to the dabate. Tax and spend is alive and well as the credo of the majority in this Congress. The only thing standing in the way of that rhetoric becoming a steady drumbeat of tax and spend initiatives is a President in the White House who has the courage to say "no."

I know he will do so again if this blatant political ploy reaches his desk.

The majority will criticize him for not taxing enough—for not spending enough.

They will cry out for a President who will help them tax and spend to their hearts' desire. Maybe that President is somewhere on a bus in Iowa today. He's sure not in the White House.

And that is what today's debate is really all about. The choices for the American people are becoming clearer every day.

Today the House of Representatives gets to make a choice.

You can vote "yes" on H.R. 3603—and raise the flag to tax and spend us further into deficit. Or you can reject tax and spend and support the motion to recommit—so we can insist on spending precious tax dollars more effectively and efficiently.

□ 1120

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

Mr. PANETTA. Mr. Chairman, I yield myself 6 minutes.

Mr. Chairman, I rise to speak on behalf of the portion of the bill called the Mickey Leland Childhood Hunger Relief Act.

There is obviously a large debate that is going on in this country, and it should be with regard to family values. And everyone has their own interpretation of what family values are. But surely the most fundamental value that has to be present in every family is the protection of our children, providing for their security, providing for their safety and ensuring that they are fed. My parents wanted that for their children. Surely we must want it for our children.

The tragedy, the great tragedy, and the great shame of our society today is the way we do treat our children. In this country 5 million children experience hunger, 12 million are hungry or at risk of hunger in the United States of America, 2.7 million are neglected and abused, and 50 percent of those on food stamps are children in the United States of America. So it is a national shame. We have a forgotten generation in our society, and that is our children. And there is no excuse for that, and there is no justification for that.

We must respond to that as we respond to every other crisis in our society. When there is a disaster, a natural disaster, we respond. When there is an urban crisis, we respond. When there is a crisis in the Soviet Union, in Russia, we try to respond. Surely we can respond to the crisis of children in our own society.

That is the purpose of this children's initiative, and it is the purpose of the Mickey Leland Childhood Hunger Relief Act. That bill, and the elements of that bill are not controversial. We have worked on a bipartisan basis with regard to the elements of that legislation. It passed this House 336 to 83. We have 109 cosponsors. I pay tribute to my Republican colleague, the gentleman from Missouri [Mr. EMERSON], who has worked on this legislation, and believes in it and supports it, but unfortunately does not agree with the way to pay for it. But the elements we agree to.

The elements are key reforms. Let me mention them. A shelter deduction. Right now if you are a family and your shelter costs are going up, you are penalized in terms of your nutrition benefits. That is wrong. We allow a full deduction for shelter costs to the elderly and the disabled. We want to provide the same deduction with regard to families with children.

Second, child support. Right now when somebody gets their child support we penalize them on reduced benefits for food. That is wrong. And so what this does is it allows the first $50 not to be counted as income, and that is similar to what we provide under AFDC.

Third, we want to keep households together, not apart. And what we provide here is that families can live together and still receive their benefits.

Last, the temporary emergency feeding program, something that now provides emergency feeding services throughout this country, we provide additional funds for that program. And everyone understands how vital that program is to our country.

This bill was reported unanimously by the Agriculture Committee, and it was sent to the Rules Committee waiting for the need to pay for it under the pay-as-you-go requirements of the budget agreement. And thanks to the Ways and Means Committee, as they considered the Family Preservation Act, they found a way to pay for it. Now some may not like the way to pay for it, but the reality is it is paid for each year. This is probably the best paid for bill that I have seen in this session of Congress with regards to the benefits and what is provided to pay for it.

What I hear here is we do not like this way to pay for it.

□ 1130

We want some other way to pay for it, and there is no way to pay for it. That is not an alternative.

Let us hear the alternatives. If you want to provide legislation, let us hear how you want to pay for it, but I hear no alternatives.

I would plead with my colleagues, if Mickey Leland were alive today, he would make the same plea to all of my colleagues: "Please, do not abandon our children."

If you voted to reform the earned-income test for the elderly and add $7 billion to the deficit, do not abandon the children; if you voted or are a cosponsor in reforming the notch at a $22 billion cost, please, do not abandon the

children: if you voted for the space station at an ultimate cost of $30 billion, do not abandon the children: if you are going to vote for Soviet aid today, do not abandon the children.

Please, we have a commitment here and a need to deal with what is a fundamental crisis in our society. Vote for this bill and allow us to restore the most fundamental value that we ought to be restoring to the family, the protection of our children, and restoring at the same time the American dream that perhaps we can give our children a better life in the future.

Mr. Chairman, it was my honor and privilege to address the U.S. House of Representatives in the last Congress concerning the merits of the Mickey Leland legislation, and to ensure its inclusion in the nutrition title of the 1990 farm bill. As most of you know, this legislation dealt with reforming the Food Stamp Program, and helping families and hungry children. It was no surprise to me then, and no surprise to me now, that the support for the Leland provisions was affirmed by such a resounding floor vote by my fellow colleagues of 336–83, with more Republicans voting for this legislation than against it. This bill enjoyed broad bipartisan support then, but due to budget constraints could not be enacted, and now enjoys bipartisan support in this Congress with over 100 cosponsors. Ending childhood hunger was, is, and remains a primary issue to be resolved in this society. I cannot think of a more profamily issue than that of protecting and nurturing our children, our future.

Two years have passed since that vote was taken, and the situation for all of our children has further deteriorated. About 5 million American children under the age of 12 go hungry each month and 7 million more are at-risk of hunger, according to estimates based on the results of the most comprehensive study ever done on childhood hunger in the United States—the community childhood hunger identification project [CCHIP]. The results of this study, conducted by the Food Research and Action Center [FRAC], were applied to the best national data and FRAC estimates that approximately 12 percent of all families with children under 12 are hungry. In such a bountiful country as the United States, a country known as the bread basket, it is unacceptable to imagine such distressing numbers of hungry children among our families.

But we need to take a step back to get a much clearer perspective to understand that this situation has truly taken a turn for the worse, not just over the past 2 years, but over the past decade. Since 1983, the U.S. Conference of Mayors has documented an annual increase in the demand for emergency food in major cities across the Nation. In 1991, requests for emergency food increased in the survey cities by an average of 26 percent, up substantially from increases of 19 to 22 percent each year between 1988 and 1990. Two out of three persons requesting emergency food assistance were members of families with children.

Hunger is a condition of poverty. According to findings the Children's Defense Fund released just last month, child poverty went up in 33 States between 1979 and 1989, and the number of poor American children grew by 1.1 million, to a total of 11.2 million between 1980 and 1990. This meant that during a period of what most consider a time of increased economic prosperity, the child poverty rate increased by more than 11 percent. Of course, this was also during a decade that saw serious misguided priorities from the administration, manifested in efforts to slash the budgets of those programs that most help children. The time is long overdue to change these trends.

So what are the consequences? Hungry children suffer from two to three times as many individual health problems, such as weight loss, fatigue, headaches, inability to concentrate, and frequent colds. As a result, hunger has a negative impact on children's ability to learn. How can children possibly focus on school if they are distracted by the hunger they feel gnawing at their stomachs?

The public is very concerned about hunger. A national public opinion poll released in April 1992 reveals that over 90 percent of registered voters believe that hunger in the United States is a serious and growing problem. Hunger ranks with education, health care policy and poverty and homelessness as a serious issue, trailing concerns about unemployment, drugs, the deficit, AIDS and the economy. However, the issue of hunger is seen as solvable. When people were asked if they are willing to pay $100 more in taxes if the additional taxes will be used to assist in ending hunger, willingness to pay the additional taxes has risen to two-thirds of the public. If the public is concerned about the problem and has indicated a willingness to pay higher taxes to address it, then what is the Congress doing about it?

The fact is that many Members of Congress are concerned and want to take action. As all of you know, this is an issue in which I personally have long been involved. I have joined together with my colleague from New York, Mr. TOM DOWNEY, in combining our two respective pieces of legislation, the Family Preservation Act, and the Mickey Leland Childhood Hunger Relief Act, to address child welfare and childhood hunger issues together in a bill known as the children's initiative.

Mr. DOWNEY's legislation will include the following provisions:

Provide $3.5 billion over 5 years in new money to keep families together and prevent foster care. These monies would prevent many children from having to be taken by the courts from their homes and placed into expensive foster care;

Extend foster care and adoption assistance to abandoned children and children living outside the home before entering foster care;

Pay for respite care for foster families of children with physical and emotional disabilities;

Establish a new, integrated system for the Federal review of State child welfare programs; and,

A permanent Advisory Commission on Children and Families would be created to collect and assess information on the economic, social and physical well-being of children, and the efficacy of social services and income security programs for children and families.

The child welfare system is charged with the responsibility of protecting and caring for abused, neglected and delinquent children. However, the system is overburdened and underfunded. The Family Preservation Act will provide the necessary services to help abused and neglected children and keep at-risk families together whenever possible.

The Mickey Leland Childhood Hunger Relief Act is legislation I introduced and which was reported out of the House Agriculture Committee unanimously by voice vote last year. The Leland bill would do the following:

It would help families with children at the brink of homelessness. It would allow families with children to deduct high shelter costs in the same way that elderly and disabled households do at present. Under current law, families with children may deduct shelter expenses that exceed 50 percent of their incomes, but only up to a cap of $194 a month. The cap has the effect of forcing families with children to choose between heating and eating. HUD and Census Bureau data show that 45% of all poor renters spend at least 70% of their incomes on shelter costs.

For example, a family with two parents and three children has $1,000 per month in earned income, and shelter expenses—rent and utilities—of $700, would receive about $294 in food stamps per month under current rules. With the children's initiative reform removing the cap, that family would receive an extra $50 per month to feed their children.

It would also allow relatives to be separate food stamp households if they buy and cook food separately—except that minor children could not be separate from their parents. Current law forced most people to apply together with their parents, adult children, and siblings even if they do not share resources. These rules do not only deny food to needy people but also may break up families and force people into shelters by threatening to cut off the food stamps of people doubling up with relatives.

For example, a 19-year-old student working to put herself through college moves back in with her ailing mother so that she can afford to stay in school. Her income is used only to pay for her own food and her school expenses. Under current rules, because her income is counted as available for food for her mother, her mother's food stamps are terminated. The children's initiative would allow the mother to continue receiving food stamps, provided that she and her daughter purchase and prepare their food separately.

The Leland bill would encourage the payment and collection of child support. It would prevent the first $50 a month paid as child support from being counted as income in determining food stamp benefits. This will give custodial parents an incentive to seek out absent parents and absent parents an incentive to pay child support.

The children's initiative would allow families receiving child support to receive an additional $15 in food stamps because the first $50 of child support is disregarded as income. With the average food stamp benefit of $.75 per person per meal, this would mean an extra 20 meals for hungry families with children.

It would exclude from low-income households' income any legally obligated child support payments household members make to people outside of their household. This would

encourage low-income absent parents to make support payments and ensure that their ability to feed their current families is not unduly burdened by their performance of their child support obligations.

For example, an absent parent pays $200 per month in child support for his children from his previous marriage. Even though this money is not available for food for his new family, he receives the same amount of food stamps as if he refused to pay child support. The children's initiative would allow his new family to receive an additional $60 in food stamps.

Also, the bill will increase USDA commodity purchases in fiscal year 1993 for the Emergency Food Assistance Program, which helps food banks and emergency food providers meet the needs of millions of people.

Both original versions of these two bills have been significantly pared-down in terms of costs. The Family Preservation Act was scaled back from approximately $7 billion to $3.5 billion, and the Mickey Leland Childhood Hunger Relief Act, originally at $5.3 billion has been reduced to a cost of $3.5 billion over 5 years. The Mickey Leland bill initially included several provisions such as improving the food stamp benefit and reimbursement of employment and training expenses which had to be eliminated entirely in order to meet the new target cost of $3.5 billion. It is important to note that over 90 percent of the Leland bill's provisions are targeted on families with children.

The financing mechanism in the children's initiative, a 10 percent surtax on millionaires, raises $8.2 billion over 5 years, of which a total of $7 billion will be provided to pay for both family preservation and Mickey Leland over 5 years. Since the cost of the combined bills is only $7 billion, $1.2 billion will be applied specifically for budget deficit reduction. The surtax will affect only a small percentage of the population, only 6 out of every 10,000 taxpayers. The majority of wealthy households, along with all middle- and low-income households, would be untouched. The bill fully meets the pay-as-you-go requirements of the 1990 budget agreement in each and every year according to CBO.

These are real reforms, not just lip service in an election year about trying to help families and children. The proposals are solid investments in our American families. Preparing our children to be ready to learn for school will most certainly pay off in the future. A committee of Governors at the recent 84th annual National Governors' Association meeting urged support for programs that assure that children arrive at school in good health and properly fed. This is a way of investing to avoid a larger cost in the future. One of the governors' reports indicates that children who have the benefit of early education and are prepared to learn, are more likely to graduate from high school, go to college and have a job—and they are less likely to end up on walfare or lead a life of crime.

We own it to our children to make sure that they can develop to their fullest capabilities and potential, mentally and physically. No other substitute will do, especially the one that reflects the administration's position on child welfare discussed by Representative NANCY JOHNSON. I want to point out, and want all of my colleagues to keep in mind, that this so-called substitute does not include any provisions for addressing childhood hunger issues. Instead, it would completely eliminate inclusion of any such food stamp reform initiatives such as the Mickey Leland bill. This should clearly reflect the administration's total lack of commitment to the disregard of the most vulnerable in our country, our children.

The children's initiative will accomplish these goals. This is legislation that is necessary, practical, profamily and paid for. It will support and strengthen families, prevent child abuse and childhood hunger. I urge your support for this measure designed to take action right now. Support helping families and hungry children, vote in support of the Downey-Panetta children's initiative.

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

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding me this time and for his leadership, to my friend, the gentleman from New York [Mr. DOWNEY], for his great leadership, the gentleman from California [Mr. PANETTA], and others who worked so hard to bring this before us.

I am proud today to have this chance to speak on this bill. I have to say to my Republican friends who are raging against this bill and raging against the tax and spend, I never heard you rage against tax and spend when you voted for star wars; I never heard you rage against tax and spend when you voted for weapons systems that did not work; I never heard you rage against tax and spend on any of the things you think are important, and I never accused you of taxing and spending if you voted for things that are important. So I do not think you should bring that topic here today.

Yes; we are proposing a pay-as-you-go plan to help the most vulnerable among us, the children. How great is a country that does not care about it children? Not great.

How many of us, Mr. Chairman, in this Chamber, Republicans and Democrats, have said that our children are our future? I think all of us have said that, and we were wise to say that.

I think today we can show that we mean that out children are our future.

We have a crisis on our hands in America. The facts were read by the chairman of the committee. Between 1980 and 1991, child abuse and neglect cases tripled, tripled, in 11 years.

I have to say to my colleagues that if you vote for this bill you are helping the most vulnerable among us.

There is a difference between spending wasting and investing. I want to give you one number, and I really want to address this to the fiscal conservatives in this body. One year's worth of high-school dropouts costs our Nation $240 billion over their lifetime. Today's deficits are caused by the dropouts of yesterday.

In conclusion, vote for this bill. It is the right thing to do. It is the wise thing to do. It is even the fiscally conservative thing to do.

Mr. ARCHER. Mr. Chairman, I yield 5 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON], a member of the Committee on Ways and Means, who has been so energetic, so persevering, so creative in her efforts to work for children of this country and to do it in a productive and efficient way.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I would like to make two clarifying comments. First, what we are talking about today here is not welfare services. What we are talking about today is $3.5 billion for the foster care/adoption system which is a small part, though a very important part and a part that needs new money, of the larger category of welfare services. So Members should not be confused that somehow this $3.5 billion is going generally to poor families, needy families in America. This is going to families in crisis, on the verge of losing their children regardless of income, and that is as it should be.

Second, to address very clearly, and I think fairly, the issue of whether the alternative that you will be voting for if you vote for the motion to recommit, is real and thought out, may I remind members that it has been circulating or introduced more than a year. It has been in its current form for 2 months and broadly reviewed. We have talked with the administrators of every State about it, Governors have reviewed it, and it was offered in subcommittee in its complete form. In full committee it was offered in the parts that we thought had not been added into the full committee bill. As we never got the text of the full committee bill before it was voted on in committee, we could not be quite sure what was in it and what was not. But we tried to add in the pieces that had not been subsumed into the committee bill.

Now, to put the substitute proposal in context, let me just quote from the new Democratic platform. Bill Clinton says:

> We call for a revolution in government to take power away from entrenched bureaucracies and narrow interests in Washington and put it back in the hands of ordinary people. We vow to make government more decentralized, more flexible, and more accountable.

Mr. Chairman, my colleagues, that is what this does. If you are a Republican and the foregoing quote reflects your principles, or whether you are a Democrat and agree with your platform, vote to recommit, because that is exactly what the bipartisan coalition alternative proposes.

Let me tell you how. Because my chairman challenged us during the rule debate to get substantive, let us get substantive. In the motion to recommit, you will have a chance to vote to

reform this program in exactly the way that every business in America has reformed themselves, to produce better quality services at lower dollar cost. We save millions of administrative dollars through the alternative and all those dollars can be used, then, to fund front line family preservation services.

For example, in one category of the bill there is money for administration—money for training. There has been a 4,000-percent increase in funding in this category. Part of that money is going to fund States in an incredible paperwork battle with the Federal Government over what is administrative cost.

I am not going to go into the arcane nature of this debate, but it is in brief, a question of whether case management is an administrative or service cost. The problem is that this controversy is like a magnet soaking real dollars out of the system into the bureaucrat caverns of State and Federal Government, drawing the social workers' time, away from providing of children's needs and addressing families' needs.

When we talk to State administrator after State administrator, they would absolutely love to be free of having to document what is administrative and what is not administrative. If we would free them, they could save millions of man-hours and so millions of dollars. My bill creates a capped entitlement, gives them complete flexibility over this money, relieves them of documenting administrative services to the Federal Government and lets them spend precious resources on family preservation services.

In another area, that of 427 reviews, we reduce paperwork by suspending the current inefficient but burdensome system temporarily while we let a commission of experts and State administrators develop a national data system that will enforce the 427 reviews and provide the national data we so badly need for better service to the foster care system. The third area of paperwork reduction is the section that eliminates the requirement that the State make the AFDC eligibility determination for families that only need preservation services. When we are trying to move this bureaucracy from a placement bureaucracy, from a breaking families-up bureaucracy, to a keeping families together bureaucracy, to a bureaucracy that develops better services for strengthening families, for preserving families, it is even more important that we relieve the States of determining AFDC eligibility for every one of the families that needs family strengthening services.

So not only now is this going to save money but in the future it will save even more significant man-hours and dollars; so it is imperative that we reform the program, not just put new money into it.

The alternative that you will have a chance to support through the motion to recommit will radically reduce administrative costs through exactly the kinds of bureaucratic reforms I've described, and make those dollars go to kids and create those services that will strengthen families. Second, and as important, the alternative offers $1.5 billion of new money. And third, the alternative is a bill that the President will sign so that kids will be helped, not hurt by our inability to act straightforwardly and realistically.

□ 1140

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MILLER].

Mr. MILLER of California. Mr. Chairman, I rise in strong support of H.R. 5600, the Downey-Panetta children's initiative. This legislation is an investment in our Nation's children and their families, millions of whom are in severe crisis, due to these hard economic times. Because it also reduces the deficit, it is responsible fiscal policy.

The children's initiative is profamily and prochild legislation which deserves the support of every Member of the House. I commend my colleagues, Mr. DOWNEY and Mr. PANETTA, and their staffs, for their leadership and their hard work on this legislation.

Politicians are often justifiably accused of paying only lipservice to children and families. A vote for H.R. 5600 is an opportunity to show our Nation's families that we have been listening to their concerns and their problems, and that we are going to do something about them now.

The Select Committee on Children, Youth, and Families, which I formerly chaired, has well-documented the neglect of America's families over the past decade. The problems families face today are far more complex than they were in 1980, when we passed Public Law 96-272, the Adoption Assistance and Child Welfare Act of 1980, which I authored and which the Family Preservation Act amends.

Today, 1 out of every 5 children lives in poverty. Millions of children here in the United States go to sleep each night hungry and without a safe place to live. Hundreds of thousands of families across America are confronting unemployment, homelessness, poverty, substance abuse, and crime. Too often, these problems lead to child abuse and neglect, and to hunger.

For the past decade, these problems compounded by Government's indifference, have overwhelmed our child welfare agencies, crippling their ability to adequately respond to the families and children in crisis. Across the country, agencies, lacking the necessary financial resources, have had too few services to provide to troubled families.

H.R. 5600 will strengthen and support not only the families and children in need of these services but also the workers and agencies serving them. It will strengthen the Federal Foster Care and Adoption Assistance Programs, and provide supportive and preventive preplacement services for children and their families, including those with substance abuse problems.

This emphasis on substance abuse is of particular importance to my own State of California, where 80 percent of California's child welfare cases involve substance abuse, including many drug-exposed babies.

Family problems are better addressed by a system that provides a continuum of integrated services. Preventive, preplacement services are not only successful at keeping families together, when that is possible, but save us money, too.

The Downey Family Preservation Act modernizes Public Law 96-272. It matches Government's response to contemporary needs.

For too long, we have provided services to children based upon labeling. As a result, we now have welfare children, juvenile justice children, school system children, and mental health children, we may all be the same children with multiple service needs. Many of these children have fallen through the cracks and have failed to receive appropriate services or, because they have the wrong label, have received inappropriate services.

The Family Preservation Act includes a State option for coordinated service development which I authored. This will provide a single point of entry service system for families and children in need of services.

If a family is in crisis, we want to provide all necessary services to prevent its members from entering the child welfare, or juvenile justice, or mental health system. Should that family enter a system, we want to ensure that its service needs are fully met. Providing coordinated services is not only the most efficient way to provide services, it is also cost effective. A single point of entry system will provide families and children seeking assistance with a coordinated continuum of services to address their needs. Under my proposal, States will have the flexibility to blend Federal funding streams with State and local dollars to develop this continuum.

Another longstanding national problem and concern of mine which the Family Preservation Act addresses is the interstate placement of children. It is common practice for foster care children, juvenile delinquents, status offenders, and youth in need of mental health and special education services to be placed in programs in States other than their own due to the unavailability of specialized programs and services within their own States.

Many programs are very costly and would not meet the placing State's li-

censing and regulatory requirements. Moreover, the monitoring of these placements by the responsible placing agency and State is often negligible. The ease of making placements in other jurisdictions may reduce the need of States to develop appropriate services for their own residents.

The existence of a special program or special service may justify the occasional placement of a youth in a State other than his own. But too often, we learn of these placements only when a child has been severely injured or has died, and the followup investigation finds that the placement was inappropriate or not monitored by the placing State.

Little data is available on the numbers of children sent to out-of-State placements, the financing of these placements, or the types of placements used. The National Mental Health Association's invisible children project and other studies have concluded that:

Most of these out-of-State placements involve non-hardcore children who could best be served in community-based programs;

Most of these placements are child welfare/mental health cases, followed by juvenile justice, and special education placements;

The major Federal funding streams in order of most use are: Medicaid; Public Law 96-272, the Adoption Assistance and Child Welfare Act of 1980; and Public Law 94-142, formerly known as the Education For All Handicapped Children Act, and renamed the Individuals With Disabilities Act [IDEA];

It is estimated that out-of-State placements—because they are so expensive, some run between $129,000 to $160,000 per year—account for a disproportionate share of child welfare budgets.

In over half of the States, these placements are made by social workers with no judicial oversight of the placements. In these States, courts commit children to the custody of the agency; the agency then determines the most appropriate placement. In other States, such placements are either court-ordered, or approved by a review committee.

Let me use my own State of California to give you an example of how common such placements are, and how little monitoring is actually done by either the Department of Health and Human Services and the States themselves.

In 1986, at my request, the General Accounting Office conducted an inquiry into California's use of title IV-E Federal foster care moneys for the placement of children at the Rite of Passage Program in Nevada.

During the course of its subsequent investigation, the Department of Health and Human Services [DHHS] region IX determined that this facility was a wilderness camp situated on an Indian reservation that failed to meet California licensing standards. A report of the local fire officials found very serious safety problems. Yet because of its location on Indian lands, Rite of Passage directors were able to evade minimum licensing, staffing, and health and safety standards. Because it met the definition of a "detention" facility, it was therefore ineligible for Federal funds. DHHS disallowed the State of California almost one-half million dollars as a penalty. In other words, foster children were being inappropriately placed in a program designed for delinquent youth, and the Federal Government was paying the bill.

In 1990, while the GAO was pursuing yet another investigation at my request involving California youth in out-of-State placements, it determined that the State of California has continued to use title IV-E foster care moneys to pay for the placement of children at Rite of Passage, which is $3,037 per month per child, and another ineligible facility, Visionquest, which charges between $2,707 to $3,099 per month per child. Because these are for-profit facilities, by law, Federal foster care moneys cannot be used to pay for placements. In its September 6, 1990 letter to DHHS, the GAO states:

Based on a limited review of claims in other months, we believe this problem may be systemic and more widespread * * * State controls to ensure out-of-State facilities are eligible to receive Federal funds do not appear to be adequate.

It is important to note that it was 1986 when DHHS notified California that Rite of Passage was ineligible to receive Federal funds, and California received a disallowance by DHHS for its improper claim for title IV-E moneys. Yet 4 years later, in 1990, California continued to submit improper claims for Rite of Passage, and DHHS continued to pay those claims, as well as for Visionquest, despite promises of greater diligence in auditing such payments. Once again, were it not for the GAO's investigation, these inappropriate payments would not have been detected by DHHS.

The improper payment of Federal foster care funds to California for Rite of Passage and Visionquest are not isolated incidents, limited only to these two programs and the State of California. This ongoing problem requires congressional action to correct DHHS' ineffective oversight procedures.

The placement accountability section, which requires States to monitor and to keep data on these out-of-State placements and provides procedural protections for youth sent to such placements, will assist us in making better policy determinations about such placements. Several years of effort and independent reports have established that this section is a critical component of this legislation.

There is strong bipartisan support for the Leland childhood hunger bill, which has passed the House both in 1991 and in 1992. There are too many hungry children who cannot wait much longer. The national community childhood hunger identification project, released in 1991, found that an estimated 5 million children in the United States under age 12 are hungry during the year. That is unconscionable and unacceptable. Over 90 percent of the Leland bill's provisions are targeted on families with children.

H.R. 5600 targets our most vulnerable children and families. I urge my colleagues to enthusiastically support H.R. 5600. The enormous cost of childhood hunger, child abuse and neglect, alcohol and substance abuse, and family disintegration outweigh the costs of this legislation.

Mr. ARCHER. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa [Mr. GRANDY], a member of the committee.

Mr. GRANDY. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, let me begin by reiterating a quote the gentlewoman from Connecticut made that is torn from the New Covenant of the Democratic Platform:

We vow to make government more decentralized, more flexible and more accountable.

Good concept, except the Devil is in the details on this bill. What we are about to do today is enact a completely new way to spend money. Forget about the amounts for a minute. Here is how this new provision works. We start with an open-ended entitlement, of which we have six in child welfare right now. Every year as part of the budget process the CBO will estimate how much money will be spent on these entitlements, and then this is what we do.

First, if the States spend the amount of money estimated in the base line, they will get all the money. That is not new. If they spend more money, we will give them that, too; but if the States spend less than the amount that is estimated in the base line, we will now give them 60 percent of that amount, too. You cannot lose. Unless, of course, you are a taxpayer, and that is why we need the new tax to pay for an overestimation of revenues which last year's base line estimated at about $1.5 billion, so roughly a billion dollars would have flown to poor administration if Mr. DOWNEY's formula had been enacted last year.

Mr. Chairman, there is $18 billion committed to this system over the next 5 years. That is without the Downey legislation.

We are proposing to give the States that money, give them more control over it, and those are real resources with flexibility; but unfortunately, right now we have a bill before us that

will require separate reviews and audits for each of the different entitlement programs, require burdensome cost allocation plans and procedures for receiving Federal funds.

Mr. Chairman, let me say finally, States are not waiting for the Federal Government to give them more flexibility. They are doing it themselves. In Michigan, the Family First Program has streamlined their flexibility, and the net result is this. Over 80 percent of the 2,400 families who have participated in this streamlined flexible program, foster care placements have fallen 10 percent in the counties where this program operates and they have increased 28 percent where the program has not been tried.

All we are saying is that it is not a question of resources versus reform. You can have both, but you must defeat the Downey taxing mechanism.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 4 minutes to the gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Chairman, the President wants to engage this Nation in a discussion about family values, and today we are talking about family values, the most important of which is to keep families together and to make sure that poor children are fed and are comforted in their time of need.

Can any of us say that America's children do not need help? That has not been said here. No one has suggested for a second that there is not a crisis. No one has suggested here for a moment that more resources are not needed.

The Republicans say they can provide less money and more resources, a neat trick. We will talk more about that later.

But the reality is, there has been an explosion in out-of-wedlock births, in the use of cocaine and crack, in homelessness and AIDS, that requires us to vote more resources to this problem.

In 1960, there were 64 million children under the age of 18; 64 million, keep that in mind.

In 1990, there were 64 million children under the age of 18, same number, different children.

In 1960, there were 243,000 children living with a mother who had never been married, in 1960.

Do you know what the number is in 1990? It is nearly 5 million, a 20-fold increase.

In 1980, we had 900,000 reports of neglect and abuse.

What was the number in 1991? It was 2.7 million, up three times.

Now, we simply cannot turn our backs on a generation of American children. We must admit to ourselves that these are our children, that every single one of them is important, that every single one of them who needs our help should get it. That is what this bill does.

Now, lamentably, we cannot produce happy homes for all our kids, but what we can do is take those things that the States have learned over the years, homebuilders, family preservation services, and give the States more money so that they can help more children.

The special cruelty of the Republican substitute is that it says that simply providing the flexibility produces more resources and solves the problem. That is nonsense. The States today are overwhelmed just dealing with the cases of neglect and abuse. Many family court systems today spend less than 60 seconds in child and family court to determine the outcome for a child.

To say that no more money is necessary to help these children is to look reality in the face and not understand what is happening.

Our proposal is modest, $3.5 billion. Next Monday the Senate will vote on a bill that provides $2.1 billion for family preservation and between our two proposals we can have a compromise.

The Senate has proposed over the years and supported the Leland Hunger Act. We will do so today.

Mr. Chairman, I urge my colleagues, those of you who are worried about voting for new taxes, who are somehow attracted to the Republican siren song that more is less, that when you look at this problem and understand that there are children crying out for our help that it is within our capacity to help them. We can do something about it. We can make sure that their children are not robbed of their childhoods.

Can there be anyone here who would not want to take the risk of spending a few more dollars to make sure that we keep families together and that children have a chance to grow? We have learned a great deal about keeping families together, now is the time to do something about it.

Mr. Chairman, I urge my colleagues, please support this legislation for the generation of American children who desperately need our help.

Mr. ARCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, throwing more money at this problem, without restructuring the welfare bureaucracy and the way we spend taxpayers' money is only going to compound the problem.

I would like to say to my colleague, the gentleman from New York [Mr. DOWNEY], I was an abused child. I spent time in the Marion County welfare system. I was in the Children's Guardian Home along with my brother and sister. I know just a little about child abuse and welfare and watching your mother being beaten to a pulp when she threw a lamp through the window trying to get help from the police.

□ 1150

So I know a little bit about that because I grew up with it. I am telling you the approach you are talking about, throwing more money from the Federal Government at the problem, is not the solution. We have a bureaucracy that has grown 2,000 percent in the last 10 years. They are gobbling up all the money and the money is not getting down for its intended purpose. We should cut through the bureaucracy, reduce the bureaucracy, make sure the money we are spending right now is going for its intended purpose.

We are spending $18.5 billion on child protection programs and child welfare programs, and you want to add another $3.5 billion to it. That is not going to solve the problem, because the bureaucracy continues to exist.

It is extremely important, in my opinion, that we realize what we are doing, long term, to the kids of this country, to the people on fixed incomes, and everybody else. Sure we need to be concerned about those who are being abused. I know, I believe it. But just throwing more money at it is not the answer.

Getting rid of the waste, fraud and abuse, and getting the money for its intended purpose is the answer, and we can do that.

Now I want to talk one more time about where we are heading because we create another entitlement, another $3.5 billion in Federal spending programs, and we add to this chart. This chart is not lying.

In the next 10 years we are going to be $13.5 trillion in debt, and the interest is going to be more than the taxes coming in to pay for that interest. And we are not going to have money for these programs, so the Federal Reserve Board, Mr. DOWNEY, will have to print the money to pay off part of the debt so that we will not have to service it.

And then these kids that you want to help, like me and my brother and sister when we were little, will have no money because the money will not buy anything. You will have a lot of money printed, and it is in circulation, we will get that money, but the cost of everything will go up so astronomically because of hyperinflation that we will not be able to buy anything with it. The people on Social Security, who get their Social Security checks, will be paying $30 and $40 for a quart of milk or a loaf of bread. That is the problem.

We need to address these problems that you are talking about, and I support that effort, but we need to do it in a fiscally responsible way. Cut out the bureaucracy and get to the problem and not start any more entitlement programs that are going to bankrupt the country and cause hyperinflation and lower the standard of living for everybody, especially those on fixed incomes and those on welfare.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. I thank the chairman for yielding to me.

Mr. Chairman, every day we read in the newspaper, the metro section of the New York Times, Washington Post, the Sacramento Bee, and we find there is a story of a child dying because of a problem within the family, a child who is drowned in their bathtub because the mother or father is unable to find a job or because that child happens to be in a foster care system where the foster parent is sexually abusing that child or emotionally abusing that child.

The fact of the matter is we have over 400,000 of these children in the foster care system today. And the reason the cost has doubled in the last 5 years is because 5 years ago there were only 200,000 such children. The gentleman from Texas [Mr. ARCHER] said the costs will double in the next 5 years from $2.1 billion to $4.2 billion. And he is right, but that is because we project from the 400,000 children in foster care today by 1997 there will be 800,000 children in foster care.

If anybody thinks the system is working or that a little flexibility to the States will solve their problem, they have not seen the foster children of America, they have not seen the system, the hodge-podge throughout the States.

The fact of the matter is that we need to revise the system. This is a very conservative approach worked over the last 4 years by the Committee on Ways and Means, led by the gentleman from New York, Chairman DOWNEY.

What we want to do is to eliminate the need for foster care by having early intervention of family crises in America today. That is what this whole bill is about. It is not about spending more money or tax-and-spend Democrats. Let me conclude by making another observation.

I do not hear anybody on the other side of the aisle talk about what kind of a tax increase this is. They just say tax-and-spend Democrats.

The fact of the matter is this is a surtax, a 10-percent surtax on people who make over $1 million a year. Those are the very people who over the last decade became the wealthiest group of Americans in the history of our country.

Now, this will really tell you where the value of the individual is, where the value of the parties is; whether we are willing to pay for this program with that funding for it.

Mr. ARCHER. Mr. Chairman, I yield 4 minutes to the respected minority leader of the House, the gentleman from Illinois [Mr. MICHEL].

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

Mr. Chairman, the one general principle which I think almost everyone agrees upon is that to reduce the deficit we must get control of our entitlement programs.

The gentleman from Indiana has made that case any number of times in recent consideration of appropriations bills. But the bill before us is an example of why that never really seems to happen. It is fine to talk in general terms about reducing entitlements, but when it comes to specifics, the majority almost always chooses expansion rather than contraction. Even the chairman of the Committee on the Budget, the distinguished gentleman who reminded us so often of the need to reduce the deficit, is a cosponsor of this entitlement expansion bill.

I would like to remind my colleagues that the Democratic leadership did everything they could to defeat the balanced budget amendment. In this Chamber, on the Democratic side they cheered and cheered when the amendment went down. But as soon as it was defeated, you say you now see the light on deficit reduction, but you choose the statutory route, which means you can change the enforcement mechanism any day you please, any time you please, to accommodate again more spending. I have to say I think your statutory approach is made up of one part jelly and one part silly-putty.

Now, some will say that this bill does not violate the budget agreement because it raises taxes and offsets spending increases. That is the problem, tax and spend. You do not raise taxes to reduce the deficit; you raise taxes to spend more money. That is the policy of your Presidential candidate, and that has been your policy in Congress for as long as I can remember. The fact is there are other ways to help people without raising taxes and spending more money.

If we are going to get control of entitlements and reduce the deficit, this is not the direction we ought to be pursuing. The motion to recommit, that will be offered by the distinguished gentlewoman from Connecticut, gives us that opportunity. Her proposal will enable States to better assist needy children by consolidating these entitlement programs, reducing the paperwork and the bureaucracy, and giving the States greater flexibility to address specific needs. It provides the States with over $8 billion in flexible entitlement funds. That is no small amount.

The reforms in our proposal make it possible to shift the emphasis from placing children in foster homes to addressing the problems of families so that the children can remain in their own homes.

We have experimented with that in my own home community. Many folks in our community who have really dealt with this problem over a long period of years, devoted so much of their time to the friendless and homeless in our community, have done just that. It can work. It takes a lot of volunteer work to do it, but it can be done.

This is a good approach, it reforms the program, provides more flexibility to States, helps people and does not rely on the tax and spend philosophy.

Obviously, I would urge adoption of the motion to recommit at the appropriate time.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. I appreciate the chairman yielding to me.

Mr. Chairman, I have opposed a great deal of spending this year because I too am concerned about the deficit. But I am going to vote for this kind of spending, and I will tell you why.

□ 1200

Mr. Chairman, I want to tell my colleagues about a young 3-year-old child named Tamara Demaris. It nearly broke my heart the day I met Tamara, a young Indian child who had been placed in a foster home, had been beaten severely. She had a broken arm, broken nose, hair torn out of her head by the roots. A 3-year-old child. She will probably never fully recover from those experiences.

Why did it happen? One social worker was in charge of 140 cases and was not able to check where she was placing this child, and the result was this young child was beaten severely and repeatedly.

Mr. Chairman, it was our responsibility to protect that child. At 3 years old she was not able to protect herself.

There are thousands of them, thousands of them, across this country facing a similar fate tonight. One in five kids in this country lives in poverty.

We can do something about that. We have a moral responsibility to do something about that.

Our friends say the issue is spending. The issue is not spending, and my colleagues know it is not. The President says, "Let's," after the end of the cold war, "increase spending on star wars by 32 percent."

So, Mr. Chairman, it is not spending. The issue is what we spend money on, for God's sake, and I ask my colleagues, "Can't we quit spending on star wars after the cold war is over and finally start spending to help kids in this country?"

We are talking today about taxing the rich. These are people who have had a 120-percent increase in income in a decade, and their tax bills have increased only half of that. We are saying, "Pay your fair share, and we'll use the money to help kids in this country."

An author once said:

A hundred years from now it won't matter very much how much income you made or how big your house was. But the world might be a different place because you were important in the life of one child.

So let us dedicate ourselves today, my colleagues, as legislators, to be important, not in the lives of one child, but to be important in the lives of every child in this country who cries out today for help and needs our help today.

Mr. ARCHER. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, while I agree that major reforms are needed in our child welfare system, I must rise in strong opposition to H.R. 3603.

The American family, long the backbone of our society, has come under tremendous pressure during the past two decades, and there is a growing need for effective child welfare services. The crucial question facing Congress is how should we address this problem. Should we continue to throw money at programs without regard to results, or should we concentrate scarce Federal dollars on eliminating administrative waste and providing direct services to children and families at risk.

Unfortunately, H.R. 3603 is neither effective nor appropriate in the age of billion-dollar deficits. This bill continues the tax and spend policies of the Democrats by throwing an additional $7 billion at the system without actually fixing any of the current programs' problems. Since 1981, administrative costs have skyrocketed over 2,000 percent, yet there is little evidence that services to children are any better today. But instead of cutting Government redtape and costly administrative requirements, the bill dramatically increases these burdens with new categorical earmarks and additional reporting requirements. At a time when our budget deficits are topping $400 billion, we simply cannot afford a new entitlement program.

Fortunately, the Downey bill is not the only alternative. The administration has proposed legislation which provides $9 billion over the next 5 years without raising taxes. The Nancy Johnson proposal creates a new flexible funding system for child welfare services by eliminating all categorical requirements for the use of these new funds and providing States their entire funding allotment at the beginning of each fiscal year.

These reforms will enable States to reach more at-risk children for less money than current programs or the Downey bill. This is important, because each dollar we waste shuffling paper is one less dollar invested in education and a myriad of other pressing concerns.

Mr. Chairman, today's vote is a choice between raising taxes to pump more money into a broken system or creating a more flexible and thereby cost effective system that increases vital services while cutting Government waste. I urge my colleagues to vote against H.R. 3603.

Mr. ARCHER. Mr. Chairman, I yield 1½ minutes to the gentleman from Connecticut [Mr. FRANKS].

Mr. FRANKS of Connecticut. Here was go again, Mr. Chairman, trying to solve a major social issue by throwing money at it and by looking at the so-called rich to pay for it.

Tax and spend; yes, as Yogi Berra would say, "It's deja vu all over again."

Mr. Chairman, it has been said that the carrot or the stick theory could give people the proper motivation to act in a way that we would desire. Why do we always look at a social problem and insist on offering carrots as incentives? Why not the stick for a change? After all, it is our desire, Democrat and Republican, to help keep the family together. Well, we are leaving out one major ingredient: One of the best ways to reduce the proliferation of a single-parent household is to force greater paternal responsibility.

Mr. Chairman, a vast majority of the people receiving welfare payments have been on welfare for 8 years or more, and that must change. Yes, we must encourage, not penalize, two-parent households in regards to public assistance; and, yes, we must encourage workfare. But at the heart of the problem is the first step.

Today young men impregnate young women in many cases without even thinking about being held accountable. The lack of a sense of responsibility has made a dismal situation worse. Our current welfare system gives lip service to this concern, but in reality it does little to eradicate the problem. Unfortunately, Mr. Chairman, it is not unusual for a male to have two women pregnant at the same time. Unfortunately it is not unusual for a male to have fathered a half dozen or more children by multiple partners. And, yes, let us not forget, the taxpayers are paying the bill.

I ask, "Would society allow people to take their cars and collide with other cars without determining the person responsible and/or without holding that person accountable? Don't we apply criminal action to those who flee an accident, the arrest of hit and run drivers?" The answers is yes. Then, why do we treat a little child with any less respect?

I am confident that this bill will fail, and I beseech my colleagues to take away some of the carrots, and let us start applying the stick. The Wisconsin plan is just one example of how we can do so.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, today we will have the opportunity to vote on the children's initiative, H.R. 3603. I am proud to be an original cosponsor of the children's initiative.

In May, Audrey Rowe, the commissioner of Connecticut's Department of Income Maintenance, and the chairwoman of the Child Welfare League of America's National Commission on Family Foster Care, testified before the Human Resources Subcommittee about efforts in Connecticut to preserve families. Connecticut is currently serving 500 to 600 families a year in its program. Each caseworker is available 24 hours a day over a 4- to 6-week period. These intensive and comprehensive services are offered only to families who are referred to the State for out-of-home placement by child protective services staff.

Her report is very promising. She states:

* * * Initial efforts have been successful in empowering these families so that they can help themselves and their children. In the majority of cases, children and parents have remained together and out-of-home care has been unnecessary.

Sometimes it is not always appropriate to have children stay with their birth parents. That is why there are foster care and adoption programs. But in most cases, what is in the best interest of the child is to preserve the family. That is what H.R. 3603 does.

The children's initiative takes long overdue steps to improve the quality and availability of foster and adoptive care for children removed from their homes by abuse, neglect, or abandonment. It would amend the foster care and adoption assistance programs in order to improve their operation and provide funds for services designed to keep families intact and to avoid unnecessary foster care and other out-of-home placements.

Not only does H.R. 3603 provide for child welfare, it also contains provisions to alleviate childhood hunger. I cannot stress enough that in a Nation as rich in resources as the United States, to allow individuals to go hungry is senseless and inhumane. That is why we must act now for the future of our children.

The poverty rate among American children is shockingly high. A study last year found that an estimated 5 million children in the United States under the age of 12 are hungry during the year. In particular, many families with children in metropolitan areas pay over 70 percent of their income for shelter, and often have to choose between adequate food and shelter costs. The provisions in this bill would move toward implementing preventive measures to respond to the unacceptable levels of vulnerable, homeless, and hungry children.

H.R. 3603 includes provisions to lessen childhood hunger by expanding eligibility for the Food Stamp Program and increase benefits to eligible households. These measures would also provide for additional funding to purchase food for distribution to needy individuals and families under the Emergency Food Assistance Program. The State welfare programs are currently overwhelmed in every category—child welfare, adoption assistance, and foster care. This bill is targeted at strengthening all current efforts to end childhood hunger and to further protect children from abuse and neglect.

Through the children's initiative, we can make a crucial investment in the future of our children and our Nation. The costs of not passing these improvements now are enormous, both in human and fiscal terms. Investment in children makes financial sense. Whatever we can do to help children now,

helps to reduce social service costs later. There are more families and more children in my State, and in every State, who need these services. I urge you to support the Children's Initiative and Family Preservation Act.

Mr. Chairman, this morning the New York Times had a short editorial that had incredible truth in it, and I submit that editorial for the RECORD. What it says is that this bill before us to help troubled children is paid for by 60,000 of the Americans who earn over $1 million a year. The second fact in the editorial was that these same fortunate Americans have seen their income, after taxes, increase by 104 percent in the last 10 years.

Mr. Chairman, the editorial referred to is as follows:

[From the New York Times, Aug. 6, 1992]

A BREAK FOR POOR CHILDREN

America is the land of the Big Mac, the stupendous pizza, the foot-long hot dog—and five million children who go to bed hungry. It is also the land where happy families are the stuff of TV sitcoms—and dysfunctional families the stuff of countless childhoods. Today the House of Representatives has an extraordinary chance to help these kids by playing Robin Hood. Only this won't be robbery. This will be fairness.

The plan, the Children's Initiative, is simple. A surtax on the taxable incomes of the richest Americans—incomes exceeding $1 million yearly—will give this country $7 billion over five years to spend on its poorest.

The "millionaire's surcharge" would affect only about 60,000 Americans: a group whose after-tax income, thanks partly to tax reductions, grew by 104 percent from 1977 to 1989.

Half the $7 billion would be used to expand Food Stamp benefits, by extending to poor families with children the more generous benefit formula used for the elderly and disabled. The bill would also disregard the first $50 in child support money when calculating the allowance, and would increase emergency food aid in fiscal 1993.

The other $3.5 billion would help states provide preventive services for families whose children might otherwise end up in foster care. These services will vary from state to state. But over time, they could well have the same positive effect on foster care expenditures that good prenatal care has on later medical costs.

In Michigan, for instance, which already has an intensive family preservation program, the cost of services per family is $4,500 a year. Compare that with the $12,000 it takes to keep a Michigan child in foster care.

By now most Americans know all too well that millions of youngsters are in tragic straits. That's reason enough for a yes to the Children's Initiative.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. ANDREWS].

Mr. ANDREWS of Texas. Mr. Chairman, Barbara Jordan once said:

What the people want is really very simple. They want an America as good as its promise.

Today we have a chance to fulfill that promise. Childhood in America should be free of abuse, neglect, and hunger. But it is not.

Since 1980: Child abuse and neglect reports have tripled. Children in foster care have more than doubled. Children in poverty have increased by 25 percent. In 1990, every eighth young child was undernourished.

The children's initiative makes a smart investment in a better future for our children.

By failing to act for our children, Congress has more to fear than from acting expediently. The consequences of not acting today are tremendous.

Childhood hunger means less learning. Without regular meals, children lose concentration, become irritable, and fatigue easily. With a shrinking work force, we cannot afford a single ill-prepared worker.

Child abuse means more crime. A survey of felons in Oregon showed that two-thirds were abused as children. We have to end this cycle of violence.

In Texas, 60 percent of the confirmed cases of abused children do not receive any child welfare services. Caseworkers have an average of 27 cases, which is twice the recommended level. It is no wonder that headlines in Houston, El Paso, and Austin are about children dying because they were returned home to abusive situations.

This bill would give Texas and all other States new resources to protect children from abuse. It would also target funds for one of the most neglected areas of the country: The cities and counties along the Mexican border.

The bill would end the Federal policy of forcing families with children to choose between eviction and going hungry. Families with children would be treated the same as elderly and disabled who currently qualify for food stamps even though they pay more in rent in high-cost areas.

The children's initiative also acknowledges the importance of child support enforcement in fighting poverty. It adds a current welfare policy to the Food Stamp Program. This policy gives families the first $50 of child support collected from an absent parent.

None of these policies comes free. We have to pay for them, and the millionaire's surtax pays for this bill.

We can take the easy way out and defeat the children's initiative. Or we stand by our principles and with passage of this bill say we truly care about children.

Mr. ARCHER. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. GRADISON], the ranking Republican on the Committee on the Budget and a very respected member of the Committee on Ways and Means.

Mr. GRADISON. Mr. Chairman, I want to focus, as all the other speakers have, on the children of America, the children of America who are going to be here after all of us have gone and are going to have to pick up the bills for the profligate waste which this Congress has been operating under. I am referring specifically to the budget situation which, if left at its present circumstance, is going to mean a lower standard of living for our children and our grandchildren than they would have if we were willing to face up to the fact that $330 billion deficits, such as we now anticipate for this year, are simply unacceptable.

The thing that bothers me the most about this legislation is not the fact that there is a tax provision. It is that a tax provision is being offered as a way to finance increased spending rather than as a way to reduce the deficit.

There is a suggestion that has floated through this discussion that somehow this bill has no pay-go cost. That is not true.

□ 1210

The Office of Management and Budget, which is the official scorekeeper under the Budget Enforcement Act of 1990, has advised us that with the food stamp provisions added, the Family Preservation Act does have a pay-go cost, a net pay-go cost for the first year, fiscal 1993.

Now, it happens there is a current surplus in the pay-go account of $707 million, according to the scorekeeper, OMB. So what we have as a practical matter as a result of the food stamp provision is a recommendation to dip into that surplus, which otherwise would be used to reduce the deficit. I think that alone is a solid reason for voting against this measure.

Mr. Chairman, I find it ironic, to say the least, that some of the same people who are clamoring the loudest for reform of the budget process and for a balanced budget are the very ones suggesting that we should take advantage of budget loopholes to press for expenditures of every available dollar that legally can be spent.

Mr. Chairman, let me make it very clear: The Committee on Ways and Means portion of this bill is deficit neutral in each of the 5 years, 1993 through 1997, and the committee is to be congratulated on that. However, when the Committee on Agriculture's food stamp provisions are added, the bill just barely is deficit neutral in 1994 and 1997 under OMB scoring, and actually produces, as I mentioned earlier, a deficit for fiscal year 1993.

The ultimate irony is that this is the very provision championed by the chairman of the Committee on the Budget.

It might be argued that OMB scoring shows a current 2-year pay-go surplus and that this can legally be spent without triggering a sequester, and I acknowledge that that is true. But just because money is available to be spent does not mean that we have to spend it or that it is the right thing to do.

Given the fervor that both the chairman of the Committee on the Budget and I share for reducing the deficit, the right thing to do is to rearrange prior-

ities within current revenues so that the deficit is not made any larger.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, all the old slogans have been brought out such as "throwing good money after bad."

Mr. Chairman, this is putting money to work for a good program, period. Look at Michigan. What this bill wants to do is take the Family First Program in Michigan and spread it throughout the United States.

The Family First Program is working. It aims to keep families together. What it does is to assign a worker to work intensively with no more than two families at a time for 4 to 6 weeks. That person is available in the home 24 hours a day if needed. The worker helps the family address its needs, find work, locate decent housing, learn better parenting skills, and develop new means for resolving conflicts.

I have seen the program working first-hand. What are the results? A 12-percent reduction in the number of children entering out of home care in the counties in Michigan where the new program exists, compared with a 29-percent increase in counties without the program.

Mr. Chairman, we talk a lot about family values. But these kids do not want our rhetoric. They do not want it. What they want is a program that will give them a chance to stay in the family.

Mr. Chairman, if something works, let us use it. I urge support for this bill.

Mr. GRANDY. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. ROHRABACHER].

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

Mr. Chairman, H.R. 3603, the so-called Family Preservation Act, is a superb example of the difference between Republicans and Democrats. Unfortunately, it is a superb example. It is one small sample of what we can expect to be a regular practice if Democrats manage again to get control of both the Presidency and Congress at the same time.

Any number of commentators about the budget deficit have noted that the biggest impediment to getting the deficit under control is entitlements. Yet what does this bill do? It increases entitlements by half a billion dollars per year.

Of course, the Democrats who run this Congress say they are not adding to the deficit with this bill. They say they are balancing their—here's another spending increase with a yet another tax increase—one they say will only hurt the rich.

Well, that is what they said the last time they pushed through a tax increase over the opposition of most Republicans in this House. I stood right at that spot and noted what that tax increase would do. That one was supposed to reduce the deficit. What happened instead? Just as I and many other Republicans predicted, the economy went down, tax receipts went down, and the budget deficit is higher than ever.

So, have the Democrats learned their lesson? No. Once again, they have brought to this House a substantial increase in spending, in the form of expanding entitlements, and an economy-killing increase in taxes. And once again, if this bill makes it into law under a Democrat President, it will drive the economy down, which will drive revenues down and we will get another massive increase in the deficit.

And will children be any better off as our economy sinks? You guessed it. They will need even more help. It is all part of the liberal cycle of economic well-intentioned lunacy, and I suggest we reject it.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, today in this legislation we are addressing two fundamental realities of American life. The first reality is that millions of our children are hurting terribly and are in need of immediate help. This is true for Los Angeles. This is equally true for the State of Vermont.

The second reality is that while our children go hungry and sleep out on the streets, lack adequate health care or educational opportunity, the wealthiest people in this country have grown far richer while their tax burden has been lowered. The children suffer while the rich and superrich ride their fancy limousines going out to the golf courses to spend their time.

Mr. Chairman, this legislation is a small step forward, a small step forward in addressing the problem. It asks the very wealthiest 1 percent of our population to pay more in taxes while helping our children, the most vulnerable and hurting people in our society.

Mr. Chairman, 1 in 5 children in the United States live in poverty; during the 1980's the United States had the worst child poverty rate among Western industrialized nations surveyed; it is estimated that at least 100,000 children go to sleep homeless every night; 1 in 10 infants living in the United States has no routine source of health care; An estimated 407,000 children, almost a 50-percent increase since 1986, depend on an overwhelmed, inadequate foster care system; in the United States, 2.6 million children were reported to be abused and neglected in 1991.

Mr. Chairman, this legislation will not increase our deficit, because it begins to ask the wealthy to pay their fair share of taxes by asking the very richest people in this country, some of the richest 1 percent, to pay their fair share of taxes.

This surcharge is particularly appropriate in light of the trends in the past 15 years and the net effects of the Reagan/Bush tax cuts. In 1977, the top 1 percent of families paid an average of 35.5 percent of their income in Federal taxes. In 1993 they will pay 28.8 percent. CBO estimates that if the top 1 percent of households simply paid the same percentage of income in Federal taxes today as they did in 1977, the Federal Government would be collecting $65.3 billion more per year in taxes from this group. Over the past 15 years, the top 1 percent of income earners saw an average gain in before-tax income of 113 percent—and an average gain in after-tax income of 134 percent.

But today we are not even proposing to tax this entire group, but just the wealthiest of those individuals. And even after the tax increase, the rich elite will not be paying as much as they paid in 1977. It's about time that we offer a fair shake to those families that are struggling to hold on. After all, over the past 15 years, while the top 1 percent of income earners brought home more and more bacon, the poorest families in this country couldn't put food on their table because their income fell by 10 percent. Let's not force families to chose between heating and eating. Let us pass the children's initiative and promote real family values.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Chairman, before I came to Congress I did two things: I was a child psychiatrist for 17 years, and I was also a member of the State legislature. In those two positions I dealt with this issue on a weekly and a daily basis. I was in juvenile courts, I was in courtrooms, and I was in the detention centers of our city.

Mr. Chairman, the problem of dealing with neglected kids is exploding in this country. We have a generation of kids who are feeling absolutely neglected, abandoned, and abused. The incentives of the present system are wrong. We have a system that says we will pay, the Federal Government, if you take the kids away from the family. In State legislatures all across this country that is the only alternative we had for Federal money, and we used it, and we used it, and we used it.

We created in the State of Washington a program to do something else that was called Homebuilders, to put people into the home to try and help the family through a crisis and keep the kids from being taken out of that home.

That is a true family value program. It is the kind of thing that we are

going to have to do if we are going to have a work force in this country that is educated and capable of leading this country.

This is a bill about investment in this country, and it has the right kind of incentives. It says to the States here is the flexibility and additional money. The numbers have absolutely tripled in this country with this problem. Every State is overwhelmed and the families need the help that this kind of program can give.

Mr. Chairman, I urge my colleagues to look at this not only as a humane program for kids, but as an investment in the future of the strength of this country.

□ 1220

Mr. GRANDY. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, I think we ought to talk exactly about what we are doing here today with this legislation. We are playing politics.

Is there any Member here who believes that this bill has even a ghost of a chance of being signed into law in this session of Congress? The reality is that this President is not going to sign into law, in an economy as fragile as this economy is, these kinds of revenue increases only to fund a new entitlement program.

Yes, it is capped. Is there any Member here who believes caps mean anything anymore? I do not think so. The American people do not.

Listen to this bill in terms of what it does. We do not even have to get to the specifics because we are not going to get to the specifics. This bill will result in mandatory outlay increases: 482 million in 1994, 620 million in 1995, 798 million in 1996, and 936 million in 1997. But that is all right because we are going to fund it, as the chairman of the Committee on the Budget says, we are going to bring in 865 million in tax increases in 1993, 1.6 billion in 1994, 1.8 billion in new taxes in 1995, 1.9 billion in 1996, and 2 billion in 1997.

That is exactly the same kind of mentality that brought us the 1990 budget agreement that has resulted in deficits 2 to 3 times higher than what they were projected to be.

We need to address children at risk. We need to do it in a bipartisan way. Unfortunately, this bill ain't it.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I thank the gentleman for yielding time to me.

I want to say the one thing we all know is that millionaires are doing well and millions of kids are not doing well. The legacy of the 1980's is, we created more millionaires and more poor kids than we have ever done in any decade.

This bill is a wonderful balance. That is why I think the President has to sign it, if he has a heart larger than a swollen pea. I hope he does, even though he went to Yale.

But I think that is a very important thing to point out, that what we are doing here is having a transfer from the people who made out the most in the 1980's, the millionaires, to help the children who came out the worst in the 1980's, the low-income kids, the kids who really need family services.

These children are going to inherit the national debt that was so recklessly imposed upon them. And if there is anyone we should be investing on, it is these children.

This issue is about who is for families and who is just faking. It is about who is for kids and who is just kidding. This is a very, very important vote.

I think it is time we started putting our children first because they are our future.

The CHAIRMAN. The Chair would advise that the gentleman from Iowa [Mr. GRANDY] has 2½ minutes remaining, and the gentleman from Illinois [Mr. ROSTENKOWSKI] has 2 minutes remaining.

Mr. GRANDY. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, let me quote from a recent article on the subject that is before us today, child welfare reform.

> Simply ratcheting up the efforts of the present welfare system by adding programs and channeling more money will not help poor children, those most at risk. As many states and localities are discovering, the problem isn't too few programs but too many.

Unfortunately, that is what this debate is about, creating more programs and more problems without addressing reform first before we get to resources.

We have heard a lot of very compelling anecdotes today about children in distress. We all have them. We all have those case histories at our fingertips. But anecdote is not argument.

The argument that has to be made here is to reform the system so that it is functional before we pump new money into it. That is the position Members on this side of the aisle as well as bipartisan Members of the other side have taken. That is why we have opposed the Family Preservation Act in its current form, because it is just preserving the status quo.

Happily, we have not devoted too much time in this debate about the relative merits of a millionaire tax. I will not propose to join that debate on our side.

I would just say this: We have a $400 billion operating budget. If it is so important to gain resources, as my friend, the gentleman from California [Mr. PANETTA] said on an interview program with me this morning, surely that is worth taxing the rich for. Why mess around with 3.5 billion when we should go after them hammer and tong and make them pay their share of the deficit?

All I would say is there are only so many times that we can allocate this millionaire tax, Mr. Chairman. This should not be one of them, because the resources are in the system now, misallocated, misdirected, going to administrators and not to children. And therein lies the problem.

I urge my colleagues to reject the Downey version.

Mr. ROSTENKOWSKI. Mr. Chairman, I yield the balance of my time to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Chairman, the trickle-down economics of George Bush and Ronald Reagan have been hard on lots of Americans, but no group has been hit as hard as our kids have. Child poverty boomed during the booming 1980's. In Oregon alone, the number of poor children increased by 25 percent during the Reagan-Bush years. But why should that really surprise us? During those same years real wages of the parents of these kids took a nosedive. Reagan and Bush ripped the social safety net, and more and more children are now supported by single mothers.

In the 1990's, women tragically still have to work for women's wages. That is what we used to call them when my mother worked for $35 a week as a waitress, supporting two sons on her own.

The children's initiative is a chance for us to repair some of the damage of trickle-down economics which has been inflicted on families very much like the one I grew up in.

In this bill, Federal nutrition programs, support to keep families together, deficit reduction, a real boost for disadvantaged kids from the inner city of Portland to the hard-hit timber communities across Oregon and other States across the land.

We pay for it by asking more of those who profited so much under the Reagan-Bush years, when it was party time for the rich. A surtax on millionaires, those 60,000 Americans whose after-tax incomes grew by 104 percent during those years.

To them we say, ''Ask not how much more your country can do for you, ask what you can do for your country and specifically what you can do for the children.''

To save America's children, pass this bill.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. ROSTENKOWSKI] has expired.

The Chair recognizes the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I yield 1 minute to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, I rise in support of this legislation. There is no more serious or shameful

indictment of our society than the alarming statistics of children born out of wedlock, victims of abuse, crack babies, the numbers of children in poverty.

Indeed, the conditions of children in both urban and rural areas are graphic pictures of America as a Third World country, and the children are the first victims.

Now these programs alone will not solve the problems. But it will relieve the physical pain and the mental anguish for these helpless generations.

I believe, with Vice President DAN QUAYLE, that we need a return to traditional family values—yes, a return to the good old fashioned Judeo-Christian ethics.

But we can not, as a civilized nation—the richest, most advanced in all of recorded history—tolerate these uncivilized conditions for these poor, deprived and defenseless children. These children did not ask to be born. In the name of simple decency, we can do no less.

I support this bill, in memory of Mickey Leland, with whom it was my privilege to serve as the Republican leader on the Hunger committee. In his name, I support this bill.

Specifically, the provisions of this bill which demand support from all of those who care about the future generations, as follows:

Boarder babies: The Downey bill will allow Federal reimbursement for foster care or adoption assistance for abandoned infants and children.

Under current law, Federal dollars cannot pay for these boarder babies, because financial circumstances of the runaway parents and AFDC eligibility cannot be documented.

Boarder babies, who need shelter, adoption and foster care most, can not get Federal dollars—this is insane.

On the hunger side:

Increases allowable assets for shelter costs under food stamps. The bill increases the cap from $194 to $278 a month over 3 years.

Excludes from food stamp benefits eligibility the first $50 a month of child support received by a custodial parent.

Excludes from income the amount of child support paid to a parent, so that "Dad" does not get penalized for meeting his legal obligations and have to choose between which family to feed. These are essential and intelligent reforms.

Makes important changes to Food Stamp Program to reflect real world concerns—increases the allowable assets for vehicles, redefines households where two families are, out of necessity, living together but not sharing food.

Adopts a mandatory appropriation of $70 million for the Temporary Emergency Food Assistance Program [TEFAP]. TEFAP is the program which provides food banks resources, funds for groceries and foodstuffs, to distribute on an emergency basis.

□ 1230

The CHAIRMAN. Does the gentleman from Florida [Mr. LEWIS] wish to control the time?

Mr. LEWIS of Florida. Yes, Mr. Chairman, I will be controlling the time.

Mr. Chairman, I yield myself such time as I may consume. Mr. Chairman, Let me make it very clear, my opposition to the Family Preservation Act, is not because I do not support family preservation and hunger relief efforts but because I simply will not advocate a tax increase.

The Food Stamp Program is the largest provider of food assistance to needy families, serving 25.4 million people each month.

Our focus on the nutritional needs of children in the Domestic Marketing Subcommittee was a top priority as we reviewed the Mickey Leland Childhood Hunger Relief Act last year.

As I stated when the Agriculture Committee filed its report last November, the goals and objectives of the act are worthwhile, but funding for increased spending must be secured before this bill is brought to the floor. So here we are.

The funding mechanism devised by the Democratic leadership is completely unacceptable.

This is another tax increase, pure and simple. This bill should be funded with existing funds, and through cuts in wasteful programs.

We raise three times as much in revenues, Mr. Chairman, as we did just 15 years ago. We have the money, we just need to get better priorities.

The fact is, a bipartisan group of Members wanted to offer a substitute to make better use of the funds we're already spending.

But no, the liberal leadership of this House could not allow us to vote on this reasonable alternative, because it gets in the way of their usual agenda—massive tax increases and new and more spending.

Mr. Chairman, the American people are tired of this routine.

To hold these goals that address the dire state of affairs of child welfare and hunger relief hostage to a tax increase is irresponsible and unfair.

Mr. Chairman, let me say to my colleagues, that we are all rated at our lowest point in the eyes of the citizens of this country. I know of no Member of this House who would not bend down to help a disabled child. I know of no Member of this House who would not lift their hearts to an underprivileged child. So to hear some Members demagog this issue makes me sick. Let us get our priorities in order. Let us not mask a tax increase by using our children as pawns. We can find the resources in existing funds.

They are available. Let us do that. Let us not bring a bill to the floor with no way of funding it, and then say, "It is for the children, and we expect to raise taxes on the people of this country."

Mr. PANETTA. Mr. Chairman, I yield such time as she may consume to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, I rise in enthusiastic support of the bill and its funding mechanism.

Political speeches about values don't strengthen troubled families and they certainly don't put food on their tables. The children's initiative would do both.

This legislation would assist the thousands of American families torn apart by unemployment, hopelessness, and substance abuse. It would promote innovative programs to help families stay together and work out their problems. It would improve food assistance to the neediest families with children. And it would reduce the deficit by $1.2 billion over 5 years.

Our families are the fabric that brings our society together. We spend countless hours on this floor talking about our children and our responsibility to help them live, learn, and achieve. This is our opportunity to do just that. Let's not pass it up. Please join me in supporting the children's initiative.

Mr. MINETA. Mr. Chairman, I yield 1 minute to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Chairman, I rise in strong support of the Family Preservation and Childhood Hunger Relief Act.

This legislation combines improvements in child welfare services with an opportunity to alleviate childhood hunger for millions of children throughout our country.

Additionally the legislation pays for these programs in full and brings in sufficient revenue to reduce the deficit by $1.2 billion over 5 years. The tax required affects less than one-tenth of 1 percent of the Nation's households. Hunger on the other hand affects 5.5 million children—fully 2 percent of our population.

The substitute bill does not address the needs of these hungry children.

The hunger portion of the bill is a fitting tribute to the late Mickey Leland—and contains portions of the legislation named in his honor. His zeal to end hunger around the globe should inspire our zeal to act today.

The focus of the bill is correct—it is on the future.

The situation for children is dire and has dramatically declined over the past 10 years. Even in Minnesota—hunger is no stranger. In a recent study, nearly a quarter of households with children reported that children had to skip meals in the past month because there was not enough money for food.

How can we expect our children to grow and to learn and to become tomorrow's breadwinners when they can't even count on regular daily bread today?

It is as the Chilean poet Gabriela Mistral so eloquently said:

Many things we need can wait, the child cannot. Now is the time his bones are being formed, his blood is being made, his mind is being developed. To him we cannot say tomorrow, his name is today.

Today is here. The children are waiting.

Mr. Chairman, I urge support for this legislation.

Mr. LEWIS of Florida. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I rise in strong support of American children and families, but in opposition to the bill on the floor today.

Mr. Chairman, this bill before us is a blatant abuse of trust—the old covenant, if you will. The trust the American people once had for Members of this House to do what is responsible—fiscally, morally, and politically. This bill violates that trust.

Mr. Chairman, we hear today the same tax and spend strategies, hidden behind the false hope of helping America's children. We have continued to pour money into these programs at a staggering rate for the past two decades—but to no avail. So now, we want to raise taxes to spend even more on programs that desperately need help. But the help they need is reform. What is proposed is not just more spending for today, but an assurance that spending will continue indefinitely, without limit. The children we propose to help today will bear the burden of our spending through their adult lives.

Does that mean there are no answers that can help children, children who desperately need our help? There is an answer. It's contained in the alternative my friend and colleague from Connecticut, Mrs. JOHNSON, offered in the Rules Committee. But the majority doesn't seem to believe in debate on public policy in this House. Do they have so little confidence in their product that they will not allow any competitive idea to be offered? When they find themselves unable to compete on intellectual grounds, they resort to a simple solution: shut down the competition.

The bipartisan substitute proposed, but not allowed to be discussed here today, is exactly what we need for children and families. We need to reform these programs, to eliminate the paper trail and allow more of these programs funds to be spent on children rather than to pay bureaucrats. And we can, and we should, do this without raising taxes. We can do that because the Republican substitute would allow States to combine the myriad of Federal programs into a single block grant for children, to give States more flexibility to target dollars where they are needed, to eliminate administrative costs that consume as much as 90 percent of dollars for some programs. We must change what we have today: programs designed not for children, but for bureaucrats.

Mr. Chairman, I am insulted by this rule and this bill. The Democrats are not only the party of Clinton and GORE—but the party of Clinton and More, More, More. More tax and spend, more bureaucracy, more of the same old big Government programs that we know don't work.

I urge my colleagues to vote for the motion to recommit so that we can have a constructive debate on how to best help America's children.

Mr. LEWIS of Florida. Mr. Chairman, I yield such time as he may consume to the gentleman from Missouri [Mr. EMERSON].

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

Mr. Chairman, much has been said today about our being worried about new taxes. There is a lot of worry about that. The majority may gag us. We may not be able to debate efficacious amendments or substitutes to the legislation before us. They may deny us opportunities to submit amendments on a bipartisan basis, but one thing cannot be denied us. That is the knowledge of the majority.

A surtax on millionaires today, and I do not know anyone who has great heartburn about a surtax on millionaires, but in getting to know the majority over the years, we know that a surtax on millionaires today is a surtax on people making $50,000 a year down the road.

This is a sad and cynical day. The leadership of the majority party in the House of Representatives has succumbed once again to a posturing syndrome rather than taking the time to provide genuine reform. They have taken an issue about which I feel very strongly and on which I have worked in good faith for many years and tried to turn it into class warfare. They have selected the funding mechanism for this bill with no other purpose in mind but to pit the rich against the poor.

They timed consideration of this bill purely to gain political advantage in the context of a Presidential election. Then they deny the responsible and bipartisan group of Members the opportunity to offer an alternative choice on one important aspect of the measure that is before us. This is, indeed, sad. I regret that this is nothing more than a political issue raised and timed by the liberal leadership of the other party.

It is unfortunate that they chose to take this route, but it is a route that, given the circumstances, I do not feel constrained to follow. That saddens me. Indeed, it angers me. I told Democratic members with whom I worked in a most responsible way over the years on this subject that I could not support their funding mechanism, that we needed to stand back from the issue in a bipartisan way and bring about genuine reform that would do some genuine good. That is not what we have before us today, a genuine reform measure.

Mr. Chairman, I am an original cosponsor of the Mickey Leland Childhood Hunger Relief Act. I support the goals of that bill, and over the past several years I have worked very hard to help achieve those goals.

In my view there are major problems facing the entire, entire public welfare system. We need genuine reform rather than more Band-Aids. We need reform that will include budgetary, regulatory, tax, and welfare reform. Real assistance, real assistance for families will not be achieved under the measure before us today.

Since 1983 when I became the ranking member of the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition of the Committee on Agriculture, I have been concerned about the system, the system that provides assistance to families in need. On the Subcommittee on Domestic Marketing, Consumer Relations, and Nutrition our jurisdiction is, obviously, the Food Stamp Program.

However, it soon became apparent to me that families participating in the Food Stamp Program do have other needs as well. They need financial assistance. They need job training assistance. They need housing. They need medical assistance. These are some of the major problems facing poor families.

The system then, as now, with the lack of coordination and resolution of the differences among these myriad programs, is very troublesome, one of the most troublesome issues in our society today.

The time is ripe for change. There is great interest among liberals and conservatives, Democrats and Republicans, in looking at the present welfare system and making necessary changes that benefit families looking for help and the administrators running the programs.

I recently met with former President Carter on the issue that we are talking about here. He is initiating a program in Atlanta that I think is a very good idea, through the Carter Center. It is called the Atlanta Project to Provide Help to Families in Need Through Coordinated Programs. He in turn has met with President Bush, who also maintains a vital interest in this matter.

President Carter told me and other Members with whom he met that more money per se is not the answer to reforming welfare, but that waivers and consolidation and integration of different aspects of the program, flexibility to the States in their administration of the program, is the answer. He flatout told us he was not looking for more money.

That President Carter and President Bush are able to seek common ground in a bipartisan manner is good for the country.

□ 1240

The fact that we have not done so in the House reflects poorly on this House, indeed that the minority in this House is gagged in making amendments to this bill.

I want to see changes that are going to improve the lives of our neediest citizens, and I am concerned that the bill before us is not going to give us that opportunity, because this is a bill that will be vetoed. There is no question about it. You know it and I know it. To move forward with this bill in its current form is to invite disaster.

I truly believe that when a family is in need of help that need often crosses program lines, and the hurdles that families must scale in applying for help are immense. They often must go to different agencies, meet different eligibility standards, and abide by different rules and regulations. That the people who need the assistance are able to get any is a reflection on their abilities rather than on the system that is presented to them.

Administrators of these programs, both at the State and local level, have similar problems. The resolution of these program differences is often not within their ability to achieve. Many efforts have been made by the States, but they have indeed gone as far as they can go.

I want to see a system in which we provide benefits to people in a coordinated and a simplified manner, and also to provide employment and training for able-bodied participants. We must maintain programs for those who are aged and disabled, but we must simplify the programs we have and provide a method to make taxpayers of those able-bodied people who are in need.

This will require the very best bipartisan cooperation that we can achieve, and it will require joint executive and legislative cooperation, and it should start right now. And it cannot be furthered in a partisan posturing, political atmosphere.

My goal has been to have the experts look at the families in need of help and how they work their way through the present system and improve it. I want these experts to look at the present people on the front lines, and those caseworkers who evaluate the needs of families in order to simplify and coordinate the programs. The system needs major surgery, not just another Band-Aid with vast political overtones. There is a better way to provide assistance. I have always believed that we could find that better way.

But H.R. 3603 as it is structured exacerbates the present system and puts States in straitjackets rather than solving the problems. So I regret that I cannot support the bill that is before us. I regret that the leadership of the majority party has chosen to have an issue rather than an improved public welfare system. They will end up with neither, because this bill will be vetoed.

They want to raise taxes and spend money and not allow Members to consider serious alternatives that give States the flexibility to help families in crisis situations. That is a sad state of affairs in this country. The people at large want to stop the gridlock, they want to see bipartisan cooperation between the legislative and the executive branches, and they certainly are not getting it with this bill.

Again I thank the gentleman for yielding me the time.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Mississippi [Mr. ESPY].

Mr. ESPY. Mr. Chairman, I thank the gentleman for yielding the time, and I congratulate him, the gentleman from New York [Mr. DOWNEY], the gentleman from Illinois [Mr. ROSTENKOWSKI], and the gentleman from Texas, Chairman DE LA GARZA, for crafting a very responsible bill. I rise in support of it.

Mr. Chairman, what can be more important than keeping our families together and feeding our children?

It is incomprehensible to me that Congress will likely vote to send aid to the Soviet Union today and some will vote against sending aid to America's families and to America's children.

I stand here today in strong support of the Family Preservation Act—which will take steps to reform some of our outdated welfare programs while helping some of our most needy.

The bill calls for $3.5 billion to keep our families together. It calls for $3.5 billion to feed our hungry children who are falling through the cracks. And it calls for $1.2 billion to reduce our country's deficit.

The second portion of this bill—a scaled down version of the Mickey Leland Childhood Hunger Relief Act—focuses on feeding our children through reforms. It alleviates the moral dilemma facing many of our poor families of choosing between a decent home or food. It alleviates the moral dilemma facing some of our single parents of deciding between child support payments or receiving food stamps to feed their children. Basically, it fine tunes the Food Stamp Program—which in many ways is strapped with antiquated provisions.

This bill also calls for a millionaire's surtax to finance these much needed programs. The tax, my dear friends, will only be levied on individual taxpayers who have taxable incomes in excess of $1 million. The tax will not touch any of our struggling middle- or low-income families.

The bill, however, will touch, in a most positive way, many of our most needy families. This bill does what we talk about daily—preserve and strengthen families.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Chairman, I have reservations about the method of financing of this measure, but this is a bill that ought to be forwarded, and I recommend it.

I think most Members agree that this bill should move forward on its merit. This bill is prochild and profamily and will go a long way to help troubled families remain together.

I did not agree with the financing of this bill when it was considered by the Ways and Means Committee. I would have preferred that the committee come up with an alternative funding mechanism. However, a vote in committee to change the funding mechanism lost by a 2-to-1 vote and I believe the same thing would happen again. Therefore, there is nothing to be gained by recommitting this bill. However, as this bill moves through the other body, I hope we can reexamine how it is financed.

This motion to recommit does not provide for a funding alternative—it merely reallocates present funding. In effect, the substitute does nothing to change the status quo. While I understand the minority's concerns that this bill creates a new entitlement program, their proposal is simply not realistic.

I urge my colleagues to support this legislation.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. OBERSTAR].

Mr. OBERSTAR. Mr. Chairman, I am very pleased that section 206 of H.R. 3603 expands the definition of children with special needs. As cochairman of the congressional coalition on adoption, I am concerned, however, about a provision in this section that would preclude some adoptive families from eligibility for title IV–E adoption assistance. As I understand the State care provision in subparagraph B of section 206, it holds that children who developed special needs disabilities after finalization of the adoption are eligible for adoption assistance only in the situation where those children were under the care of or supervised by a State agency. I am concerned that this provision, as it stands, would preclude families who adopt children through private agencies from eligibility for adoption assistance in cases where no information was available at the time of finalization of the adoption that the child might develop special needs disabilities.

This language would create a double standard and an unfair burden, which we could have corrected with a floor amendment, but since the bill is being considered under a closed rule, the only opportunity to adjust this language would be in conference. Therefore, I would urge Chairman DOWNEY to work in the conference committee to modify the State care provision in order to enable families to qualify for title IV–E adoption assistance in situations where, at the time of finalization of

adoption, no information was available to indicate that the child could develop special needs disabilities. I greatly appreciate the chairman's consideration of this request. I know that from our previous conversation on this matter that he will make every effort to incorporate the change I have recommended in the course of the House Senate conference on H.R. 3603.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. SERRANO].

Mr. SERRANO. Mr. Chairman, I rise in support of the bill and its funding mechanism.

Mr. Chairman, I rise in strong support of this legislation intended to promote services for family preservation and to lessen the need of foster care, and to improve the quality of and delivery of child walfare, foster care, and adoption services.

The hellish conditions that thousands of children are made to live in here in America are some of this country's worst secrets. Secrets—because so many of the decisionmaking adults in this Nation would rather bury their heads, than admit the truth of this gross negligence.

Children are certainly the most precious gift bestowed upon us. They come into this world ignorant of society's racial, ethnic, and class divisions. They come into this world not understanding how thousands of others just like them will not even live to see a first birthday.

In New York City alone, 4,852 newborns were born, already exposed to the deadly AIDS virus, HIV, between 1987 and 1990. Of these cases, 1,348 were in my congressional district of the South Bronx.

In the richest Nation of the planet, over 5 million children go to sleep at night hungry, and/or malnourished.

The Federal Government must do all that it can to help families with children raise those children when it appears that the well-being of a child is in jeopardy. After the safety of the child has been assured, we can then begin to help heal the whole family, so to prevent an unnecessary breakup of that family.

If a separation must occur, then it is the Government's job to make certain that these emotionally frail children spend as little time as necessary in foster care, and are properly placed with loving families.

State and local child welfare organizations need to better coordinate their individual child care services, and the Federal Government needs to better communicate with and assist them.

Mr. Chairman, closing the gaps in the child welfare system that thousands of children fall through will require a sustained national commitment to action. I am encouraged by measures such as the Family Preservation Act to protect our children and foster healthier family units.

Mr. Chairman, I urge the unanimous passage of this bill.

Mr. PANETTA. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I rise in support of this important legislation, which is an investment in the future of our children and our Nation.

Today we have the opportunity to stop talking about the importance of the family and actually do something to preserve it. We can continue to use family values as a political issue to divide us or we can work together to help America's struggling families stay together. We can express our sympathy to those children who will go to sleep tonight hungry or we can feed them. We can speak with admiration of those families who have reached out to help those children without homes and parents or we can ensure that foster and adoptive families have the support needed to care for those children. We can listen in horror as we hear the rising number of abused and neglected children or we can ensure that family services are available to prevent such a tragedy. The choice is ours.

As a Representative from a State with one of the highest levels of childhood poverty in the country, I consider this measure an essential step in addressing this ever growing problem. More than one in every four children in West Virginia lives in poverty. This measure will serve to increase the benefits and expand eligibility of families for the Food Stamp Program. In addition, this bill will provide a $70 million increase in funding for the Emergency Food Assistance Program, which has made important progress in feeding our Nation's poor working families by stocking food banks across the country. Importantly, this measure will give States the flexibility to address their own unique needs and problems effectively.

Finally, this legislation will serve as a deficit reduction measure. By imposing a very small tax on a few of our Nation's wealthiest citizens, we will be able to provide essential services to our Nation's neediest children and reduce the deficit by more than $1 billion over the next 5 years. In addition, by investing in family preservation services now, we will save the $10,000 it would cost in the future for a year of foster family care for one child.

I urge my colleagues to support the Family Preservation/Mickey Leland Childhood Hunger Relief Act; this is an important investment in our country's most precious resource for the future our children.

Mr. PANETTA. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Chairman, this is one of those bills where you feel very good about supporting it, because you can make a difference with this legislation.

We have been talking about family values. We are actually doing something about it.

We have been talking about investing in children, and we are doing something about it.

We have been talking about local control and giving local communities and States flexibility, and we are doing that.

We have been talking about being fiscally responsible, and we do it in this bill. This legislation actually reduces the deficit by $1.2 billion over the next 5 years.

We have been talking about doing something about child abuse, and this legislation does it.

Mr. Chairman, seldom does the Congress vote on bills that can make a difference for those who have been left behind. Here we have an opportunity to do something about hunger, about children, about investing in people.

Mr. Chairman, this is good legislation and it deserves the support of this House.

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I rise in support of H.R. 3603.

This legislation is the product of many months of study and is greatly needed.

The children of America are our future. Many of them are now endangered. This legislation will help to give them a better present and a better future. The method of financing of this bill is also thoughtful and proper—a surtax on the wealthiest of our country.

In the years when I practiced law in Jacksonville, I was very active in trying to solve the problems of children and served on the boards of the Childrens' Home Society of Florida and the Boys Home Association of Jacksonville. Also, on special request from Juvenile Judge Walter Criswell, I undertook as a volunteer the solution of a variety of problems among the young of Jacksonville. All of this gives me some perspective on such problems, and I feel that the legislation before us today is greatly needed and should be passed.

Mr. PANETTA. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. TALLON], the chairman of the subcommittee of the Committee on Agriculture that deals with this issue.

Mr. TALLON. Mr. Chairman, I rise in strong support of the entire children's initiative because it is the only way we in Congress can address the financial insecurity facing so many American families today.

I support the bill with its child welfare provisions, food stamp improvements and the surtax on personal incomes over a million dollars. As the chairman of the Subcommittee on Nutrition with jurisdiction over food stamps, I firmly believe that passing this entire package is the only way that the food stamp provisions of the Mickey Leland Childhood Hunger Act will ever become law.

We have been trying for more than 2 years to make the simple adjustments to the food stamps programs in order to better reflect current housing, transportation, and food costs. It is time to make the difficult choice of

raising revenue to do the right thing. We must vote for the children's initiative.

Mr. Chairman, the food stamp constituency is over 25 million strong. This is 2 million more people on food stamps than when we originally passed the Mickey Leland childhood hunger provisions that were part of the 1990 farm bill but which were scrapped as part of the infamous 1990 budget agreement.

Twenty-five million strong and yet their voice is seldom heard here in Washington. As such a large group it is hard to find the typical food stamp recipient. Some are disabled. Some are uneducated. Some have Ph.D.'s. Some are unemployed. Some are employed. Some are underemployed. Some are the poorest of the poor. Some are only in need of short-term relief. Our food stamp citizens are as varied as the population of America itself.

But they have a few things in common. One, is that they are shut out, either for a short time or for a long term, of the economic opportunities that this wonderful country provides to all citizens. Thus, they spend most of their time and energy thinking about where their next meal will come from. They do not have time to lobby Congress.

Another common denominator is children. Over 80 percent of food stamp households are households with children. More than half of all food stamp recipients are children. The adults in these households hold the future of 12.5 million Americans in their hands. Is this not our future, too?

Among all recipients the average benefit is 70 cents per person per meal. These days, families generally run out of their food stamps by the 20th day of the month. The struggle for food security is a time-consuming, painful, and frustrating task for far too many families. They do not have time to worry about DAN QUAYLE or Murphy Brown values.

Shut out of the economic promise of this Nation, the vast food stamp constituency is in danger of being shut out of the political process of this Nation.

We, the elected officials of this great Nation, have the responsibility to uphold the basic tenet of this democracy—that is, the American Government should be by, of, and for the citizens of this Nation. It is up to us to measure the needs of all constituencies and to make tough choices.

The food stamps constituency of 25 million citizens dwarfs the millionaire constituency of 60,000 which is charged with paying for the children's initiative. Moreover, the 12.5 million children on food stamps are our Nation's future. We must take care of them now, so that they can be productive members of society. We must not let the struggle for food be the defining element of their developing years. The future of this Nation is too important.

Let us try to hear the voices of this large and desperate constituency. Let us try to understand a life of struggle that few of us in this House know. Let us make the best long-term solution to address the problems of American families today.

I urge my colleagues to vote yes on the entire children's initiative.

Mr. COLEMAN of Missouri. Mr. Chairman, if the gentleman from California is going to close debate with the chairman's remarks, we have no further requests for time, and I yield back the balance of our time.

□ 1250

Mr. PANETTA. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. MAZZOLI].

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

I rise in very strong support of this commendable bill which really does do something for family values.

Mr. PANETTA. Mr. Chairman, I yield 4 minutes, the balance of my time, to the gentleman from Texas [Mr. DE LA GARZA], the distinguished chairman of the Committee on Agriculture and one who has worked a great deal on this legislation.

Mr. DE LA GARZA. Mr. Chairman and my colleagues, I rise in support of H.R. 3603, the children's initiative. This legislation is designed to reach the most deprived families of our country. This bill is geared towards strengthening our country's efforts to end hunger among children and their families and to curtail the abuse and neglect of children.

Title VI of this bill—the Mickey Leland Childhood Hunger Relief Act—makes several long-needed changes and improvements in the Food Stamp Program.

Our efforts to strengthen the Food Stamp Program through passage of the Mickey Leland Childhood Hunger Relief Act go back to 1990, when the Committee on Agriculture included the Mickey Leland bill as part of its version of the 1990 farm bill. The House took a strong position in favor of the food stamp provisions when it rejected an effort to strike major portions of the Mickey Leland bill from the farm bill—provisions designed to help poor families and households—by a margin of 336-83.

Unfortunately, the budget summit agreement that year, which contained the pay-as-you-go provisions, forced the Agriculture Committees to delete these worthwhile but costly provisions from the farm bill conference report.

We did not give up the fight for needy children. We renewed the fight last year when Congressman PANETTA, the lead sponsor of the Mickey Leland bill, myself, and other members of the Agriculture and Hunger Committees introduced H.R. 1202, the Mickey Leland Childhood Hunger Relief Act. More than 100 Members of the House have cosponsored this legislation.

Today I am pleased we are finally able to bring a major portion of the Mickey Leland bill to the floor today as part of the children's initiative in this legislation.

Congressman DOWNEY and Chairman ROSTENKOWSKI of the Committee on Ways and Means have developed a funding mechanism for this bill.

Mr. Speaker, I am sure that our Nation's economic difficulties are forcing more and more low-income Americans to turn to the Food Stamp Program to help them meet the food needs of our families.

Participation levels have grown from 22.4 million in fiscal year 1981 to over 25.6 million this year. The most recent data from the U.S. Department of Agriculture indicates an 11-percent increase in food stamp participation compared to May of last year.

Yet, even with increasing participation of families with children—who comprise nearly 80 percent of the food stamp caseload—there are a reported 5 million children in America under the age of 12 who still go hungry each month. In fact, the Children's Defense Fund has reported that 11.2 million were living in poverty in 1989, an increase of 1.1 million from the decade of the 1980's.

Mr. Chairman, our country which has the best food production system in the world cannot allow its most precious resource, our children, to suffer from hunger. I believe one of our Nation's goals must be to reach that last hungry child and end hunger in our Nation. This legislation will go a long way in reaching that goal. At the same time, our committee will continue our constant oversight over the program, to address fraud or abuse and seeing to it that we reach all those in need.

I am submitting a summary of title VI, Childhood Hunger Relief, for the RECORD. I urge my colleagues to support this legislation for the sake of millions of our Nation's children.

TITLE VI—CHILDHOOD HUNGER RELIEF

SECTION 601—SHORT TITLE

Section 601 provides that the title may be cited as the "Mickey Leland Childhood Hunger Relief Act", and sets out the table of contents of the bill.

SECTION 602—REFERENCES TO ACTS

Section 602 provides that references in the bill to "the Act" are references to the Food Stamp Act of 1977.

Subtitle A—Ensuring Adequate Food Assistance

SECTION 611—FAMILIES WITH HIGH SHELTER EXPENSES

Section 611 amends section 5(e) of the Act to provide that households without elderly or disabled members, for purposes of determining Food Stamp Program eligibility and benefits levels, may deduct from income high shelter costs in the same way that elderly and disabled households do at present.

Under current law, households may deduct shelter expenses that exceed 50% of their incomes, but this deduction is capped, currently at $194 a month in the 48 contiguous States, for households that do not contain elderly or disabled members.

Section 101(a) removes the cap for such households effective January 1, 1997. Section 101(b) establishes increased shelter deduction caps for the interim period. Section 101(c) makes a conforming change to section 5(e) of the Act.

SECTION 602—CONTINUING BENEFITS TO ELIGIBLE HOUSEHOLDS

Section 602 amends the definition of "initial month" in section 8 of the Act to mean the first month for which an allotment is issued to a household following any period of more than one month in which the household was not participating in the Food Stamp Program, after previous participation in the program.

The effect of this provision is that eligible households reapplying during the first month following the end of their prior certification period will receive full benefits, rather than pro-rated benefits as required by current law, for that month. This rule currently applies to migrant and seasonal farmworkers.

SECTION 613—HOMELESS FAMILIES IN TRANSITIONAL HOUSING

Section 613 amends section 5 of the Act to exclude from income, for purposes of determining Food Stamp Program eligibility and allotment levels, the full amount of vendor payments (payments made to third parties) for transitional housing for homeless households.

The Food Stamp Act generally excludes vendor payments from calculations of food stamp income. However, in those states that have shelter allowance components within their payments to families under the Aid to Families With Dependent Children (AFDC) program, current law excludes that portion of the vendor payments for transitional housing for the homeless only up to an amount equal to half of the AFDC maximum shelter allowance. The amount of a vendor payment that exceeds the AFDC maximum shelter allowance is also excluded. The majority of states have no separate AFDC shelter allowance, and therefore the entire vendor payment is excluded for the purposes of the Food Stamp Program under the general rule to exclude vendor payments. This section would treat vendor payments for transitional housing the same in all states by excluding the entire vendor payment from income for purposes of determining Food Stamp Program eligibility and allotment levels.

SECTION 614—IMPROVING THE NUTRITIONAL STATUS OF CHILDREN IN PUERTO RICO

Section 614 amends section 19 of the Act to increase funding for the Nutrition Assistance Program (NAP) in Puerto Rico. In 1981, the Food Stamp Act was amended to replace the Food Stamp Program in Puerto Rico with a block grant, the Nutrition Assistance Program. For 1993, the block grant funding for NAP funding is increased from $1.051 billion to $1.066 billion; for 1994 it is increased from $1.091 billion to $1.116 billion; and for 1995, funding is increased from $1.133 billion to $1.168 billion.

SECTION 615—HOUSEHOLDS BENEFITING FROM GENERAL ASSISTANCE VENDOR PAYMENTS

Section 615 amends section 5 of the Act to include only general assistance (GA) vendor payments provided for housing expenses, but excluding energy or utility-cost assistance, as income for determining food stamp eligibility and benefit levels.

Under current law, GA vendor payments are excluded from consideration as income if they are made under state laws that prohibit making direct GA payments to households. In other states, they are counted as income if they are made for normal living expenses.

The 1990 Farm Bill established the current exclusion from income for those GA vendor payments made under state laws prohibiting direct GA payments to households. The provisions of section 106 of the H.R. 1202 were included in the Food Stamp and Related Provisions of the 1990 Farm Bill, as approved by the Committee on Agriculture and passed by the House, but were not subsequently enacted into law.

SECTION 616—HELPING LOW-INCOME HIGH SCHOOL STUDENTS

Section 616 amends section 5 of the Act to exclude the income of high school students for the purpose of calculating eligibility and benefit levels for the food stamp program. Current law excludes the income of high school students only up to their eighteenth birthday.

Subtitle B—Promoting Self-Sufficiency

SECTION 621—CHILD SUPPORT DISREGARD

Section 621 amends section 5 of the Act to exclude from consideration as household income in determining Food Stamp Program eligibility and allotment levels the first $50 a month received for child support, including those payments made on time but received in a later month. Under current law, the State agency has the option to exclude the first $50 in child support payments received by households participating in the AFDC program, but must reimburse to the Federal government, from state funds, the value of increased food stamp benefits.

SECTION 622—CHILD SUPPORT PAYMENTS TO NON-HOUSEHOLD MEMBERS

Section 622 amends section 5 of the Act to exclude from consideration as income for purposes of determining Food Stamp Program eligibility and allotment levels any child support payments a household member makes to support a child outside of the household, if the payments are a legal obligation. Current law provides no such exclusion.

SECTION 623—VEHICLES NEEDED TO SEEK AND CONTINUE EMPLOYMENT AND FOR HOUSEHOLD TRANSPORTATION

Section 623 amends section 5 of the Act to require the annual indexing of the current asset threshold for the fair market value of vehicles owned by households. Current law imposes the eligibility requirement, generally, that households not have assets above $2,000 if they do not contain an elderly member, or $3,000 if they do contain an elderly member. The amount of the fair market value of each household vehicle (other than those that are totally disregarded) that exceeds $4,500 is calculated toward the asset limit. Section 623 requires that the $4,500 threshold be adjusted, beginning October 1, 1996, and on each October 1 thereafter, to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for new cars, rounded to the nearest $50.

Subtitle C—Simplifying the Provision of Food Assistance

SECTION 631—SIMPLIFYING THE HOUSEHOLD DEFINITION FOR HOUSEHOLDS WITH CHILDREN AND OTHERS

Section 631 amends section 3 of the Act to delete a provision that requires siblings living together and parents living with adult children to be considered as one household even if they do not purchase and prepare meals together.

Section 631 amends the definition of "household" in section 3 of the Act to include (1) an individual who lives alone, (2) an individual who lives with others but customarily purchases food and prepares meals separate and apart from the others, and (3) a group of individuals who live together and customarily purchase food and prepare meals together. Parents and their minor children who live together and spouses who live together would continue to be treated as a group of individuals who customarily purchase and prepare meals together even if they do not do so.

SECTION 632—ASSURING ADEQUATE FUNDING FOR THE FOOD STAMP PROGRAM

Section 632 amends section 18 of the Act to delete from the Act provisions that authorize the reduction of benefits to households and notification to State if the Secretary of Agriculture determines that Food Stamp Program funding is insufficient.

Subtitle D—Commodity Distribution to Needy Families

SECTION 641—COMMODITY PURCHASES

Section 641 amends section 214 of the Emergency Food Assistance Act of 1983 to require that the Secretary spend an additional $70 million in fiscal year 1993 to purchase, process, and distribute additional commodities. These commodities are to be in addition to those commodities from Commodity Credit Corporation stocks distributed under the authority of the Emergency Food Assistance Act of 1983.

Subtitle E—Implementation and Effective Dates

SECTION 651—EFFECTIVE DATES

Section 651 provides that sections 612, 615, 621, 622, and 631 will become effective and be implemented on July 1, 1993. Other provisions of the bill will become effective and must be implemented on October 1, 1992.

SECTION 652—PROHIBITION ON REDUCING AGRICULTURAL PRICE SUPPORT PROGRAMS

Section 652 provides that no reduction of any agriculture price or income support program shall be made to achieve offsets to provide for any provision of this Act.

Mr. Chairman, it is sad and unfortunate that we are being divided over the mechanism on how to fund this program. I have no problem with that, because the mechanism that is being utilized, I think, is fair. I do not think it is too much to ask for a little sacrifice from those that are well off to feed our children that have no resources of their own and, many times, inadequate assistance from the family or the community.

Let me assure you that, to me, this is a personal item, because my district has tremendous problems in this area, and I want to share just briefly with you a family that has one room, that is their house, one electric wire to a pole. Thank God for REA. A young child riding a little bike in the front yard, no grass, no flowers, nothing, and in visiting with the mother, she says, "My food stamps don't go far enough. I don't have any at the end of the month." And I said, "Well, what do you do with the children?" She says, "We

just measure out what is left." "We just measure out what is left."

Are we going to be arguing here over a few people that will be taxed and continue in this, the greatest country of the world, having a mother say, "I just give them what is left"?

Mr. FAZIO. Mr. Chairman, I rise in support of H.R. 3603, the Family Preservation Act. The plight of America's children has worsened over the past few decades. Nearly 1 in every 5 of our children is poor and hungry—1.4 million of them are in California, alone. Reports of child abuse and neglect have tripled over the last 10 years. Crack and cocaine addiction have escalated; 80 percent of California's children in crisis are in situations where substance abuse is part of the problem. Families are finding it more and more difficult to stay together.

According to Children Now, the nonpartisan, California-based childern's advocacy organization, almost 67,000 California children lived in foster homes, groups homes, residential facilities and emergency shelters. California's children are less likely to have health insurance, to go to college and to receive child support payments than other children in the country. Our children are more likely to grow up poor, have babies as teenagers, be victims of homicide, be unemployed, and to be abused or neglected than other children in the United States. These are the children who are at risk— the ones who end up in the juvenile justice system. And it is not getting any better for them.

This is not just a California problem, however. Children all over the country are in crisis, and our States and localities are overwhelmed with the responsibility of caring for their needs. They do not have the resources to help keep families together. So, many of our children are placed in foster care and other out-of-home situations, unnecessarily. They live in these situations too long and, even those who do return home, find themselves being taken away again because the situation at home has not improved. As a result, the costs of the Federal Foster Care Program are going through the roof.

On one hand we applaud family values and the importance of keeping the unit together. But on the other hand, we keep funneling our children into the Federal Foster Care Program and do not give needed support to the Federal program that provides families in trouble with the services and support that they need to stay together. In California, we spend 10 times as much to support a child already in foster care than we do to prevent a child from going into foster care. This year, the projected cost of foster care in California is $1.8 billion, nearly double our costs in 1989. What kind of a message is this?

H.R. 3603 improves our support system for children. It supports services to keep families together so that children can avoid the foster care system and it includes provisions for better addressing the special needs of families with substance-abuse problems. The concept of family preservation has proven itself to be effective in California, as well as a number of other States, including Maryland, Virginia, and Florida. In Kentucky, the initial family preservation program prevented 85 percent of foster care placements at half the cost of foster care.

To be eligible to receive the support in H.R. 3603, a State must submit a comprehensive family services plan—every year—and this plan must include a needs assessment, a description of plans already in place to address these needs, and the State's 5-year goals for improving services.

In exchange, States receive funding that will assist them in developing innovative family preservation programs. They have the flexibility to combine different kinds of funding to develop their own specialized, comprehensive programs for families in crisis and to fund a broad range of social services.

Almost half of the poor renters in this country pay over 70 percent of their incomes for shelter. In these situations, there is very little left for food and, even with food stamps, children in these situations go hungry. So, in addition to supporting services to keep families intact, H.R. 3603 attacks childhood hunger. It contains childhood hunger relief provisions which will make it easier for families to purchase the food they need for an adequate diet.

The new programs and services created by H.R. 3603 will cost money. Nobody disputes that. Opposition arises, however, because H.R. 3603 is funded by a 10-percent surtax on millionaries—a tax that will not only pay for the costs of the program, but that will also reduce the deficit by $1.2 billion over 5 years. And that it is why its opponents do not support it. This bill, which is supported by the children's defense fund, the Child Welfare League of America, the National PTA, the National Association of Counties, and the National Association of Social Workers—just to name a few—would be funded by 1 percent of our population—those who have taxable income in excess of $1 million.

The family is our basic social unit. Keeping the family unit intact is key to the foundation of this country. Although many of our single parents do an excellent job of providing loving, nurturing secure environments for their children, it has been proven that a two-parent family provides stronger support for children as they grow up. It is for this reason that we need to invest in strengthening and supporting the family unit up-front, instead of trying to pick up the pieces when things fall apart.

I urge my colleagues on both sides of the aisle to support passage of H.R. 3603, a bill which will provide some badly needed support for our families and children in crisis.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in strong support of H.R. 3603, the Family Preservation and Childhood Hunger Relief Act. This bill attempts to improve child welfare services, partly by creating a new child welfare program that would help keep families intact and avoid unnecessary foster care and out-of-home placements.

I cannot overemphasize the importance of this legislation which affects the well-being of our children. With increasing poverty, family breakup and growing substance abuse, the need for foster care has grown to outstrip the often meager services available in so many of our communities. Today the number of children who are in foster care has increased by nearly 50 percent, from 273,500 in 1986 to 407,000 in 1990. This explosive growth has come at a time when resources to deal with these problems are at their lowest, thereby preventing the Federal Child Welfare Services Program from adequately responding to the dramatic need.

This act would provide new Federal dollars to address this urgent need in States all across the country. It will supplement the existing child welfare program. H.R. 3603 is badly needed relief for agencies which are overburdened in almost every community in America.

H.R. 3603 will be applauded in my home district in Illinois since it allows both States and communities attempting to develop innovative strategies to prevent the splitting up of families which may be saved. It allows for flexibility so that each area can design strategies that help maintain fragile families.

Poor families in my district in Chicago will be particularly grateful for the relief provided by this act, which will alleviate childhood hunger by expanding eligibility for food stamps. In today's economy with the heads of many families unemployed or underemployed there can be no more important priority than insuring that the neediest among us have adequate food and care.

Mr. Chairman, we have many problems in our country today, but if we do not address the needs of our children, we are guaranteed a future of even greater poverty, less ability to compete with other nations, lower education standards and many other problems when this generation of uncared for and unprepared children grows up. I hope that my colleagues will rush to support this needed legislation.

Mr. WEISS. Mr. Chairman, I rise in support of H.R. 3603, the Family Preservation/Mickey Leland Childhood Hunger Relief Act. It is time for Congress to stop talking about preserving the American family and start taking action.

We are reminded of the American work ethic of working hard today, so that our children may have the opportunity to do better in the future. For the first time in America, that may not be possible. Our children may not do better.

Today, 1 in 5 American children lives in poverty. Last year, an estimated 5 million children under the age of 12 lived in hunger. From 1986 to 1990, the number of children in foster care increased 50 percent. And as the National Committee for the Prevention of Child Abuse reports, the number of recorded child abuse and neglect cases has tripled over the last 10 years to the terrifying number of 2.7 million. Our children did not bring these conditions upon themselves—and they certainly cannot escape them on their own. Our children need our help to survive.

We must invest in the children's initiative so that children have a chance to be young. This program will arm us with the weapons to fight the forces of poverty and homelessness that rob so many of our Nation's children of the pleasures of childhood. This is a program that strives to keep the family together. It is a smart program that addresses the diverse problems that contribute to family breakup. It funds services to combat substance abuse, child neglect, and child hunger. It will solidify the foster care system to avoid unnecessary family placements and assure that the appropriate welfare services are provided.

The children's initiative is a sound, responsible investment in the future of America. Even

in these tough economic times, we cannot forget that if we want America to thrive again we must feed those who will make it grow. Children are our future; and the family is the essential foundation upon which to build that future. I urge my colleagues to lay the groundwork for tomorrow by supporting this bill before us today.

Mr. FORD of Michigan. Mr. Chairman, I rise today in support of H.R. 3603, the Children's Initiative Act of 1992. This bill includes the provisions of H.R. 3603, the Family Preservation Act, originally introduced during the last session, and amendments to the demonstration provisions of that act which were added by the Committee on Education and Labor on July 29, 1992.

H.R. 3603, the Family Preservation Act of 1991, included demonstration authorities intended to decrease the incidence of child abuse, infant and child abandonment, and the need for foster care or adoption placements. The bill, originally referred to the Committee on Ways and Means, was reported by that committee on July 22, 1992.

After careful review, the Committee on Education and Labor identified a number of areas in which provisions of H.R. 3603 either duplicated or influenced current programs under the Child Abuse Prevention and Treatment Act, the Adoption Opportunities Act and the Abandoned Infants Act, which are within the jurisdiction of the Committee on Education and Labor. Specifically, the projects authorized by section 404, dealing with prevention of abandonment and abuse and expeditious handling of adoption and placement cases, fell within this category. For this reason, the committee requested and was granted sequential referral and took action on this section of the bill.

A consensus package of amendments was developed. The demonstration authorities were expanded and modified in the areas of assessment factors to be considered under specific grants, inclusion of urban unserved and underserved populations in target groups to be served under training grants, and by clarifying that training of judicial personnel and judges must include factors relating to the best interests of the child.

The Subcommittee on Select Education, Chaired by MAJOR OWENS, and the minority, led by Mr. GOODLING and Mr. BALLENGER, are to be congratulated for their past work in these areas done through hearings and research. This enabled us to work quickly and fruitfully, to see that the concerns and jurisdiction of the committee were protected.

I also want to express my thanks to the Committee on Rules, for including the substance of the committee reported amendments in the bill currently being made in order for consideration. We took the action of requesting sequential referral and making amendments to protect our jurisdiction over these vital areas and to be sure that any new activities augment and support those ongoing programs operated under authorities within our jurisdiction. I feel we have accomplished both purposes and have improved the bill in the process.

Mrs. MINK. Mr. Chairman, I rise in strong support of H.R. 3603, the Family Preservation Act of 1992 and the Mickey Leland Hunger Relief Act, included in the Downey-Panetta children's initiative.

H.R. 3603 corrects years of misguided Federal policy that saw fit to handout entitlements to the States rather than encourage the development of child welfare programs geared toward keeping families intact. H.R. 3603 is responsible legislation that addresses the needs of distressed children and families by fostering child welfare services, helping in the prevention of child abuse and neglect, and providing assistance to families at risk. It is Congress' acknowledgement of the primary desire of any child—to be a part of his or her own family—and our sincere effort to perpetuate a more sensible and sensitive system of support.

H.R. 3603 recognizes that the social problems confronting our society are many, varied, and complex. Shameful poverty rates, rampant homelessness, pervasive substance abuse, and child abuse and neglect, all combine to substantially increase the demand for child welfare services. Between 1980 and 1991, the number of reports of child abuse and neglect tripled from 900,000 to 2.7 million.

H.R. 3603 strengthens distressed families by helping them to develop the skills and resources to remain intact through increased funding and improvements in the existing State child welfare programs. This is often a far better solution to their problems than placing their children in foster care unnecessarily or for too long a period of time. The number of children who are in foster care nationwide has increased by an appalling 50 percent in recent years, from 273,500 in 1986 to 407,000, in 1990.

The unfortunate increase in foster care placements is due to misguided Government policies that provide States with entitlements for foster care placements instead of incentives to develop programs that keep families together. These policies must be corrected to stem the tide of neglect experienced by our Nation's children and to put the needs of the children first.

Another key provision of H.R. 3603, the Mickey Leland Hunger Relief Act, confronts the hunger that afflict too many American families and children. The Food Research and Action Center estimates that 11.5 million children under the age of 12 are hungry or at risk of hunger. This program will ensure that those unfortunate enough to be homeless or near homeless still have adequate diets to ward off disease and malnutrition, and it will promote self-sufficiency among food stamp recipients.

H.R. 3603 provides the necessary funding for its badly needed programs by imposing a modest surtax on those at the very highest end of the economic spectrum, those individuals with taxable incomes in excess of $1 million per year; $8 billion is projected to be raised over 5 years.

To this Republican administration, caring for the needs of distressed children and families means talking about family values. The President's threatened veto of this bill because its funding mechanism imposes a surtax on millionaires sends a clear message about whose side he's on. The critical needs of our Nation's families and children are too important to be ignored, and it's time for this Congress to set the record straight by voting for H.R. 3603.

Mr. Chairman, I urge my colleagues to stand up for children and families, and support the Downey-Panetta children's initiative.

Mrs. MEYERS of Kansas. Mr. Chairman, I rise today in reluctant opposition to a piece of legislation that is designed to preserve families, assist children, and improve nutritional programs and services to children.

I am concerned about provisions in H.R. 3603, the Family Preservation Act, that would create a new capped entitlement for child welfare services. Under current law, there are six open-ended entitlement programs to provide adoption and foster care services to children. The bureaucracy of our child welfare system has grown astronomically, and this legislation does nothing to change that. Instead of freeing up social workers to spend more time working with children and families instead of administrative paperwork, H.R. 3603 increases the administrative burden on State child welfare systems.

Mr. Chairman, the costs of our current entitlement programs continue to mushroom. Just recently, the House considered the fiscal year 1993 appropriations bill for the Departments of Labor, Health and Human Services, and Education. The total cost of that bill was $244.1 billion, and 74 percent of the spending in the bill, or $179 billion, went for entitlement programs.

As many of my colleagues and I have mentioned, if we are ever gong to get control of the deficit, we must get control of entitlement spending. When I first came to Congress in 1985, Federal spending on Medicaid was $22.7 billion; in 1993, the Federal share of the Medicaid Program is estimated to be about $67 billion. In 8 years the cost has tripled. In 1985, AFDC was funded at $8 billion. Now, the cost of the AFDC Program is estimated to be between $12 and $13 billion. Food stamps were funded at $11.6 billion in 1985, and those costs are expected to reach $26.7 billion next year. The Federal costs of the Food Stamp Program have more than doubled in 8 years.

When we create entitlement programs, we relinquish control over spending for the program. As we have seen in other entitlement programs, the costs continue to mushroom out of control. The creation of yet another entitlement program, however well-intentioned, is not only unreasonable, but fiscally impossible.

Mr. Chairman, if we do not get control of our current entitlement spending, we will never be able to address the many pressing needs facing our Nation's children. If we really want to help the children of today and tomorrow, we should not leave them with a legacy of economic disaster.

Finally, I am concerned about the process by which this bill has come to the floor today. This bill was presented under a closed rule, without an opportunity to offer amendments. The President has indicated that he will veto this bill if it is presented to him in its current form. I am afraid that the process we have begun today is designed more to embarrass the President in an election year, rather than actually providing benefits to children and families.

Mr. HAYES of Illinois. Mr. Chairman, I rise today in support of the Family Preservation Act. In recent years, largely due to growing social problems, like poverty, increasing family breakup, drug abuse, and child abuse, insurmountable demands have been placed on the

already burdened shoulders of State and local child welfare systems. Family welfare systems across the Nation have been overwhelmed by the substantially increased need for services. According to the National Committee for the Prevention of Child Abuse, the number of reports of child abuse and neglect tripled from 900,000 to 2.7 million between 1980 and 1991. Since 1985, the number of children in foster care increased by 50 percent, to 407,000 children in 1990. Child welfare systems, as a result of the burden these statistics represent, are unable to provide the types of services that would encourage keeping families intact, and avoid foster care and other out of home placements.

The Family Preservation Act addresses the problems of an overburdened welfare system by providing $3.5 billion over 5 years to local agencies to encourage innovation in designing programs designed to keep families intact, and make improvements in foster care and adoption programs when restoration of a family is unrealistic. By addressing the inefficiencies in the child welfare system, and recognizing the importance of keeping families together the Family Preservation Act saves money by encouraging alternative solutions to expensive foster care and other out of home placements.

Perhaps the most attractive aspect of this legislation is the way in which it would be financed, the measure proposes a millionaires surcharge on taxable income in excess of $1 million. This tax would only affect a minuscule proportion of the population, only 60,000 millionaires earn enough income to be affected by this tax which would raise a total of $8.2 billion. Since the total cost of the program is $7 billion, $1.2 billion would be applied toward deficit reduction.

The Family Preservation Act addresses the urgent concerns of the American family, and the crises that faces the child welfare system. This legislation respects the sanctity of the family and provides the support necessary to help the institution in troubled times. In this day and age when the preservation of family values are the rallying cry for numerous campaigns, I am surprised this bill faces any opposition. It is painfully obvious that to some politicians, the preservation of family values is just an empty campaign slogan. As a cosponsor of this measure, rest assured that in my opinion the preservation of real family values, not conservative rhetoric, is one of the most important issues facing the Congress this decade.

Mr. DOOLEY. Mr. Chairman, I rise in reluctant opposition to H.R. 3603, the Family Preservation Act. It is a tragedy that our Nation has so many children with unmet needs. It is true that the number of children living in poverty has increased at an alarming rate. It is true that we need to do more to keep families intact. But the bill before the House is not the only proposal that can effectively achieve those objectives.

I am disappointed that the bipartisan substitute was not allowed to be debated on this floor. I am disappointed that once again this House has failed to develop a compromise that would receive bipartisan support and be signed into law by the President. By passing this bill we are not helping children. Once again, we are offering only a false promise that will delay the enactment of any needed reforms.

My district in the Central Valley of California has the lowest per capita income rate in that State. Earlier in this session my district was identified as having the highest unemployment rate in the Nation, hovering at over 17 percent. There are few regions of the country whose families suffer greater hardships than in central California. But I am not convinced that H.R. 3603 is the most effective means to alleviate the pain and suffering of the people of my district.

The proponents are paying for their program with a surtax on millionaires. I don't object to placing a surtax on millionaires, but if we are going to impose additional taxes, let us invest those revenues so we get the greatest return to our society. I am troubled that a few months ago we determined that the highest priority for a millionaire's surtax was to fund our tax bill. Governor Clinton has proposed a millionaire's surtax to fund his new initiatives. Today we have a different priority for that surtax.

The increase in child abuse, family dissolutions, and childhood poverty can in part be attributed to the deterioration of our economy and increasing unemployment rates. The plight of our children would be more effectively addressed by providing their parents with more and better employment opportunities. Let us invest those revenues to stimulate our economy, to rebuild our deteriorating infrastructure, and to create jobs for our families struggling on welfare.

I am committed to the children of our country, and I am convinced that we must effectively ensure a better future for them—not by creating another entitlement, but rather by giving the States greater flexibility in providing for the needs of children and by investing our tax dollars to create a more vibrant economy with greater employment opportunities for all of our citizens.

Mr. REED. Mr. Chairman, I rise today in strong support of H.R. 3603, the Family Preservation/Mickey Leland Childhood Relief Act.

Investment in our children is one of the most important commitments we as a nation can make. We must not only provide for quality education and job training but also early intervention which will allow children to develop and reach their full potential.

We are all familiar with the sobering statistics. Children have become the poorest members of our society; 20 percent of all children live in poverty and over 5 million children under age 12 go to bed hungry every month. H.R. 3603 addresses this problem by investing in America's families.

The legislation before us today attempts to keep troubled families together instead of pulling them apart. As my friend from New York, Mr. DOWNEY, said earlier, we cannot legislate strong families. We can, however, give families in crisis the resources they need to, in many cases, defeat the odds and raise healthy children in their own homes.

As a member of the Education and Labor Committee, I am committed to improving our education system and providing the best education for our children. The success of our schools rests in large part on our commitment to keep our children healthy so they come to school ready and able to learn.

If you are truly profamily, you will support this profamily legislation. Today we have the opportunity to put our money where our hearts are.

I urge my colleagues to recognize that our children are our most precious resource and to vote in support of H.R. 5600.

Mr. CAMP. Mr. Chairman, as a member of the Select Committee on Children, Youth, and Families, I rise in strong opposition to yet another blatantly political tax hidden behind the facade of helping America's families and children.

You cannot buy family values with taxpayer dollars. You will not find family values on a dollar bill. Yet this bill is crafted with the simplistic idea that the problem with America's families is a lack of new Government spending.

In fact, one problem America's families face is that there is too much Government spending on too many programs that take too much in taxes from those families.

Today, the typical American family pays close to 40 percent of its income in taxes—not on food or clothing, housing or education—but on taxes. This bill shakes down American families for another $8 billion to create an additional $3.5 billion entitlement program.

This bill is yet another ill-conceived attempt to impose tax fairness by soaking the rich. Congress tried to soak the rich in 1990 with the boat tax, and the jobs of 20,000 middle Americans set sail for foreign shores.

The tax increase contained in this bill will hit millions of small business men and women across this Nation. It will shut their doors and put them out of business, costing another 90,000 Americans their jobs.

There is no question that the problems of child abuse, AIDS, family breakup, and drug abuse, exist and they are serious. I support efforts that effectively deal with them.

There already exists open-ended entitlement programs designed to address the very issues that this bill targets. And these programs already cost taxpayers tens of billions of dollars.

In addition, this year we are spending: $23 billion for food stamps, $12 billion for aid for dependent children, $2.9 billion for WIC, $2.6 billion for foster care and adoption, $2 billion for Head Start, and $1.5 billion on LIHEAP.

That's nearly $45 billion alone on these programs to help American families and children.

If they are not doing the job then we need to find out why and fix them before creating more programs.

Furthermore, this bill contains an incredible provision that requires the States to spend more money than they need.

Now that is a new concept.

The Federal Government says to the States if you spend more than we estimate, then we pay the difference. If you spend less than we estimate, we give you the difference anyway.

Mr. Chairman, the American people are saying enough. There is too much spending on programs by a Government that has grown too big.

The American people know that these programs are not working and that it is time to try a new approach. Vote "no" on this business-as-usual bill that wastes taxpayers dollars.

And let's look for a new and better approach to deal with the problems facing American families.

Mr. HOUGHTON. Mr. Chairman, why must once again we be dealt a bill at the last

minute, with no prior knowledge, no chance for even one new idea, dealing with billions of dollars with the incongruous label of family preservation. Really, if the issue and needs weren't so serious, one might want to think that this was a wicked political curve ball, intending to embarrass all of us who vote "no." Can you imagine a more Machiavellian plot than to put two issues side by side—this one, and Russian aid.

So you know what this bill does—under the guise of helping needy children, it socks a huge administrative staff into an entitlement program.

Is this important? You bet it is. The taxpayer swallowed a 2000-percent administrative cost increase in the last 10 years. How do you like that for controlling spending?

Do we help the needy? Of course not. This bill doesn't, among other things, give out one more food stamp to one new needy family. It just pushes more into the hands of those already receiving help.

No, Mr. Chairman. This just doesn't pass muster.

Ms. DELAURO. Mr. Chairman, a nation should be judged by the way it treats its children. They are not only the weakest and most vulnerable among us, they are our hope and our future. Yet hunger, homelessness, and lack of health care are the background against which tens of thousands of America's young spend their childhoods.

This bill begins the process of extending greater help to our children. But we have a long way to go to reverse the trends of the last decade, during which 22 percent more children have slipped into poverty, and 13 percent more children are not living with their families.

Nothing we do will help our children more than fighting to ensure that they have a solid, stable life at home. This bill makes some important strides toward improving foster care, encouraging the adoption of hard-to-place children, and enhancing efforts to keep families, that could break up, intact.

Aid to States to help with foster care programs is significantly increased in this bill in response to the sharp increase in the number of children living in foster homes. In recent years, the number of children who are in foster care nationwide has increased by 50 percent—from 237,500 in 1986 to 407,000 in 1990.

Children who seek to be adopted but are difficult to place will also be aided by this legislation, which funds State programs for adoptive families.

But most importantly, this bill seeks to promote innovative programs that will keep families together. It provides States with funds to establish programs that will prevent the need for unnecessary foster care, reunite foster children with their original families when possible, and provide followup service to families whose children have returned home.

Mr. Speaker, it is increasingly difficult for families to raise their children. More families have single parents, families face shrinking incomes and greater expenses, local and State governments have fewer resources to address family needs, health care costs are soaring, and parents find themselves working longer hours with less time to spend with their children.

All these factors place an increasing strain on children and on family life. This bill takes important steps to begin addressing some of these problems and it deserves the support of every Member of this House. A vote for this bill is not only a vote for the well being of our children, it is a vote for the future of this country.

Mr. RAMSTAD. Mr. Chairman, I rise in opposition to H.R. 3603.

I do so reluctantly because I, like many others in this body, believe that our child welfare system is in desperate need for reform.

The entitlement programs that currently comprise our child welfare system are too regulatory, too wasteful, and too restrictive on the States that administer them. Since 1981, the administrative costs alone of child welfare have gone up a whopping 2,000 percent.

The problem, Mr. Chairman, is that the bill before us doesn't even try to address this runaway increase in administrative costs. Instead, H.R. 3603 simply dumps an additional $3.5 billion into a badly broken system and pretends it's a cure all.

Over the next 5 years, the Federal Government will give the States $20 billion for child welfare programs. Clearly, we are willing to commit adequate funds to address the needs of our children. The real problem is how we choose to spend them.

Given that spending on child welfare has skyrocketed over the past decade, most people may wonder why there has been no marked improvement in child welfare programs.

Well, Mr. Chairman, it's because the money is not getting to the children who need it. It's because social workers are spending 80 percent of their time filling out paperwork, rather than taking care of our kids. And it's because our bloated system is taking Federal candy out of the hands of babies and putting it into hands of bureaucrats.

The Democrat leadership claims that H.R. 3603 reforms the child welfare system. But all it amounts to is the tired old social policy of tax and spend, spend and tax. And all at the cost of $3.5 billion of taxpayers' money.

Today, the Democrat leadership has refused to even listen to an alternative proposal, offered by our colleague NANCY JOHNSON, which I strongly support and which enjoys widespread, bipartisan support.

In spite of the fact that the Johnson bill offers real reform and reasonable spending limits, the Democrat-controlled Rules Committee would not even allow it to be discussed on the House floor. Perhaps, the Democrat leadership feared that the support for this alternative proposal would put an abrupt end to their irresponsible political game.

In my opinion, this gag rule is an insult to all of us who serve in the House and believe in the principle of open debate.

The heart of the Johnson proposal is to take almost $9 billion out of wasteful entitlement programs and move it into a new capped entitlement program that would be completely controlled by the States.

Rather than forcing States to spend outrageous amounts on administration and training, the Johnson proposal makes $9 billion available for whatever child welfare programs that States deem most effective.

For example, child welfare administrators argued before the House Ways and Means Committee that if dollars were available for preventive services, they could save a lot of money while caring for our children. The Johnson proposal takes child welfare administrators at their word; H.R. 3603 doesn't.

In short, the Johnson proposal increases State flexibility, reduces administration, and promotes efficient use of limited resources, all without costing new money.

Mr. Chairman, despite the efforts of the Rules Committee, we still have a choice.

We have a choice between creating a flexible system that slashes Federal redtape or throwing more money into a broken system without repairs. We have a choice between providing vital services to needy children or larger paychecks to faceless bureaucrats. We have a choice between improving the child welfare system or prolonging the stagnant policies of the failed welfare state.

Mr. Chairman, the choice is clear. I urge my colleagues to support the motion to recommit, or failing that, to oppose H.R. 3603.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of H.R. 5600, as modified by the amendments printed in House Report 102–787, shall be considered as an original bill for the purpose of amendment and is considered as read.

The text of the amendment in the nature of a substitute, as modified, is as follows:

H.R. 5600

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Children's Initiative".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Short title of titles I through V; amendment of Social Security Act.

TITLE I—CHILD WELFARE SERVICES

Sec. 101. Entitlement funding for child welfare services to strengthen and preserve families.
Sec. 102. Required protections for foster children.
Sec. 103. Reports on child welfare services and expenditures.
Sec. 104. Enhancing court procedures.
Sec. 105. State directory of services.
Sec. 106. States required to report on measures taken to comply with the Indian Child Welfare Act.

TITLE II—FOSTER CARE AND ADOPTION ASSISTANCE

Sec. 201. Comprehensive service projects.
Sec. 202. Abandoned children.
Sec. 203. Clarification of removal from home requirement.
Sec. 204. Dissolved adoptions.
Sec. 205. Respite care.
Sec. 206. Extension of definition of children with special needs.
Sec. 207. Study of reasonable efforts requirement by advisory committee.
Sec. 208. Automated systems.
Sec. 209. Periodic reevaluation of foster care maintenance payments.

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Sec. 210. Accelerated dispositional hearing.
Sec. 211. Periodic review of children free for adoption.
Sec. 212. Time frame for judicial determinations on voluntary placements.
Sec. 213. Placement accountability.
Sec. 214. Treatment of assets of youth participating in independent living program.
Sec. 215. Elimination of foster care ceilings and of authority to transfer unused foster care funds to child welfare services programs.
Sec. 216. Regulations for training of agency staff and of foster and adoptive parents.
Sec. 217. Publication of program data.
Sec. 218. Review of child welfare activities.
TITLE III—SOCIAL SERVICES BLOCK GRANT
Sec. 301. Title XX social services block grant.
TITLE IV—RESEARCH, DEMONSTRATION, AND EVALUATION
Sec. 401. Advisory Commission on Children and Families.
Sec. 402. Research and evaluations to be conducted by the Advisory Commission on Children and Families.
Sec. 403. Other research and evaluations.
Sec. 404. Child welfare demonstration projects.
Sec. 405. Technical assistance.
TITLE V—MISCELLANEOUS HUMAN RESOURCES AMENDMENTS
Sec. 501. State option to use retrospective budgeting without monthly reporting under AFDC program.
Sec. 502. Increase in stepparent income disregard under AFDC program.
Sec. 503. Extension of period for demonstration projects for evaluating model procedures for reviewing child support awards.
Sec. 504. Technical corrections related to the income securit and human resources provisions of the Omnibus Budget Reconciliation Act of 1990.
Sec. 505. Technical corrections related to the human resource and income security provisions of Omnibus Budget Reconciliation Act of 1989.
TITLE VI—CHILDHOOD HUNGER REELIEF
Sec. 601. Short title.
Sec. 602. References to Act.
SUBTITLE A—ENSURING ADEQUATE FOOD ASSISTANCE
Sec. 611. Families with high shelter expenses.
Sec. 612. Continuing benefits to eligible households.
Sec. 613. Homeless families in transitional housing.
Sec. 614. Improving the nutritional status of children in Puerto Rico.
Sec. 615. Households benefiting from general assistance vendor payments.
Sec. 616. Helping low-income high school students.
SUBTITLE B—PROMOTING SELF-SUFFICIENCY
Sec. 621. Child support disregard.
Sec. 622. Child support payments to nonhousehold members.
Sec. 623. Vehicles needed to seek and continue employment and for household transportation.
SUBTITLE C—SIMPLIFYING THE PROVISION OF FOOD ASSISTANCE
Sec. 631. Simplifying the household definition for households with children and others.
Sec. 632. Assuring adequate funding for the food stamp program.
SUBTITLE D—COMMODITY DISTRIBUTION TO NEEDY FAMILIES
Sec. 641. Commodity purchases.
SUBTITLE E—IMPLEMENTATION AND EFFECTIVE DATES
Sec. 651. Effective dates.
Sec. 652. Prohibition on reducing agriculture price support programs.
TITLE VII—FUNDING
Sec. 701. Surtax on individuals with incomes over $1,000,000.

SEC. 2. SHORT TITLE OF TITLES I THROUGH V; AMENDMENT OF SOCIAL SECURITY ACT.

(a) SHORT TITLE OF TITLES I THROUGH V.—Titles I through V may be cited as the "Family Preservation Act of 1992".

(b) AMENDMENT OF SOCIAL SECURITY ACT.—Except as otherwise expressly provided, wherever in titles I through V of 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 Social Security Act.

TITLE I—CHILD WELFARE SERVICES

SEC. 101. ENTITLEMENT FUNDING FOR CHILD WELFARE SERVICES DESIGNED TO STRENGTHEN AND PRESERVE FAMILIES.

(a) IN GENERAL.—Part B of title IV (42 U.S.C. 620–628) is amended—

(1) by striking the heading and inserting the following:

"PART B—CHILD WELFARE AND FAMILY PRESERVATION SERVICES

"Subpart 1—Child Welfare Services";

(2) in section 423(a), by striking "this part" and inserting "this subpart";

(3) in section 428(b), by inserting "or 432, as appropriate" after "421"; and

(4) by adding at the end the following:

"Subpart 2—Family Preservation Services

"SEC. 430. ENTITLEMENT.

"(a) IN GENERAL.—For payments to which States are entitled under this subpart, there shall be available to the Secretary an amount equal to the sum of—

"(1) the basic entitlement amount for the fiscal year; and

"(2) the additional entitlement amount for the fiscal year.

"(b) DEFINITIONS.—As used in subsection (a):

"(1) BASIC ENTITLEMENT AMOUNT.—The term 'basic entitlement amount' means—

"(A) for fiscal year 1993, $200,000,000;

"(B) for fiscal year 1994, $350,000,000;

"(C) for fiscal year 1995, $450,000,000;

"(D) for fiscal year 1996, $550,000,000;

"(E) for fiscal year 1997, $600,000,000; and

"(F) for fiscal year 1998 and each succeeding fiscal year, $600,000,000, increased by the percentage (if any) by which—

"(i) 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 July 31 of the immediately preceding fiscal year; exceeds

"(ii) the average of the Consumer Price Index (as so defined) for the 12-month period ending on July 31, 1995.

"(2) ADDITIONAL ENTITLEMENT AMOUNT.—The term 'additional entitlement amount' means, with respect to a fiscal year, 60 percent of the amount (if any) by which the adjusted baseline amount for the fiscal year exceeds the sum of—

"(A) the aggregate amount of Federal outlays under part E for the fiscal year; and

"(B) the aggregate of the amounts calculated pursuant to section 441(d)(1)(B) with respect to any State for the fiscal year.

"(3) ADJUSTED BASELINE AMOUNT.—The term 'adjusted baseline amount' means, with respect to a fiscal year, the sum of—

"(A) the baseline amount for the fiscal year; and

"(B) the adjustment amount for the fiscal year.

"(4) BASELINE AMOUNT.—The term 'baseline amount' means—

"(A) for fiscal year 1993, $2,775,000,000;

"(B) for fiscal year 1994, $3,122,000,000;

"(C) for fiscal year 1995, $3,519,000,000;

"(D) for fiscal year 1996, $3,952,000,000;

"(E) for fiscal year 1997, $4,416,000,000; and

"(F) for each of fiscal years 1998 and 1999, $4,416,000,000, increased by the percentage (if any) by which the GDP deflator for the 12-month period ending on March 31 of the calendar year in which the fiscal year begins exceeds the GDP deflator for the 12-month period ending on March 31, 1997.

"(5) ADJUSTMENT AMOUNT.—The term 'adjustment amount' means—

"(A) for fiscal year 1993, $227,000,000;

"(B) for fiscal year 1994, $222,000,000;

"(C) for fiscal year 1995, $181,000,000;

"(D) for fiscal year 1996, $261,000,000;

"(E) for fiscal year 1997, $336,000,000; and

"(F) for each of fiscal years 1998 and 1999, $336,000,000, increased by the percentage (if any) by which the GDP deflator for the 12-month period ending on March 31 of the calendar year in which the fiscal year begins exceeds the GDP deflator for the 12-month period ending on March 31, 1997.

"(6) GDP DEFLATOR.—The term 'GDP deflator' means the GDP deflator published by the Department of Commerce.

"SEC. 431. ANNUAL SUBMISSION OF STATE PLAN AMENDMENTS.

"To be eligible to receive its share of the funds available for expenditure under this subpart for a fiscal year after fiscal year 1993, a State shall annually submit to the Secretary, as an amendment to the State plan under this part, and in such form as the Secretary may require by regulation, a comprehensive family services plan that contains—

"(1) an assessment, as of the beginning of the fiscal year, of—

"(A) the service needs of families in the State any child of which has been or is at risk of being placed outside the home; and

"(B) the need for substance abuse treatment services for such families;

"(2) a description of the service programs available in the State, as of the beginning of the fiscal year, that address the service needs of such families;

"(3) the State's goals for the 5-year period beginning with the fiscal year for increasing the number and capacity of such service programs;

"(4) a strategy for the fiscal year to improve the coordination of services to such families with other State programs and services;

"(5) a certification from the Governor of the State that the State has provided for appropriate coordination of State substance abuse treatment programs and such service programs;

"(6) an assurance that the State will not use any funds provided under this subpart to supplant Federal, State, or local funds used for similar purposes;

"(7) an explanation of how the Federal assistance provided under this section will, during the fiscal year, expand services available to such families, including—

"(A) a description of the service programs to be provided with funds provided under this section;

"(B) the goals of such programs; and

"(C) a description of the populations to which the programs will be targeted, with an assurance that such populations will consist of—

"(i) families any child of which is, has been, or is at risk of being placed, in foster care; and

"(ii) at the option of the State, families any child of which is, has been, or is at risk of being placed, in the care of a mental health or juvenile justice agency; and

"(8) such other information as the Secretary may require by regulation.

"SEC. 432. ALLOTMENTS TO STATES.

"The Secretary shall allot the sum made available pursuant to section 430 for any fiscal year, for use by cooperating State public welfare agencies which have plans developed jointly by the State agency and the Secretary and which are located in States that are in compliance with section 431, as follows:

"(1) ALLOTMENTS TO TERRITORIES.—The allotment for any fiscal year to each of the jurisdictions of Puerto Rico, Guam, the Virgin Islands, the Northern Mariana Islands, and American Samoa shall be determined in the same manner in which the allotment to the jurisdiction was determined under section 421.

"(2) OTHER ALLOTMENTS.—

"(A) IN GENERAL.—The allotment for any fiscal year to each other State shall be the amount equal to—

"(i) the sum made available pursuant to section 430 for the fiscal year that remains unallotted after the application of paragraph (1) of this section; multiplied by

"(ii) the food stamp percentage of the State for the fiscal year.

"(B) FOOD STAMP PERCENTAGE DEFINED.—As used in subparagraph (A)(ii), the term 'food stamp percentage' means, with respect to a State and a fiscal year, the average number of children receiving food stamp benefits in the State for the 4th, 3rd, and 2nd preceding fiscal years, as determined from sample surveys made under section 16(c) of the Food Stamp Act of 1977, expressed as a percentage of the average number of children receiving food stamp benefits in all of the States (to which this paragraph applies) for such preceding fiscal years, as so determined.

"SEC. 433. REALLOTMENTS.

"(a) IN GENERAL.—The amount of any allotment to a State under section 432 for any fiscal year which the State certifies will not be required for carrying out the State plan under this part shall be available for reallotment, from time to time, on such dates as the Secretary may fix, to other States which the Secretary determines—

"(1) are in compliance with section 431 for the fiscal year;

"(2) need sums exceeding the sums allotted to such States under sections 421 and 432, in carrying out their State plans under this part; and

"(3) will be able to use such excess sums during the fiscal year.

"(b) DISTRIBUTION FORMULA.—Any amount available for reallotment shall be reallotted among the other States referred to in subsection (a) on the same basis as allotments are made under section 432.

"(c) TREATMENT OF REALLOTMENTS.—Any amount reallotted to a State under this section is deemed to be part of the allotment of the State under section 432.

"SEC. 434. PAYMENTS TO STATES.

"(a) BASIC ENTITLEMENT AMOUNT.—

"(1) IN GENERAL.—From the sums appropriated therefor not exceeding the basic entitlement amount (as defined in section 430(b)(1)) and the allotment under this subpart of the basic entitlement amount, each State which has a plan developed in accordance with section 422 and is in compliance with section 431 for a fiscal year shall be entitled to receive from the Secretary, and the Secretary shall from time to time pay to each such State, an amount equal to 75 percent of the total amount expended by the State during the fiscal year under the plan (including administrative costs) in accordance with section 435.

"(2) ADMINISTRATIVE PROVISIONS.—

"(A) ESTIMATES.—Before each calendar quarter, the Secretary shall estimate the amount to be paid to each State under this subsection for the quarter.

"(B) PAYMENTS.—From that portion of the allotment of each State that is attributable to the basic entitlement amount, the Secretary shall pay the amount estimated under subparagraph (A), reduced or increased, as the case may be, by any sum (not previously adjusted under this subsection) by which the Secretary finds that any such estimate for a prior quarter was greater or less than the amount which should have been paid to the State under this subsection for such prior quarter.

"(b) ADDITIONAL ENTITLEMENT AMOUNT.—From the sums appropriated therefor equal to the additional entitlement amount (as defined in section 430(b)(2)) and the allotment under this subpart of the additional entitlement amount, each State which has a plan developed in accordance with section 422 and is in compliance with section 431 for a fiscal year shall be entitled to receive from the Secretary, and the Secretary shall, within 3 months after the end of the fiscal year, pay to each such State, the amount allotted to the State from the additional entitlement amount.

"SEC. 435. USE OF FUNDS.

"(a) BASIC ENTITLEMENT AMOUNT.—Each State which receives funds paid to the State under section 434(a) shall—

"(1) use part (but not all) of such funds to develop or expand specialized child welfare service programs, to families in crisis due to substance abuse, that—

"(A) emphasize comprehensive services;

"(B) are geared toward the whole family; and

"(C) encourage or expand the availability of programs for pregnant women and programs which allow mothers to reside with their children (and other caretaker relatives to reside with the children in their care) while receiving services or treatment; and

"(2) use the remaining part of such funds to develop or expand—

"(A) service programs designed to help children—

"(i) where appropriate, return to families (including adoptive families) from which they have been removed; or

"(ii) be placed for adoption, with a legal guardian, or, if adoption or legal guardianship is determined not to be appropriate for a child, in some other planned, permanent living arrangement;

"(B) preplacement preventive services programs, such as intensive family preservation programs (as defined in section 1144(c)(1)(B)(i)), that are designed to help children at risk of foster care placement remain with their families (including adoptive families); or

"(C) service programs designed to provide follow-up care to families (including adoptive families) to whom a child has been returned after a foster care placement.

"(b) ADDITIONAL ENTITLEMENT AMOUNT.—Each State which receives funds paid to the State under section 434(b) may use such funds for any purpose for which funds may be used under this part.

"(c) MAINTENANCE OF EFFORT.—Notwithstanding section 434, the amount that would otherwise be paid to a State under this subpart shall be reduced by the sum of—

"(1) any amount paid to the State under this subpart which is used to supplant any Federal, State, or local funds used for similar purposes;

"(2) the amount (if any) by which the total amount expended by the State and the political subdivisions thereof from State and local sources for the provision of child welfare services (excluding foster care maintenance payments and adoption assistance payments) during any fiscal year is less than the total amount so expended during fiscal year 1992; and

"(3) the amount (if any) by which the total amount expended by the State and the political subdivisions thereof from State and local sources for the provision of child welfare services during any fiscal year is less than the total amount so expended during fiscal year 1992.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1992, and shall apply to payments under part B of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

SEC. 102. REQUIRED PROTECTIONS FOR FOSTER CHILDREN.

(a) ELIMINATION OF INCENTIVE FUNDING MECHANISMS.—

(1) IN GENERAL.—

(A) REPEAL.—Section 427 (42 U.S.C. 627) is hereby repealed.

(B) CONFORMING AMENDMENT.—Section 423(a) (42 U.S.C. 623(a)) is amended by striking "and in section 427".

(2) STATE PLAN REQUIRED TO PROVIDE FOR FOSTER CARE PROTECTIONS OF REPEALED SECTION 427.—Section 422(b) (42 U.S.C. 622(b)) is amended—

(A) by striking "and" at the end of paragraph (7);

(B) by striking the period at the end of paragraph (8) and inserting "; and"; and

(C) by adding at the end the following:

"(9) provide that the State must—

"(A) conduct or have conducted an inventory of all children who have been in foster care under the responsibility of the State for a period of 6 months preceding the inventory, and determine or have determined—

"(i) the appropriateness of, and necessity for, the foster care placement;

"(ii) whether the child can or should be returned to the parents of the child or should be freed for adoption; and

"(iii) the services necessary to facilitate either the return of the child or the placement of the child for adoption or legal guardianship; and

"(B) implement and operate, to the satisfaction of the Secretary—

"(i) a statewide information system from which the status, demographic characteristics, location, and goals for the placement of every child who is in foster care, or who has been in such care within the preceding 12 months, can be readily determined;

"(ii) a case review system (as defined in section 475(5)) for each child receiving foster care under the supervision of the State; and

"(iii) a service program designed to help children—

"(I) where appropriate, return to families from which they have been removed; or

"(II) be placed for adoption, with a legal guardian, or in some other planned, permanent living arrangement.".

(3) CONFORMING AMENDMENTS.—

(A) Section 472(d) (42 U.S.C. 672(d)) is amended by striking "427(b)" and inserting "422(b)(9)".

(B) Section 425(a)(2) (42 U.S.C. 625(a)(2)) is amended by inserting "to comply with section 422(b)(9) or" before "to comply".

(4) EFFECTIVE DATE.—The amendments and repeal made by this subsection shall take effect on October 1, 1992, and shall apply to payments under part B of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

(5) CONSTRUCTION OF SUBSECTION.—The amendments and repeal made by this subsection shall not be construed to permit any State to interrupt the provision of the foster care protections described in section 427 of the Social Security Act, as in effect before fiscal year 1993.

(b) ADDITIONAL PROTECTIONS.—

(1) IN GENERAL.—Section 422(b)(9) (42 U.S.C. 622(b)(9)), as added by subsection (a)(2) of this section, and as amended by sections 103(c)(1)(B) and 105(a)(1) of this Act, is amended—

(A) by striking "and" at the end of subparagraph (A)(iii); and

(B) by striking "and" at the end of subparagraph (B)(ii);

(C) by inserting "and" at the end of subparagraph (B)(iii); and

(D) by adding at the end the following:

"(iv) a preplacement preventive services program designed to help children at risk of foster care placement remain with their families; and

"(C)(i) review or have reviewed State laws, State administrative and judicial procedures, and agency legal representation in effect for children abandoned at or shortly after birth; and

"(ii) develop and implement such laws and procedures as the State determines are necessary to enable lasting permanent decisions to be made expeditiously with respect to the placement of such children;".

(2) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on October 1, 1994, and shall apply to payments under parts B and E of title IV of the Social Security Act for fiscal year 1995 and to such payments for any succeeding fiscal year.

(3) CONSTRUCTION OF SUBSECTION.—The amendments made by this subsection shall not be construed to permit any State to interrupt the provision of the foster care protections described in section 427 of the Social Security Act (as in effect before fiscal year 1993).

SEC. 103. REPORTS ON CHILD WELFARE SERVICES AND EXPENDITURES.

(a) PRE-EXPENDITURE REPORTS.—

(1) IN GENERAL.—Section 422(b)(5) (42 U.S.C. 622(b)(5)) is amended to read as follows:

"(5) include a report—

"(A) on the intended use of payments made to the State under this part, including information on the types of services to be provided and the geographic areas where such services will be available; and

"(B) which shall be made public within the State in such manner as to facilitate comment by any person (including any Federal or other public agency) during each stage of the development of the report.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to State plans under part B of title IV of the Social Security Act for fiscal year 1994 and such plans for any succeeding fiscal year.

(b) POST-EXPENDITURE REPORTS.—

(1) IN GENERAL.—Part B of title IV (42 U.S.C. 620–628) is amended by inserting after section 426 the following:

"SEC. 427. REPORT ON EXPENDITURES.

"(a) PREPARATION.—Each State shall prepare annual reports on the services provided with funds made available under this part during the most recently completed fiscal year, which shall be in such form and contain such information as the State finds necessary to—

"(1) provide an accurate description of such services;

"(2) secure a complete record of the purposes for which the funds were spent; and

"(3) enable a determination of the extent to which the funds were spent in a manner consistent with the reports required by section 422(b)(5).

"(b) DISSEMINATION.—Not later than the date prescribed by the Secretary as the due date for each report required by subsection (a), each State shall—

"(1) transmit to the Secretary a copy of each such report;

"(2) make copies of each such report available for public inspection in the State; and

"(3) provide copies of each such report, upon request, to any interested public agency, which may provide to the Congress the views of such agency on any such report.

"(c) ESTABLISHMENT OF UNIFORM DEFINITIONS.—The Secretary shall establish uniform definitions of services for use by the States in preparing the reports required by subsection (a) of this section, taking into consideration the uniform definitions established for the reports required by section 2006, and shall take such other steps as may be necessary or appropriate to ensure that compliance with this section will not be unduly burdensome on the States.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1993, and shall apply to expenditures under State plans under part B of title IV of the Social Security Act in or after fiscal year 1994.

(c) COMPARATIVE FINANCIAL CONTRIBUTION REPORTS.—

(1) IN GENERAL.—Section 422(b) (42 U.S.C. 622(b)), as amended by section 102(a)(2) of this Act, is amended—

(A) in paragraph (8), by striking "and" at the end;

(B) in paragraph (9), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(10) include information for the fiscal year second preceding the fiscal year covered by the plan, in such form as the Secretary may prescribe by regulation, on—

"(A) the aggregate amount expended by the State and the political subdivisions thereof for the provision of child welfare services (other than foster care maintenance payments and adoption assistance payments), broken down in a manner that shows the extent to which such amount was expended from funds provided by each of Federal, State, or local sources; and

"(B) the aggregate amount expended by the State and the political subdivisions thereof for foster care maintenance payments and adoption assistance payments, broken down in a manner that shows the extent to which such amount was expended from funds provided by each of Federal, State, or local sources.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to State plans under part B of title IV of the Social Security Act for fiscal year 1993 and to such plans for any succeeding fiscal year.

(3) REPORTS TO THE CONGRESS.—Section 422 (42 U.S.C. 622) is amended by adding at the end the following:

"(c) The Secretary shall annually transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a summary of the information received from States pursuant to subsection (b)(10), and shall make available to the public copies of the summary at a charge equal to the cost of printing.".

SEC. 104. GRANT PROGRAM FOR STATE COURT SYSTEMS TO ASSESS AND IMPROVE PROCEDURES IN CHILD WELFARE CASES.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall make grants in accordance with this section to the highest State courts to conduct assessments of the procedures and functions of the State courts in carrying out parts B and E of title IV of the Social Security Act, and to implement recommendations for improvements in such procedures and functions based on the assessments.

(b) ASSESSMENTS.—The assessment described in this subsection is designed to assess how the State courts are performing the activities required of them by or under State laws enacted pursuant to parts B and E of title IV of the Social Security Act, and to make recommendations on how to improve the implementation of such parts, which shall include the following:

(1) A list of the requirements imposed on the State courts by or under State laws enacted pursuant to such parts, and a list of the State laws, regulations, and policies that govern the implementation of such requirements.

(2) A description of the extent to which State law requires procedural safeguards for children and their parents with respect to each type of proceeding held by State courts pursuant to the State laws referred to in paragraph (1).

(3) A quantitative and qualitative evaluation of how each requirement of such parts is being carried out in the State, including the following:

(A) The circumstances under which, and the frequency with which, the procedural safeguards described pursuant to paragraph (2) are provided.

(B) Whether, during court proceedings, evidence is presented and arguments are made that address the findings and determinations required by the State laws referred to in paragraph (1), and, if so, the amount and sufficiency of time devoted to the presentation of such evidence and the making of such arguments.

(C) The extent to which the procedures and practices of the State courts are reasonably in accord with recommended standards of national organizations concerned with permanent placement for foster children.

(4) The effect of judicial caseloads and case assignments on the quality of court proceedings.

(5) Recommendations on how to better meet the requirements of such parts, and to improve the implementation by the State courts of the State laws enacted pursuant to such parts, including any changes in law, regulation, procedure, judicial manpower, judicial case assignments, judicial caseloads, judicial data collection, judicial education, and requirements for court-appointed legal representatives for parents and children.

(c) APPLICATIONS.—

(1) FISCAL YEAR 1994.—In order for a highest State court to become eligible for a grant under this section for fiscal year 1994, the court shall submit to the Secretary an application which, at a minimum, contains the following:

(A) A timetable for conducting and completing the assessment described in subsection (b) during fiscal year 1994.

(B) A budget for the assessment described in subsection (b), the method which is to be used to conduct the assessment, and a statement of how courts are to be selected for inclusion in the assessment.

(C) A certification that the head of the State agency responsible for children in State-supervised foster care, and, if applicable, the State foster care citizen review board or the State organization of citizen review boards, has had an opportunity to review and comment on a draft of the application before its submission. Such certification must include a copy of such comments.

(D) A description of how the court is to consult and cooperate with the head of the State agency responsible for children in State-supervised foster care, and, if applicable, the State foster care citizen review board or the State organization of citizen review boards, in developing and conducting the assessment described in subsection (b).

(E) Such other information as the Secretary may require by regulation.

(2) FISCAL YEAR 1995.—In order for a highest State court to become eligible for a grant under this section for fiscal year 1995, the court shall submit to the Secretary an application which contains the following:

(A) A copy of the assessment described in subsection (b) that was conducted and completed with funds provided under this section.

(B) A description of the steps that were taken during the conduct of the assessment described in subsection (b), and that will be taken in the fiscal year for which the application is submitted, to consult and cooperate with the State agency responsible for children in State-supervised foster care and, if applicable, the State foster care citizen review board or the State organization of citizen review boards.

(C) A specification of the steps that will be taken to implement the recommendations described in subsection (b)(5) made in the assessment described in subsection (b), and to make other improvements in the judicial handling of child welfare and foster care cases.

(D) Assurances that the applicant will—

(i) coordinate with the head of the State agency responsible for children in State-supervised foster care, and provide the agency with a report on the actions to be taken by the applicant to implement the recommendations of the assessment;

(ii) after completion of the assessment described in subsection (b), use funds received under this section to—

(I) implement the recommendations of the assessment; and

(II) establish new activities or programs, or strengthen existing activities or programs, to carry out such recommendations; and

(iii) not use funds received under this section to supplant State or local funds used for similar purposes.

(E) Such other information as the Secretary may require by regulation.

(3) FISCAL YEARS 1996, 1997, AND 1998.—In order for a highest State court to become eligible for a grant under this section for fiscal year 1996 or thereafter, the court shall submit to the Secretary an application which contains the following:

(A) A description and evaluation of the activities of the State courts under the grant made with respect to an application submitted under paragraph (2) in improving their implementation of parts B and E of title IV of the Social Security Act.

(B) A description of the steps that were taken during the previous fiscal year, and that will be taken in the year for which the application is submitted, to consult and cooperate with the head of the State agency responsible for children in State-supervised foster care and, if applicable, the State foster care citizen review board or the State organization of citizen review boards, in implementing the recommendations made in the assessment described in subsection (b).

(C) A specification of the remaining steps that will be taken to implement the recommendations described in subsection (b)(5) made in the assessment described in subsection (b), and to make other related improvements in the judicial handling of child welfare and foster care cases.

(D) A reaffirmation of the assurances made pursuant to paragraph (2)(D).

(E) Such other information as the Secretary may require by regulation.

(d) GRANT AMOUNTS.—

(1) FISCAL YEAR 1994.—Of the amounts made available to carry out this section for fiscal year 1994, each highest State court that submits an application which meets the requirements of subsection (c)(1) shall be entitled to, and the Secretary shall pay such court, a grant in an amount equal to—

(A) $150,000; plus

(B) the amount which bears the same ratio to the remainder of such available amounts as the number of individuals in the State who have not attained the age of 21 years bears to the number of individuals who have not attained such age in the States the highest State courts of which have so submitted such applications.

(2) FISCAL YEARS 1995, 1996, 1997, AND 1998.—Of the amounts made available to carry out this section for each of fiscal years 1995, 1996, 1997, and 1998, each highest State court that submits an application which meets the requirements of paragraph (2) or (3) of subsection (c) shall be entitled to, and the Secretary shall pay such court, a grant in an amount equal to—

(A) $190,000; plus

(B) the amount which bears the same ratio to the remainder of the amounts available for the fiscal year as the number of individuals in the State who have not attained the age of 21 years bears to the number of individuals who have not attained such age in the States the highest State courts of which have so submitted such applications.

(3) NO STATE MATCH REQUIRED FOR FISCAL YEARS 1994 AND 1995; REDISTRIBUTION OF UNUSED FUNDS.—Grant amounts under this section shall be paid to, and redistributed among, highest State courts in the same manner in which funds made available pursuant to section 420(b) of the Social Security Act are paid to, and reallotted among, the States pursuant to sections 423 and 424 of such Act, except that—

(A) for each of fiscal years 1994 and 1995, section 423(a) of such Act shall be applied by substituting "100 percentum" for "75 percentum"; and

(B) amounts shall be redistributed on the same basis as amounts are distributed under paragraph (1)(B) or (2)(B), and amounts so redistributed shall be treated as part of the amounts distributed under paragraph (1)(B) or (2)(B), whichever is applicable.

(e) USE OF GRANTS.—

(1) FISCAL YEAR 1994.—

(A) CONDUCT ASSESSMENT.—Except as provided in subparagraph (B), each highest State court which receives a grant applied for under subsection (c)(1) shall use such grant to conduct the assessment described in subsection (b).

(B) AUTHORITY TO USE EXCESS GRANT FUNDS TO IMPLEMENT RECOMMENDATIONS.—Any highest State court which has grant funds remaining after completing the assessment may use the remainder of the grant to implement the recommendations made as part of the assessment, in fiscal year 1994 or fiscal year 1995.

(2) FISCAL YEARS 1995, 1996, 1997, AND 1998.—Each highest State court which receives a grant applied for under paragraph (2) or (3) of subsection (c) for a fiscal year shall—

(A) use the grant to implement the recommendations made as part of the assessment described in subsection (b); and

(B) expend such grant in the fiscal year or in the immediately succeeding fiscal year.

(f) ADMINISTRATIVE PROVISIONS.—

(1) GUIDELINES FOR GRANT APPLICATIONS.—Within 90 days after the effective date of this section, the Secretary shall issue guidelines for grant applications under subsection (c)(1) and transmit such guidelines to each highest State court.

(2) PROMPT ACTION ON APPLICATIONS.—The Secretary shall take prompt action on each application for a grant under this section.

(g) DEFINITIONS.—As used in this section:

(1) HIGHEST STATE COURT.—The term "highest State court" means, with respect to a State, the State court with final appellate jurisdiction over civil matters in which State courts perform a function assigned by or under State laws enacted pursuant to part B or E of the Social Security Act.

(2) STATE.—The term "State" shall have the same meaning such term has for purposes of parts B and E of title IV of the Social Security Act.

(h) REPORTS TO THE CONGRESS.—The Secretary shall submit to the Congress an interim report not later than September 30, 1996, and a final report not later than September 30, 1999, on—

(1) the information obtained from the assessments conducted with grants made under this section; and

(2) the impact of the grant program under this section on the procedures and functions of the State courts in carrying out parts B and E of title IV of the Social Security Act.

(i) GRANTS FUNDED THROUGH SET ASIDE OF PORTION OF CHILD WELFARE ENTITLEMENT FUNDS FOR CERTAIN FISCAL YEARS.—

(1) FISCAL YEAR 1994.—$15,000,000 of the sums made available pursuant to section 430 of the Social Security Act for fiscal year 1994 shall be used solely to make grants to highest State courts under this section, before applying section 432 of such Act.

(2) FISCAL YEARS 1995, 1996, 1997, AND 1998.—$25,000,000 of the sums made available pursuant to section 430 of the Social Security Act for each of fiscal years 1995, 1996, 1997, and 1998 shall be used solely to make grants to highest State courts under this section, before applying section 432 of such Act.

(j) EFFECTIVE DATE.—This section shall take effect on October 1, 1993.

SEC. 105. STATE DIRECTORY OF SERVICES.

(a) STATE PLAN REQUIREMENT.—Section 422(b) (42 U.S.C. 622(b)), as amended by sections 102(a)(2) and 103(c)(1) of this Act, is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following:

"(11) require the agency administering or supervising the administration of the plan, not less frequently than every 2 years, to—

"(A) compile a detailed directory of those service programs made available by the agency or by local child welfare agencies to families served by such agencies that are—

"(i) preplacement preventive services programs that are designed to help children at risk of foster care placement remain with their families;

"(ii) service programs designed to help children—

"(I) where appropriate, return to families from which they have been removed; or

"(II) be placed for adoption, with a legal guardian, or in some other planned, permanent living arrangement; or

"(iii) service programs designed to provide follow-up care to families to whom a child has been returned after a foster care placement;

"(B) identify in such directory which of the programs referred to in subparagraph (A) provides specialized child welfare services to families in crisis due to substance abuse;

"(C) include in such directory such information as the Secretary may require by rule;

"(D) include in such directory, for each of such programs—

"(i) the name and address of the program and the agency or organization that administers the program;

"(ii) a description of the services offered by the program;

"(iii) the number of individuals the program is capable of serving at one time; and

"(iv) a description of the criteria for eligibility for services under the program, including any priorities with respect to who will receive such services;

"(E) arrange the information in the directory geographically; and

"(F) provide a copy of such directory to the Secretary and to all judges and other judicial administrators, and all State agencies, that are involved in child protection, foster care, and adoption cases.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1993, and shall apply to payments under part B of title IV of the Social Security Act for fiscal year 1994 and to such payments for any succeeding fiscal year.

SEC. 106. STATES REQUIRED TO REPORT ON MEASURES TAKEN TO COMPLY WITH THE INDIAN CHILD WELFARE ACT.

(a) STATE PLAN REQUIREMENT.—Section 422(b) (42 U.S.C. 622(b)), as amended by sections 102(a)(2), 103(c)(1), and 105(a) of this Act, is amended—

(1) by striking "and" at the end of paragraph (10);

(2) by striking the period at the end of paragraph (11) and inserting "; and"; and

(3) by adding at the end the following:

"(12) contain a description, developed after consultation with tribal organizations (as defined in section 4 of the Indian Self-Determination and Education Assistance Act) in the State, of the specific measures taken by the State to comply with the Indian Child Welfare Act.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1993, and shall apply to payments under part B of title IV of the Social Security Act for fiscal year 1994 and to such payments for any succeeding fiscal year.

TITLE II—FOSTER CARE AND ADOPTION ASSISTANCE

SEC. 201. COMPREHENSIVE SERVICE PROJECTS.

(a) IN GENERAL.—Title IV (42 U.S.C. 601 et seq.) is amended by inserting after part B the following:

"PART C—COMPREHENSIVE SERVICE PROJECTS

"SEC. 441. COMPREHENSIVE SERVICE PROJECTS.

"(a) IN GENERAL.—

"(1) PURPOSE.—The purpose of this section is to grant States the flexibility and resources necessary to develop comprehensive and coordinated services designed—

"(A) to preserve and strengthen families with children at risk of placement outside their home;

"(B) to reunite children with their families expeditiously if an out-of-home placement is found to be necessary; and

"(C) to place children in adoptive homes or other permanent arrangements in a timely fashion if reunification with their families is not appropriate.

"(2) METHOD.—The method of this section is to permit any State to apply to the Secretary for permission—

"(A) to conduct a comprehensive service project in accordance with this section in such area or areas of the State as the State may select; and

"(B) to suspend certain requirements of parts B and E with respect to the activities of the State in such area or areas during the project.

"(3) ENTITLEMENT.—For payments to which States authorized to conduct projects under this section are entitled under this part, there shall be available to the Secretary for each fiscal year an amount equal to 10 percent of the aggregate of the amounts that would have been paid to such States under section 423 for the fiscal year, and the amounts that would have been paid to such States under section 434 for the fiscal year if the total sum available for such payments were equal to the basic entitlement amount (as defined in section 430(b)(1)), if the Secretary had approved the State plans of such States under part B for the fiscal year and had not authorized such States to conduct projects under this section for the fiscal year.

"(b) APPLICATIONS.—Not later than 3 months before the fiscal year in which a State intends to commence a comprehensive services project under this section, the State may submit to the Secretary an application to conduct the project which shall contain the following:

"(1) A plan and a timetable for assessing by the end of the fiscal year—

"(A) whether procedures and policies of the child welfare agency of the State, or of the area or areas of the State in which the project is to be conducted, provide for the coordinated delivery of services to children and their families, and the specific barriers that must be overcome to ensure such coordination;

"(B) the service needs of families in the area or areas of the State in which the project is to be conducted whose child or children are at imminent risk of placement outside their home or are in an out-of-home placement in the child welfare, juvenile justice, or mental health system;

"(C) specific service programs available in the area or areas of the State in which the project is to be conducted that address the service needs of such families; and

"(D) the extent to which common practices, policies, and procedures among the child welfare, juvenile justice, and mental health systems in the area or areas of the State in which the project is to be conducted govern the assessment of children and their families, the provision of case plans, the delivery of services to children and their families, and the periodic reviews of the services provided, particularly with regard to families whose child or children are at imminent risk of placement outside their home or are in an out-of-home placement;

"(2) a plan and a timetable for implementing—

"(A) procedures and policies of the child welfare agency of the State, or of the area or areas of the State in which the project is to be conducted, that will result in the coordinated and efficient delivery of the range of child welfare services to families in the child welfare system;

"(B) a comprehensive services program designed to—

"(i) preserve and strengthen families with children at imminent risk of placement outside their home;

"(ii) reunite children with their families expeditiously if an out-of-home placement is found to be necessary;

"(iii) place children in adoptive homes or other permanent arrangements in a timely fashion if reunification with their families is not appropriate;

"(iv) meet the primary service needs of targeted families in the area or areas of the State in which the project is to be conducted who are in the child welfare, juvenile justice, or mental health system and whose child or children are at imminent risk of placement outside their home or are in an out-of-home placement; and

"(v) include, at a minimum, access to substance abuse treatment, parenting education, health, mental health, crisis managment, and counseling services;

"(C) a common assessment tool for targeting which children and families who come to the attention of the child welfare, juvenile justice, and mental health systems will participate in the program described in subparagraph (B);

"(D) joint training of staff from the child welfare, mental health, and juvenile justice systems who will be involved in the program described in subparagraph (B);

"(E) a system for delivering services under the program described in subparagraph (B) to families targeted for the program which ensures a single point of entry and uses a unified case management approach, and thereby minimizes unnecessary and duplicative assessments and services;

"(F) an information system to track children and families across systems who participate in the program described in subparagraph (B), which provides data, not less frequently than annually, on the number of children and families served from each system and the nature of the services provided; and

"(G) a mechanism by which to ensure that relevant information on the service and treatment needs and outcomes of children and their families which is developed through their participation in the program described in subparagraph (B) is made available, as appropriate, to case managers and service providers in the relevant agencies who are charged with making service, placement, and other decisions with respect to the children and their families;

"(3) a statement of the specific outcomes the State expects by conducting the project, which shall include outcomes in at least the following areas—

"(A) an increase in the well-being of children;

"(B) a reduction in placements and expenditures for out-of-home care relative to what would have occurred otherwise;

"(C) an increase in the level and mix of preventive services available to families in the child welfare, juvenile justice, and mental health systems; and

"(D) an increase in coordination and cooperation among the child welfare, juvenile justice, and mental health agencies;

"(4) an assurance that, in developing the application, the State consulted with and received technical assistance from the Advisory Commission on Children and Families established under section 1144;

"(5) a statement from the Advisory Commission on Children and Families containing its recommendation to the Secretary regarding the application;

"(6) a specification of the area or areas of the State in which the project is to be conducted, in which must reside not fewer than 300,000 individuals in the aggregate at the time the application is submitted;

"(7) a certification that all cost savings resulting from the project will be used to provide child welfare services to families;

"(8) a certification that the State will provide the Secretary with such information about the project and the State programs carried out pursuant to parts B and E as the Secretary may request, and will cooperate with the Advisory Commission on Children and Families if the Commission evaluates the project;

"(9) a certification that—

"(A) the State will not use any funds provided under this section to supplant any Federal, State, or local funds used for similar purposes;

"(B) the aggregate amount expended from State and local sources by the State and the political subdivisions thereof for the provision of child welfare services (excluding foster care maintenance payments and adoption assistance payments) during any fiscal year will be not less than the aggregate amount so expended during fiscal year 1992; and

"(C) the aggregate amount expended from State and local sources by the State and the political subdivisions thereof for the provision of child welfare services during any fiscal year will be not less than the aggregate amount so expended during fiscal year 1992;

"(10) a certification that the individual or agency referred to in section 422(b)(1)(A) shall have lead responsibility for the operation and administration of the project under this section;

"(11) a certification by the Governor of the State that project activities will be coordinated among the State child welfare, juvenile justice, and mental health agencies, and other appropriate State agencies; and

"(12) a list of those requirements of parts B and E which are to apply to the project, in addition to the requirements imposed by the provisions specified in subsection (c)(6)(A) of this section.

"(c) ADMINISTRATIVE PROVISIONS.—

"(1) NOTIFICATION TO STATES OF APPLICATION REQUIREMENTS.—Not later than 6 months after the date of the enactment of this section, the Secretary shall prepare and transmit to each State a detailed explanation of the requirements for conducting a project under this section.

"(2) CONSIDERATION OF APPLICATIONS.—The Secretary shall consider all applications (and amendments thereto) received from States desiring to conduct a project under this section.

"(3) AMENDMENT OF APPLICATIONS.—A State may, at any time and for any fiscal year, submit to the Secretary 1 or more amendments to any application submitted to the Secretary under this section.

"(4) NOTIFICATION TO ADVISORY COMMISSION IF ITS RECOMMENDATIONS ARE NOT FOLLOWED.—If the Secretary takes action on an application submitted under this section in a manner contrary to a recommendation of the Advisory Commission on Children and Families established under section 1144, the Secretary shall provide the Commission with the reasons therefor.

"(5) APPROVAL OF APPLICATIONS.—

"(A) IN GENERAL.—The Secretary shall approve any application of a State to conduct a project under this section, and any amendment thereto, that meets the requirements of this section to the satisfaction of the Secretary.

"(B) CERTAIN APPLICATIONS DEEMED APPROVED.—Except as provided in subsection (h)(2), any application to conduct a project under this section, and any amendment thereto, that is received by the Secretary from a State, is not withdrawn by the State, and is not disapproved by the Secretary within 45 days after receipt shall be deemed to have been approved by the Secretary.

"(C) FREEDOM OF STATES TO SELECT AREAS IN WHICH TO CONDUCT THE PROJECT.—The Secretary may not, as a condition of approval of a State application to conduct a project under this section or of any amendment thereto, require the State to select any particular area or areas of the State in which to conduct the project.

"(D) FREEDOM OF STATES TO SELECT PROVISIONS OF PARTS B AND E TO APPLY TO THE PROJECT.—The Secretary may not, as a condition of approval of a State application to conduct a project under this section or of any amendment thereto, require the project to comply with any provision of part B or E not specified in paragraph (6)(A) of this subsection.

"(6) AUTHORITY TO CONDUCT PROJECT; GRANT AUTHORITY.—If the Secretary approves the application of a State to conduct a project under this section, then—

"(A) the Secretary shall authorize the State to conduct the project in accordance with the approved application therefor and any approved amendments thereto, and the requirements of section 422(b)(9), the provision of section 471(a)(1) requiring the State plan to provide for adoption assistance in accordance with section 473, paragraphs (8), (9), (10), (12), (13), (15), and (16) of section 471(a), and sections 472(h), 473, and 479 shall apply to the project; and

"(B) in lieu of receiving the funds that would otherwise be provided to the State for any fiscal year pursuant to sections 423, 434(a), and 474 (other than with respect to adoption assistance) with respect to the activities of the State in the area or areas of the State in which the project is to be conducted, the State shall be entitled to receive a grant, in accordance with subsection (d) of this section, for each fiscal year, from the amount allotted to the State for the fiscal year under section 421, the amount allotted to the State for the fiscal year under section 432 from the basic entitlement amount (as defined in section 430(b)(1)), the amount to which the State is entitled for the fiscal year under part E, and the amount made available pursuant to subsection (a)(3) of this section.

"(d) ANNUAL GRANTS.—

"(1) AMOUNT OF GRANT.—

"(A) IN GENERAL.—The amount of the grant to be paid under this subsection to a State for a fiscal year shall be the amount determined by the Secretary to be—

"(i) the sum of—

"(I) 110 percent of the aggregate of the amount that would have been paid to the State under section 423 for the fiscal year, and the amount that would have been paid to such States under section 434 for the fiscal year if the total sum available for such payments were equal to the basic entitlement amount (as defined in section 430(b)(1)), if the Secretary had approved the State plan under part B for the fiscal year and had not authorized the State to conduct a project under this section for the fiscal year; and

"(II) the aggregate of the expenses for which the State would properly have submitted a claim for reimbursement under section 474 (other than with respect to adoption assistance) for the fiscal year if the Secretary had approved the State plan under part E for the fiscal year and had not authorized the State to conduct a project under this section for the fiscal year;

multiplied by

"(ii) the quotient equal to—

"(I) the number of children in the area or areas in which the project is to be conducted under this section with respect to whom the State would have made foster care maintenance payments under section 472 for the fiscal year if the Secretary had approved the State plan under part E for the fiscal year and had not authorized the State to conduct the project; divided by

"(II) the total number of children in the State with respect to whom the State would have so made such payments for the fiscal year.

"(B) CALCULATION OF GRANT AMOUNT.—The Secretary shall calculate the expenses for which a State would properly have submitted a claim for reimbursement under section 474 (other than with respect to adoption assistance) for a fiscal year by—

"(i) determining the amount paid to the State with respect to such expenses for the fiscal year immediately preceding the fiscal year in which the State commenced (or is to commence) the project under this section;

"(ii) adjusting such amount annually by a rate which reflects the average annual rate at which expenditures by the State on behalf of foster care children under part E have increased for the 3-year period ending with the commencement of the project; and

"(iii) increasing such amount, to the extent the Secretary deems appropriate, by taking into account—

"(I) any estimate made by the State of the expenses for which the State would properly have submitted such a claim for reimbursement for the fiscal year;

"(II) the projected rate of inflation for the fiscal year;

"(III) the rate at which the number of children on whose behalf the Federal Government has reimbursed foster care maintenance payments made by States not participating in the project has recently increased (emphasizing those nonparticipating States which have similar child welfare programs and similar foster care caseload characteristics), as determined by the Secretary;

"(IV) changes in State laws or procedures that have the effect of changing the rate at which children are placed in foster care or changing the costs of maintaining children in foster care;

"(V) the amount (if any) by which—

"(aa) the national average number of children per State who, as of the end of the fiscal year immediately preceding the commencement of the project, have not attained the

age of 18 years and were eligible for benefits under the respective State plan under part E (expressed as a percentage of the total population of children in the respective State who have not so attained such age); exceeds

"(bb) the number of such children in the State (expressed as a similar percentage); and

"(VI) other factors deemed appropriate by the Secretary.

"(2) NOTIFICATION TO STATES OF AMOUNT OF GRANTS.—The Secretary shall notify each State of the amount of the grant to be made to the State for a fiscal year under this subsection, not later than—

"(A) in the case of the first grant with respect to an approved application, the later of—

"(i) 45 days after the Secretary receives the application therefor; or

"(ii) August 1 of the fiscal year immediately preceding the fiscal year for which the grant is to be made; and

"(B) in any other case, August 1 of such immediately preceding fiscal year.

"(3) GRANTS TO BE PAID IN EQUAL QUARTERLY INSTALLMENTS.—The Secretary shall pay each grant under this subsection in equal quarterly installments.

"(e) PRESERVATION OF CERTAIN BENEFITS.—During the period in which a State is conducting a project under this section—

"(1) the State may not carry out the project in a manner which impairs the entitlement of any child to—

"(A) the foster care benefits the child would have received under a State plan approved under part E if the Secretary had approved the State plan under part E for the fiscal year and had not authorized the State to conduct a project under this section for the fiscal year; or

"(B) any other benefit to which the child is entitled by law; and

"(2) the State shall, for purposes of section 402(a)(20), be deemed to have in effect a State plan approved under part E.

"(f) REPORT ON EXPENDITURES.—

"(1) IN GENERAL.—Not later than April 1 of the fiscal year immediately following each fiscal year for which a State conducts a project under this section, the State shall prepare and submit to the Secretary and the Advisory Commission on Children and Families established under section 1144 a report on the funds expended under the project.

"(2) FORM AND CONTENT.—

"(A) IN GENERAL.—The report required by paragraph (1) shall be in such form and contain such information as the State finds necessary to—

"(i) accurately describe how the grant made under this section for the fiscal year was used;

"(ii) provide a complete record of how the grant funds were expended; and

"(iii) enable a determination of the extent to which the funds were spent in a manner consistent with the application therefor.

"(B) INCLUSION OF INFORMATION ON COMPARATIVE FINANCIAL CONTRIBUTIONS.—The report required by paragraph (1) for a fiscal year shall include the information described in section 422(b)(10) for the 2nd preceding fiscal year.

"(g) ADMINISTRATIVE REMEDIES FOR UNSUCCESSFUL PROJECTS.—If the Secretary has determined that the State is not conducting the project in accordance with this section or is not making satisfactory progress toward the achievement of the plans of the State, the Secretary may—

"(1) provide technical assistance to the project;

"(2) require the State to take corrective action with respect to the project; or

"(3) after notice and opportunity for hearing, reduce the payments that would otherwise be due the State under this section by an amount which the Secretary determines is appropriate.

"(h) TERMINATION OF PROJECTS.—

"(1) IN GENERAL.—Any State authorized to conduct a project under this section shall discontinue the project at the end of a fiscal year—

"(A) if the State has notified the Secretary that the State intends to discontinue the project at the end of the fiscal year; or

"(B) if the Secretary has determined that the State is not conducting the project in accordance with this section or is not making satisfactory progress toward the achievement of the plans of the State, and the Secretary does not plan to take action under subsection (g) during the fiscal year with respect to the project.

"(2) EFFECT OF PROJECT TERMINATION.—

"(A) IN GENERAL.—On the discontinuance of a project of a State under this section, parts B and E shall apply with respect to the population of, and the activities of the State in, the area or areas of the State in which the project was conducted.

"(B) PROJECT MAY NOT BE RESUMED FOR 5 YEARS.—A State may not conduct a project under this section during the 5-year period beginning with the discontinuance of a project of the State under this section.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1992.

SEC. 202. ABANDONED CHILDREN.

(a) ELIGIBILITY FOR FOSTER CARE MAINTENANCE PAYMENTS.—Section 472 (42 U.S.C. 672), as amended by section 204(a) of this Act, is amended—

(1) in subsection (b), by striking "or (i)" and inserting ", (i), or (j)"; and

(2) by adding at the end the following:

"(j) Any State with a plan approved under this part may make foster care maintenance payments with respect to any child in the State entering foster care on or after October 1, 1993—

"(1) who has been abandoned by his or her parents, as determined by a court of competent jurisdiction;

"(2) for whom the State child welfare agency cannot, despite diligent efforts, determine the financial circumstances and living arrangements of the parents of the child; and

"(3) who meets the requirements of subsection (a)(2).".

(b) ELIGIBILITY FOR ADOPTION ASSISTANCE PAYMENTS.—Section 473(a)(7) (42 U.S.C. 673(a)(7)), as added by the amendment made by section 204(b) of this Act, is amended by striking "section 472(i)" and inserting "subsection (i) or (j) of section 472".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1993, and shall apply to payments under part E of title IV of the Social Security Act in or after fiscal year 1994.

SEC. 203. CLARIFICATION OF REMOVAL FROM HOME REQUIREMENT.

(a) FOSTER CARE MAINTENANCE PAYMENTS PROGRAM.—Section 472 (42 U.S.C. 672) is amended—

(1) in the first sentence of subsection (a)—

(A) in the matter preceding paragraph (1), by inserting "or from the legal custody" after "removal from the home";

(B) in paragraph (1)—

(i) by inserting "or from such legal custody, as the case may be" after "from the home"; and

(ii) by striking "therein" and inserting "in the home or of such legal custody, as the case may be,";

(C) in paragraph (2), by inserting "and" after the semicolon;

(D) in paragraph (3), by striking "; and" and inserting a period; and

(E) in paragraph (4), by inserting "or from the legal custody" after "removal from the home";

(2) in the second sentence of subsection (a), by inserting "or from the legal custody of a relative (specified in section 406(a))" after "from the home";

(3) in subsection (d), by inserting "or from the legal custody of their relatives" after "their homes";

(4) in subsection (e), by inserting "or from the legal custody of his or her relative" after "his or her home"; and

(5) in subsection (g)—

(A) in paragraph (2), by inserting "or into their legal custody or into the legal custody of a relative" before the comma; and

(B) in the matter following paragraph (2), by inserting "or into such legal custody, as the case may be," after "such home".

(b) ADOPTION ASSISTANCE PROGRAM.—Section 473 (42 U.S.C. 673) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (A)(i)—

(i) by inserting "or from the legal custody" after "removal from the home"; and

(ii) by striking "therein" and inserting "in the home or of such legal custody, as the case may be,"; and

(B) in subparagraph (B)(i), by inserting "or from such legal custody, as the case may be" after "removal from the home"; and

(2) in subsection (c)(1), by inserting "or legal custody" after "home".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992, and shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

(d) RETROACTIVE APPLICATION OF CLARIFIED REQUIREMENT.—

(1) IN GENERAL.—Any State may, in accordance with paragraph (2), submit to the Secretary of Health and Human Services a claim for reimbursement of amounts expended by the State during the 10-year period that begins with October 1, 1982—

(A) with respect to children placed in foster care or for adoption; and

(B) for which the State would have received reimbursement under section 474 of the Social Security Act had the amendments made by this section been in effect at the time of the expenditure.

(2) DEADLINE FOR SUBMISSION OF CLAIM.—

(A) OLDER EXPENDITURES.—Any claim described in paragraph (1) with respect to an amount expended during the period beginning October 1, 1982, and ending 1 year before the date of the enactment of this Act shall be submitted not later than 1 year after such date of enactment.

(B) NEWER EXPENDITURES.—Any claim described in paragraph (1) with respect to an amount expended during the period beginning 1 year before the date of the enactment of this Act and ending on September 30, 1992, shall be submitted not later than 2 years after the date of the expenditure.

SEC. 204. DISSOLVED ADOPTIONS.

(a) ELIGIBILITY FOR FOSTER CARE MAINTENANCE PAYMENTS.—Section 472 (42 U.S.C. 672) is amended—

(1) in subsection (b), by inserting "or (i)" after "subsection (a)"; and

(2) by adding at the end the following:

"(i) Any State with a plan approved under this part may make foster care maintenance payments under this part on behalf of a child—

"(1) with respect to whom such payments were previously made;

"(2) whose adoption has been set aside by a court;

"(3) who meets the requirements of paragraphs (1), (2), and (3) of subsection (a); and

"(4) who fails to meet the requirements of subsection (a)(4) but would meet such requirements if—

"(A) the child were treated as if the child were in the same financial and other circumstances the child was in the last time the child was determined eligible for such payments; and

"(B) the adoption were treated as having never occurred.".

(b) ELIGIBILITY FOR ADOPTION ASSISTANCE PAYMENTS.—Section 473(a) (42 U.S.C. 673(a)) is amended by adding at the end the following:

"(7) Any State with a plan approved under this part may enter into an adoption assistance agreement with the adoptive parents of any child with respect to whom the State may make foster care maintenance payments under section 472(i).".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992, and shall apply to payments under part E of title IV of the Social Security Act in or after fiscal year 1993.

SEC. 205. RESPITE CARE.

(a) IN GENERAL.—

(1) STATE PLAN OPTION.—Section 471(a) (42 U.S.C. 671(a)) is amended—

(A) by striking "and" at the end of paragraph (16);

(B) by striking the period at the end of paragraph (17) and inserting "; and"; and

(C) by adding at the end the following:

"(18) at the option of the State, provides for respite care in accordance with section 480, and specifies the factors and conditions used by the State to identify children with special needs.".

(2) RESPITE CARE PROGRAM.—Part E of title IV (42 U.S.C. 670–679) is amended by adding at the end the following:

"SEC. 480. RESPITE CARE.

"(a) IN GENERAL.—Each State with a plan approved under this part that provides for respite care shall provide such care to any family which operates a foster family home for 1 or more foster children who the State determines have special needs (whether or not foster care maintenance payments are made under the State plan with respect to such child or children), in accordance with all applicable State and local standards and guidelines and in the least restrictive setting consistent with the special needs of such child or children.

"(b) RESPITE CARE DEFINED.—As used in this section, the term 'respite care' means, with respect to the family of a foster child, care authorized by a State, or provided by a public or private agency designated by a State, to provide temporary relief for the foster parent caregiver or caregivers of the child.

"(c) LIMITATION ON EXPENSES ELIGIBLE FOR REIMBURSEMENT.—Expenditures for only the first 14 days of respite care provided during a fiscal year with respect to a child are eligible for reimbursement under section 474(a). As used in the preceding sentence, the term 'day' means any period of 24 consecutive hours.".

(3) PAYMENTS TO STATES.—Section 474(a)(1) (42 U.S.C. 674(a)(1)) is amended by inserting "plus the amount expended during such quarter for the provision of respite care that is eligible for reimbursement under section 480" before the semicolon.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1993, and shall apply to payments under part E of title IV of the Social Security Act for expenditures made in or after fiscal year 1994.

SEC. 206. EXTENSION OF DEFINITION OF CHILDREN WITH SPECIAL NEEDS.

(a) IN GENERAL.—Section 473(c) (42 U.S.C. 673(c)), as amended by section 203(b)(2) of this Act, is amended to read as follows:

"(c)(1) For purposes of this section, a child shall not be considered a child with special needs unless the State determines that the child meets the requirements of subparagraph (A) or (B):

"(A) A child meets the requirements of this subparagraph if all of the following clauses apply to the child:

"(i) The child cannot or should not be returned to the home or the legal custody of the parents of the child.

"(ii) There exists a specific factor or condition (such as his ethnic background, age, or membership in a minority or sibling group, or the presence of factors such as medical conditions or physical, mental, or emotional handicaps), or information available and known about the child's genetic or social history indicating a high risk of medical conditions or physical, mental, or emotional handicaps, which makes it reasonable to conclude that the child cannot be placed for adoption without providing adoption assistance under this section or medical assistance under title XIX.

"(iii) Except where it would be against the best interests of the child because of such factors as the existence of significant emotional ties with prospective adoptive parents while in their care as a foster child or a relative, a reasonable but unsuccessful effort has been made to place the child with appropriate adoptive parents without providing adoption assistance or medical assistance under title XIX.

"(B) A child meets the requirements of this subparagraph if the child—

"(i) has been adopted;

"(ii) immediately before the adoption was under the care and responsibility of the State agency administering or supervising the administration of the State programs under this part; and

"(iii) has a mental, physical, or emotional handicap that—

"(I) existed before the adoption but was not diagnosed until after the adoption; or

"(II) first manifests itself after the adoption but is congenital or was caused before the adoption.

"(2) Each State shall submit to the Secretary the factors and conditions used by the State to identify children with special needs for purposes of this section, and any modifications to such factors and conditions.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1993, and shall apply with respect to children who are adopted after September 30, 1993, and who become eligible for adoption assistance payments under section 473 of the Social Security Act in or after fiscal year 1994.

SEC. 207. STUDY OF REASONABLE EFFORTS REQUIREMENT BY ADVISORY COMMITTEE.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Health and Human Services (in this section referred to as the "Secretary") shall establish an Advisory Committee on Foster Care Placement (in this section referred to as the "Advisory Committee") to study and make recommendations concerning the implementation of the requirements imposed under section 471(a)(15) of the Social Security Act.

(b) MEMBERSHIP.—The Advisory Committee shall consist of not fewer than 9 members. In appointing persons to the Advisory Committee, the Secretary shall include representatives of the following types of organizations and agencies:

(1) Private, nonprofit organizations with an interest in child welfare (including such organizations that provide child protective services, foster care services, adoption services, or family support services).

(2) Agencies of States and political subdivisions thereof responsible for child protective services, foster care services, or adoption services.

(3) Judicial bodies of States and political subdivisions thereof responsible for adjudicating issues of family law (as defined and determined by the Secretary).

(4) Attorneys and others who represent children and their parents.

(c) COMPENSATION OF COMMITTEE MEMBERS.—

(1) MEMBERS WHO ARE NOT FULL-TIME FEDERAL OFFICERS OR EMPLOYEES.—Each member of the Advisory Committee who is not a full-time officer or employee of the United States shall, while engaging in the business of the Advisory Committee (including travel time) be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the daily rate specified at the time of such service under GS–18 of the General Schedule established under section 5332 of title 5, United States Code.

(2) PROHIBITION AGAINST COMPENSATION OF FULL-TIME FEDERAL OFFICERS OR EMPLOYEES.—Each member of the Advisory Committee who is a full-time officer or employee of the United States may not receive additional pay, allowances, or benefits by reason of service on the Commission.

(3) TRAVEL EXPENSES.—While away from their homes or regular places of business and on the business of the Advisory Committee, the members of the Advisory Committee may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in Government service.

(d) HIRING AUTHORITY.—The Advisory Committee may employ and fix the level of compensation for 1 individual.

(e) REPORT.—Not later than April 1, 1994, the Advisory Committee shall submit a report to the Secretary and to the Congress that includes legislative or other recommendations concerning the implementation of the requirements imposed under section 471(a)(15) of the Social Security Act.

SEC. 208. AUTOMATED SYSTEMS.

(a) ENHANCED MATCH.—

(1) PAYMENTS TO STATES.—

(A) IN GENERAL.—Section 474(a)(3) (42 U.S.C. 674(a)(3)) is amended—

(i) by striking "and" at the end of subparagraph (B);

(ii) by redesignating subparagraph (C) as subparagraph (E); and

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

"(C) 90 percent of so much of such expenditures as are for the planning, design, development, or installation of statewide mechanized data collection and information re-

trieval systems (including 90 percent of the full amount of expenditures for hardware components for such systems) but only to the extent that such systems—

"(i) meet the requirements imposed by regulations promulgated pursuant to section 479(b)(2);

"(ii) to the extent practicable, are capable of interfacing with the State data collection system that collects information relating to child abuse and neglect; and

"(iii) are determined by the Secretary to be likely to provide more efficient, economical, and effective administration of the programs carried out under the State plan approved under part B or the State plan approved under this part; and

"(D) 50 percent of so much of such expenditures as are for the operation of the statewide mechanized data collection and information retrieval systems referred to in subparagraph (C); and".

(B) TREATMENT OF STATE EXPENDITURES FOR DATA COLLECTION AND INFORMATION RETRIEVAL SYSTEMS.—Section 474 (42 U.S.C. 674) is amended by adding at the end the following:

"(e) The Secretary shall treat as necessary for the proper and efficient administration of the State plan approved under this part all expenditures of a State that are necessary in order for the State to plan, design, develop, install, and operate data collection and information retrieval systems described in subsection (a)(3)(C), without regard to whether the systems may be used with respect to foster or adoptive children other than those on behalf of whom foster care maintenance payments or adoption assistance payments may be made under this part.".

(C) CONFORMING AMENDMENT.—Section 473(a)(6)(B) (42 U.S.C. 673(a)(6)(B)), as amended by section 505(b) of this Act, is amended by striking "474(a)(3)(C)" and inserting "474(a)(3)(E)".

(D) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to payments under part E of title IV of the Social Security Act for expenditures made on or after the date of the enactment of this Act.

(2) TERMINATION OF ENHANCED MATCH.—

(A) IN GENERAL.—Section 474(a)(3)(C) (42 U.S.C. 674(a)(3)(C)), as amended by paragraph (1)(A)(iii) of this subsection, is amended by striking "90" each place such term appears and inserting "50".

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect at the end of the calendar quarter in which occurs the end of the 3-year period beginning on the date of the enactment of this Act.

(C) CONSTRUCTION.—The amendment made by subparagraph (A) of this paragraph shall not be construed to affect any right, entitlement, or duty granted or imposed by, or arising by reason of, the amendments made by paragraph (1).

(b) IMPLEMENTATION OF AUTOMATED SYSTEMS.—

(1) DEFERRAL OF IMPLEMENTATION DEADLINE.—Section 479(b)(2) (42 U.S.C. 679(b)(2)) is amended by striking "October 1, 1991" and inserting "1 year after the date such regulations are promulgated".

(2) ESTABLISHMENT OF GROUP TO ADVISE SECRETARY ON PLANNING AND IMPLEMENTATION.—Section 479 (42 U.S.C. 679) is amended by adding at the end the following:

"(d) The Secretary shall establish a work group to advise the Secretary on the planning and implementation of the system to be used for the collection of data relating to adoption and foster care in the United States. Such group shall include representatives of—

"(1) organizations described in subsection (a)(4)(B)(ii); and

"(2) other appropriate groups.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of the enactment of this Act.

SEC. 209. PERIODIC REEVALUATION OF FOSTER CARE MAINTENANCE PAYMENTS.

(a) IN GENERAL.—Section 471(a)(11) (42 U.S.C. 671(a)(11)) is amended to read as follows:

"(11)(A) provides for periodic review of the standards referred to in paragraph (10) to assure their continuing appropriateness; and

"(B) provides for the review, not less frequently than once every 3 years, of the amounts paid as foster care maintenance payments and adoption assistance to assure their continuing appropriateness, and a report to the Secretary and the public on the results of such review at such time and in such form and manner as the Secretary may by regulation require, which contains, at a minimum—

"(i) a statement of the manner in which the foster care maintenance payment level is determined, including information on the cost of foster care with respect to which such payments are made;

"(ii) information with respect to the basic foster care maintenance payment level, whether such payment level includes an amount to cover the cost of clothing, and whether such payment level varies by the type of care or the special needs or age of the child, and if so, the payment levels for each special needs, care, or age category;

"(iii) if such payments are not made at a different rate for children with special needs who test positive for human immunodeficiency virus, have acquired immune deficiency syndrome, are addicted to drugs, or suffer from complications due to exposure to drugs or alcohol, the reasons therefor; and

"(iv) information on any limitations imposed by the State on adoption assistance payments levels;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1992, and shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

SEC. 210. ACCELERATED DISPOSITIONAL HEARING.

(a) IN GENERAL.—Section 475(5)(C) (42 U.S.C. 675(5)(C)) is amended by striking "eighteen months" and inserting "12 months".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1994, and shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1995 and to such payments for any succeeding fiscal year.

SEC. 211. PERIODIC REVIEW OF CHILDREN FREE FOR ADOPTION.

(a) IN GENERAL.—Section 475(5)(C) (42 U.S.C. 675(5)(C)) is amended by striking "which hearing shall determine" and all that follows through "independent living; and" and inserting "which hearing shall—

"(i) determine the future status of the child, including whether the child should be returned to the parent, should be continued in foster care for a specified period, should be placed for adoption, or should (because of the child's special needs or circumstances) be continued in foster care on a permanent or long-term basis;

"(ii) if the hearing determines that the child should be placed for adoption, determine and document the measures needed to enhance the likelihood of making the child legally eligible for adoption and of finding an adoptive home for the child;

"(iii) if the child is legally eligible for adoption, determine and document—

"(I) the specific measures which have been taken, and the specific measures which need to be taken, to make an adoptive placement; or

"(II) a finding that placement of the child in an adoptive family would be inappropriate; and

"(iv) if the child has attained age 16, determine the services needed to assist the child to make the transition from foster care to independent living; and".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1994, and shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1995 and to such payments for any succeeding fiscal year.

SEC. 212. TIME FRAME FOR JUDICIAL DETERMINATIONS ON VOLUNTARY PLACEMENTS.

(a) IN GENERAL.—Section 472(e) (42 U.S.C. 6762(e)) is amended—

(1) by striking "No" and inserting "(1) Except as provided in paragraph (2), no"; and

(2) by adding at the end the following:

"(2) If the judicial determination referred to in paragraph (1) is made after the 180-day period described therein, the payments referred to therein may not be made for the period that begins at the end of the 180-day period and ends 180 days after the date of the judicial determination, but may be made for periods thereafter.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1992, shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year, and shall apply to foster care placements made on or after October 1, 1992.

SEC. 213. PLACEMENT ACCOUNTABILITY.

(a) CASE PLAN PROVISIONS REQUIRED FOR CHILDREN IN OUT-OF-STATE FOSTER CARE PLACEMENTS.—Section 475(1) (42 U.S.C. 675(1)) is amended by inserting after subparagraph (C) the following:

"(D) In the case of a child receiving foster care maintenance payments under section 472 who is placed in a facility outside the State, a finding that—

"(i) efforts have been made to place the child in a facility in the State;

"(ii) the child needs services not available in the State;

"(iii) the placement is in the least restrictive (most family like) setting available, consistent with the best interest and the special needs of the child; and

"(iv) the placement has been approved by—

"(I) a court; or

"(II) a committee (such as a foster care review board), established by the State, that reviews placements outside the State and that, in addition to the appropriate State personnel, includes child advocates, parents, and other individuals the State deems appropriate.".

(b) STATUS OF CHILDREN IN OUT-OF-STATE FOSTER CARE PLACEMENTS TO BE JUDICIALLY REVIEWED ANNUALLY WITH THE CHILD PRESENT.—Section 475(5)(B) (42 U.S.C. 675(5)(B)) is amended by adding at the end the following: "and in the case of a child who is placed by a State in a foster care facility outside the State, the status of the child shall be reviewed by a court, not less frequently than annually, with the child

present, unless the court determines that due to the age or condition of the child, or for some other good cause, the presence of the child would be detrimental to the child or would not accomplish a useful purpose,".

(c) STATE PLAN REQUIREMENT.—Section 471(a) (42 U.S.C. 671(a)), as amended by section 205(a)(1) of this Act, is amended—

(1) by striking "and" at the end of paragraph (17);

(2) by striking the period at the end of paragraph (18) and inserting "; and"; and

(3) by adding at the end the following:

"(19) provides that the State agency must ensure that any facility outside the State in which a child eligible for foster care maintenance payments under section 472 is placed meets all originating State standards applicable to child care facilities, or is operated in accord with recommended standards of national organizations concerned with standards for such facilities, including standards of the types described in paragraph (10).".

(d) COLLECTION OF DATA ON NUMBERS OF CHILDREN IN OUT-OF-STATE FOSTER CARE PLACEMENTS.—Section 479(c)(3)(C) (42 U.S.C. 679(c)(3)(C)) is amended—

(1) by striking "and" at the end of clause (i); and

(2) by adding at the end the following:

"(iii) children placed in foster care outside the State, and".

(e) EFFECTIVE DATES.—

(1) CASE PLAN AND STATE PLAN CHANGES.—The amendments made by subsections (a), (b), and (c) shall take effect on October 1, 1993 and shall apply to payments under part E of title IV of the Social Security Act for expenditures made in or after fiscal year 1994.

(2) DATA COLLECTION.—The amendments made by subsection (d) shall take effect on October 1, 1994 and shall apply to payments under part E of title IV of the Social Security Act for expenditures made in or after fiscal year 1995.

(f) STUDY OF REASONS FOR MAKING OUT-OF-STATE FOSTER CARE PLACEMENTS.—In order for a State to receive payments under section 474 of the Social Security Act for amounts expended after fiscal year 1994 for foster care maintenance payments under section 472 of such Act made with respect to children placed by the State in foster care outside the State, the State shall, by the end of such fiscal year, conduct and submit to the Secretary a study designed to identify—

(1) the number of such children and the characteristics (if any) common to such children; and

(2) the reasons why such children were not placed in foster care in the State.

SEC. 214. TREATMENT OF ASSETS OF YOUTH PARTICIPATING IN INDEPENDENT LIVING PROGRAM.

(a) ACCUMULATION OF ASSETS.—Section 477 (42 U.S.C. 677) is amended—

(1) by redesignating subsection (i) as subsection (j); and

(2) by inserting after subsection (h) the following:

"(i) Notwithstanding any other provision of this title, with respect to a child who is included in a program established under subsection (a), an amount of the assets of the child which would otherwise be regarded as resources for the purposes of determining eligibility for programs under this title may be disregarded for the purpose of allowing the child to establish a household. Such amount may not exceed an amount determined by the State agency responsible for the administration of the program as reasonable for the purpose of establishing a household.".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1992, and shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

SEC. 215. ELIMINATION OF FOSTER CARE CEILINGS AND OF AUTHORITY TO TRANSFER UNUSED FOSTER CARE FUNDS TO CHILD WELFARE SERVICES PROGRAMS.

(a) REPEAL.—Subsections (b) and (c) of section 474 (42 U.S.C. 674 (b) and (c)) are hereby repealed.

(b) CONFORMING AMENDMENTS.—Section 474 (42 U.S.C. 674), as amended by sections 208(a)(1)(B) and 218(f)(1) of this Act, is amended—

(1) in subsection (d)—

(A) by striking "subsections (a), (b), and (c)" and inserting "subsection (a)"; and

(B) by striking "the provisions of such subsections" and inserting "subsection (a)"; and

(2) by redesignating subsections (d), (e), and (f) as subsections (b), (c), and (d), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992, and shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

SEC. 216. REGULATIONS FOR TRAINING OF AGENCY STAFF AND OF FOSTER AND ADOPTIVE PARENTS.

(a) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Health and Human Services shall establish an advisory committee which shall include representatives of—

(1) nonprofit organizations with an interest in child welfare (including organizations that train professional social workers in the field of child welfare services); and

(2) organizations representing State and local governmental agencies with responsibility for foster care and adoption services.

(b) FINAL REGULATIONS.—Not later than 9 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall, after consultation with the advisory committee established under subsection (a), issue final regulations setting forth detailed guidelines to assist States in using Federal matching funds authorized to be provided under section 474(a)(3) of the Social Security Act for the purpose of training for—

(1) individuals who are employed, or preparing for employment, by the agencies with responsibility for administering the foster care and adoption assistance programs of the States under part E of title IV of such Act; and

(2) foster and adoptive parents.

SEC. 217. PUBLICATION OF PROGRAM DATA.

(a) IN GENERAL.—Section 479 (42 U.S.C. 679) is amended by adding after the subsection added by section 208(b)(2) of this Act the following:

"(e) Not later than January 31 of each year, the Secretary shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, and shall make available to the public at a charge equal to the cost of printing, a report containing the following information, at least for the most recent fiscal year for which such information is available:

"(1) A detailed summary, and a breakdown by State, of—

"(A) the expenditures of each State for the program during the fiscal year for each of the programs funded under part B, part C, or this part, broken down in a manner that shows the extent to which such expenditures were made from funds provided by each of Federal or State sources; and

"(B) to the extent available, the number of children or families participating in each of such programs.

"(2) Information detailing the schedule and result of the reviews conducted under the regulatory review system established in accordance with section 491, including information on payments withheld, reduced, or sought, or intended by the Secretary to be withheld, reduced, or sought, from each State as a result of such reviews.

"(3) The information described in clauses (ii) and (iii) of section 471(a)(11)(B).

"(4) An analysis of the services provided with funds made available under part B.

"(5) A listing and summary of ongoing research, training, and demonstration projects funded under section 426 or 1144(c) of this Act or under section 504 of the Family Preservation Act of 1992, and the expected date for the publication of any evaluations of, conclusions based on, or analyses of such projects.

"(6) Any other information the Secretary deems useful to monitor the operations of the program.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1992.

SEC. 218. REVIEW OF CHILD WELFARE ACTIVITIES.

(a) NEW SYSTEM FOR REVIEWING CHILD WELFARE ACTIVITIES.—

(1) IN GENERAL.—Title IV (42 U.S.C. 601 et seq.) is amended by adding at the end the following:

"PART G—CHILD WELFARE REVIEW SYSTEM

"SEC. 491. CHILD WELFARE REVIEW SYSTEM.

"(a) ESTABLISHMENT BY REGULATION.—

"(1) IN GENERAL.—The Secretary shall establish, by regulation, a system for—

"(A) the review of each State child welfare program for the purposes of—

"(i) assessing whether the program is being carried out as required by parts B and E;

"(ii) identifying any area in which the program is not being carried out as so required, and the degree to which the program is not being so carried out; and

"(iii) in cases of a substantial failure to comply with certain requirements of part B or E, imposing financial penalties proportional to the degree of such failure to comply, unless action is taken to correct such failure; and

"(B) the provision of technical assistance to any such program.

"(2) STATE CHILD WELFARE PROGRAM DEFINED.—As used in this section, the term 'child welfare program' means, with respect to a State—

"(A) all activities engaged in by, or under contract with, the State for the purpose of carrying out the State plan for child welfare services under part B; and

"(B) all activities engaged in by, or under contract with, the State for the purpose of carrying out the State plan approved by the Secretary under part E.

"(b) CONTENT OF REGULATIONS.—The regulations required by subsection (a) shall—

"(1) require each State child welfare program to be reviewed on a fiscal year basis to determine—

"(A) whether and, where appropriate, the degree to which, the program complies with the requirements of the State plans referred to in subsection (a)(2); and

"(B) the extent to which the amounts claimed to have been expended by the State for foster care maintenance payments under section 472 and for adoption assistance payments under section 473 are eligible for reimbursement under part E;

"(2) specify the criteria that are to be used to assess, with respect to each subparagraph of paragraph (1)—

"(A) whether the program has complied with the requirements that apply to the matters described in such subparagraph; and

"(B) the degree of such compliance;

"(3)(A) after taking into account the average performance of all States in carrying out the State plans referred to in subsection (a)(2), establish, with respect to each subparagraph of paragraph (1) of this subsection (and, for each subparagraph, with respect to such conduct as the Secretary may deem especially important)—

"(i) thresholds beyond which the program will be determined to have failed to comply with the requirements that apply to the matters described in such subparagraph; and

"(ii) thresholds beyond which a failure of the program to comply with such applicable requirements will be determined to be substantial; and

"(B) notwithstanding subparagraph (A), for the first review of any State under this section, establish and apply such initial thresholds of the types described in subparagraph (A) as the Secretary deems appropriate;

"(4) require the thresholds established under paragraph (3)(A) to be periodically reviewed and, if necessary, revised to take into account information from completed reviews under such regulations and changes in State performance;

"(5) require that the procedures used to determine the degree to which a State child welfare program is carried out in compliance with the applicable requirements—

"(A) enable a single, integrated, and timely review of all matters referred to in paragraph (1);

"(B) include the sampling of foster care maintenance payments made under section 472, adoption assistance payments made under section 473, and payments for such other activities under the State plan approved under part E as the Secretary deems appropriate;

"(C) be applied uniformly to each State program; and

"(D) be periodically reviewed and, if necessary, revised to take into account information from completed reviews under such regulations;

"(6) provide that a deficiency or error in the State child welfare program is not to be taken into account if the deficiency or error is—

"(A) due to the State's failure to properly implement changes in Federal statute within the 6-month period beginning with the date the statute takes effect or, if later, within the 6-month period beginning with the date the regulation is issued if the regulation is reasonably necessary to construe or apply the statute;

"(B) due to the State's reliance upon and correct use of erroneous information provided by the Secretary about matters or fact;

"(C) due to the State's reliance upon and correct use of written statements of Federal policy provided to the State by the Secretary; or

"(D) of a technical nature and does not materially affect the performance of the program or the protection of children who are in, or at risk of being placed in, foster care;

"(7) establish the method by which a financial penalty is to be calculated, with respect to each subparagraph of subsection (b)(1), if a failure of the State child welfare program to comply with the requirements that apply to the matters described in such subparagraph is determined to be substantial; and

"(8) provide that the financial penalty to be imposed for a failure described in paragraph (7) is—

"(A) proportional to the degree of the failure; and

"(B) to the extent appropriate, based on the formula used to determine the amount of a disallowance under section 408(f).

"(c) FREQUENCY OF REVIEWS.—Not less frequently than once every 3 years, the Secretary shall complete a review of each State child welfare program for the most recently completed fiscal year under the regulatory review system established in accordance with this section.

"(d) EFFECTS OF DETERMINATIONS OF NONCOMPLIANCE.—

"(1) NOTIFICATION.—The Secretary shall provide timely notification to any State of any determination under this section that the State child welfare program has failed, with respect to any subparagraph of subsection (b)(1), to comply with the requirements that apply to the matters described in such subparagraph, and shall include with such notice—

"(A) the basis for the determination; and

"(B) the amount of the financial penalty (if any) imposed on the State under the regulations issued under this section.

"(2) ACTIONS AUTHORIZED IN CASES OF NONCOMPLIANCE OTHER THAN SUBSTANTIAL NONCOMPLIANCE.—If, under the regulatory review system established in accordance with this section, a State child welfare program is determined to have failed, with respect to any subparagraph of subsection (b)(1), to comply with the requirements that apply to the matters described in such subparagraph, and the failure is not substantial, the Secretary—

"(A) may require the State to submit to the Secretary a plan and a timetable for taking action to correct the deficiencies or errors constituting the failure to comply;

"(B) may annually review the progress of the State in carrying out the corrective action plan; and

"(C) shall offer to the State technical assistance in such areas of the program as the Secretary may deem appropriate.

"(3) ACTIONS REQUIRED IN CASES OF SUBSTANTIAL NONCOMPLIANCE.—If, under the regulatory review system established in accordance with this section, the failure of a State child welfare program is determined to be substantial with respect to any subparagraph of subsection (b)(1), the Secretary shall—

"(A) impose upon the State the financial penalty required by the regulatory review system;

"(B) make available to the State technical assistance designed to enable the State to carry out the program in compliance with the requirements that apply to the matters described in such subparagraph; and

"(C) annually review the progress of the State in complying with such requirements, until the State carries out the program in substantial compliance with such requirements.

"(e) SUSPENSION OF FINANCIAL PENALTIES.—

"(1) IN GENERAL.—The Secretary shall suspend any financial penalty that the Secretary has imposed on a State under this section—

"(A) if the State submits to the Secretary a plan and a timetable for taking action to correct the deficiencies or errors constituting the failure to comply with respect to which the penalty was imposed, and the Secretary approves the corrective action plan and timetable; and

"(B) for so long as the Secretary finds that the plan is being fully implemented in accordance with the timetable.

"(2) AUTHORITY TO REVISE CORRECTIVE ACTION PLAN AND TIMETABLE.—The Secretary may approve such changes to any corrective action plan and timetable submitted by a State under paragraph (1) as the Secretary deems appropriate to enable the State to correct the deficiencies or errors with respect to which the plan and timetable were submitted.

"(f) RESCISSION OF FINANCIAL PENALTIES.—The Secretary shall rescind any financial penalty that the Secretary has imposed on a State under this section, upon a finding by the Secretary that—

"(1) the State has fully implemented the plan in accordance with the timetable; and

"(2) the State is in substantial compliance with the requirements with respect to which the penalty was imposed.

"(g) ADMINISTRATIVE REVIEW.—

"(1) IN GENERAL.—Within a reasonable time after a State is notified of a determination under this section that the failure of a State child welfare program to comply with applicable requirements is substantial, and of the amount of the financial penalty imposed on the State under this section with respect to such failure, the State may appeal the determination and the imposition of the penalty (in whole or in part) to the Departmental Appeals Board established in the Department of Health and Human Services, by filing an appeal with the Board.

"(2) AUTHORITY OF BOARD TO ADJUST PENALTY.—The Board may adjust the amount of the financial penalty to be imposed under this section, taking into account—

"(A) the amount of the financial penalty imposed by the Secretary;

"(B) the proportionality of the penalty to the degree of the failure; and

"(C) where appropriate, whether the failure materially affected the protection of children who are in, or at risk of being placed in, foster care.

"(h) JUDICIAL REVIEW.—

"(1) IN GENERAL.—Within a reasonable time after a decision by the Departmental Appeals Board with respect to the imposition of a penalty under the regulatory review system established in accordance with this section, the State may obtain judicial review of the decision by filing an action in—

"(A) the district court of the United States for the judicial district in which the principal or headquarters office of the agency responsible for administering the State child welfare program is located; or

"(B) the United States District Court for the District of Columbia.

"(2) PROCEDURAL RULES.—The district court shall review the decision of the Board on the record established in the proceedings before the Board, in accordance with the standards of review prescribed by subparagraphs (A) through (E) of section 706(2) of title 5, United States Code.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act.

(b) FINAL REGULATIONS.—

(1) DEADLINE FOR ISSUANCE.—Not later than April 1, 1993, the Secretary of Health and Human Services shall issue, in final form,

the regulations required by section 491 of the Social Security Act.

(2) APPLICABILITY.—Such regulations shall apply to conduct occurring on or after October 1, 1993.

(c) CONFORMING AMENDMENT.—

(1) IN GENERAL.—Section 471(b) (42 U.S.C. 671(b)) is amended by striking all that follows the first sentence.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on October 1, 1993.

(d) ALL STATE CHILD WELFARE PROGRAMS TO BE REVIEWED BY THE END OF FISCAL YEAR 1997.—Not later than September 30, 1997, the Secretary of Health and Human Services shall complete at least 1 review of each State child welfare program (as defined in section 491 of the Social Security Act) under the regulatory review system established in accordance with such section.

(e) PROHIBITION AGAINST COLLECTING DISALLOWANCES IMPOSED FOR NONCOMPLIANCE WITH CHILD WELFARE SERVICES REQUIREMENTS.—The Secretary of Health and Human Services shall not—

(1) on or after the date of the enactment of this Act, reduce any payment to, withhold any payment from, or seek any repayment from, any State under part B or E of title IV of the Social Security Act by reason of a determination made in connection with any review of State compliance with—

(A) the foster care protections of section 427 of the Social Security Act (as in effect before fiscal year 1993) for any fiscal year before fiscal year 1993; or

(B) section 422(b)(9) of such Act for fiscal year 1993 or 1994;

(2) before October 1, 1994, reduce any payment to, withhold any payment from, or seek any repayment from, any State under part E of title IV of the Social Security Act by reason of a determination made in connection with any on-site Federal financial review, or any audit conducted by the Inspector General using similar methodologies.

(f) TREATMENT OF DEFERRAL ACTIONS UNDER PART E.—

(1) IN GENERAL.—Section 474 (42 U.S.C. 674) is amended by adding after the subsection added by section 208(a)(1)(B) of this Act the following:

"(f)(1) The Secretary may not take any action to suspend payment with respect to any claim for reimbursement under this part, after the end of the 30-day period that begins with the date the Secretary receives the quarterly statement of expenditures required under section 403 that contains the report of the claim.

"(2) Within 10 months after the Secretary takes any action to suspend payment with respect to such a claim, the Secretary shall—

"(A) determine the allowability of the claim; or

"(B) if unable to make such a determination, make payment with respect to the claim, subject to a later determination of allowability.".

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act, and shall apply to actions taken before, on, or after such date.

TITLE III—SOCIAL SERVICES BLOCK GRANT

SEC. 301. TITLE XX SOCIAL SERVICES BLOCK GRANT.

(a) INCREASE IN FUNDING.—Section 2003 (42 U.S.C. 1397b) is amended—

(1) in subsection (c)—

(A) in paragraph (4), by striking "and";

(B) in paragraph (5), by striking "fiscal year after fiscal year 1989." and inserting "of fiscal years 1990, 1991, 1992, 1995, 1996, and 1997;"; and

(C) by adding at the end the following:

"(6) $2,900,000,000, for each of fiscal years 1993 and 1994; and

"(7) the amount calculated under subsection (d) for fiscal year 1998 and each succeeding fiscal year."; and

(2) by adding at the end the following:

"(d) The amount calculated under this subsection for a fiscal year is $2,800,000,000, increased by 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 July 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 July 31, 1996.".

(b) ALLOCATION OF FUNDS TO INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—Section 2003 (42 U.S.C. 1397b) is amended by adding after the subsection added by subsection (a) of this section the following:

"(e)(1) If, with respect to any State—

"(A) the Secretary receives a request from a tribal organization in the State that assistance under this title be provided directly to the tribal organization for a fiscal year; and

"(B) the tribal organization has submitted an application for the fiscal year that meets such criteria as the Secretary may prescribe by regulation,

the Secretary shall reserve from the amounts that would otherwise be allotted to the State for the fiscal year not less than the amount that bears the same ratio to the allotment for the State for the fiscal year under subsection (b) (before the application of this subsection) as the population of Indians residing in the State on the reservation or reservations of the tribal organization, or on trust lands adjacent to such reservation or reservations, bears to the population of the State, and shall pay to the tribal organization an amount equal to the amount so reserved.

"(2) For purposes of this subsection, the terms 'tribal organization' and 'Indian' have the meaning given such terms by section 4 of the Indian Self-Determination and Education Assistance Act.".

TITLE IV—RESEARCH, DEMONSTRATION, AND EVALUATION ACTIVITIES

SEC. 401. ADVISORY COMMISSION ON CHILDREN AND FAMILIES.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301–1320b–13) is amended by adding at the end the following:

"SEC. 1144. ADVISORY COMMISSION ON CHILDREN AND FAMILIES.

"(a) ESTABLISHMENT.—The Director of the Office of Technology Assessment (in this section referred to as the 'Director' and the 'Office', respectively) shall establish a commission to be known as the 'Advisory Commission on Children and Families' (in this section referred to as the 'Commission').

"(b) GENERAL DUTIES.—The Commission shall identify cost-effective approaches to protect and enhance the physical, mental, emotional, and financial well-being of children and their families, by—

"(1) collecting and assessing information on—

"(A) measures of the economic, social, and physical well-being of children;

"(B) the causes and effects of maltreatment of children;

"(C) the effectiveness of social services and income supports in strengthening the family unit;

"(D) the effects of substitute care on the well-being of children;

"(E) the adequacy and effectiveness of cash assistance and tax policies in maintaining family incomes;

"(F) the incentive effects of family policies;

"(G) the effect of family breakup on family economics;

"(H) ways to promote the parental support of children;

"(I) participation in Federal programs supporting children and their families;

"(J) program management and service delivery by public organizations working with families and children; and

"(K) such other issues related to children and their families as the Commission deems it appropriate to study; and

"(2) in collecting and assessing such information—

"(A) use existing information, whether or not published, where possible, collected and assessed by Commission staff or under arrangements made in accordance with this paragraph;

"(B) carry out or award grants or contracts for original research and experimentation where existing information is inadequate for the development of useful and valid information by the Commission; and

"(C) adopt procedures to allow any interested person to submit to the Commission information on issues relating to social and support services, and income security, for children and their families, which information the Commission shall consider in making reports and recommendations to the Secretary and to the Congress.

"(c) MEMBERSHIP.—

"(1) NUMBER; APPOINTMENT.—

"(A) IN GENERAL.—The Commission shall be composed of 15 individuals appointed by the Director, not later than April 1, 1993.

"(B) DIRECTOR REQUIRED TO SOLICIT NOMINATIONS.—The Director shall solicit nominations to the Commission from a wide variety of individuals and groups, including—

"(i) national organizations representing State welfare directors;

"(ii) national organizations representing children or families, or both; and

"(iii) public and private organizations which provide services directly to children and their families.

"(C) QUALIFICATIONS OF MEMBERS.—The Director shall appoint individuals to the Commission from among those who are able to provide expertise and experience in the evaluation and administration of programs and policies relating to social and support services, and income security, for children and their families, including issues relating to child welfare, foster care and adoption assistance, preventive and supportive services, child support, and cash assistance.

"(2) TERMS OF OFFICE.—Each member shall be appointed for a term of 3 years, except that the Director may provide initially for such shorter terms to ensure that (on a continuing basis) the terms of not more than 7 members expire in any 1 year.

"(d) COMMISSION POWERS, COMPENSATION, ACCESS TO INFORMATION, AND SUPERVISION.—The first sentence of subparagraph (C), the first and third sentences of subparagraph (D), subparagraph (F) (except with respect to the conduct of medical studies), subparagraph (G), and subparagraph (H) of section 1886(e)(6) shall apply to the Commission in the same manner in which such provisions

apply to the Prospective Payment Assessment Commission.

"(e) EXEMPTION FROM TERMINATION REQUIREMENT OF THE FEDERAL ADVISORY COMMITTEE ACT.—Section 14(a)(2) of the Federal Advisory Committee Act shall not apply to the Commission.

"(f) ANNUAL STATUS REPORTS.—The Office shall report annually to the Congress on—

"(1) the functioning and progress of the Commission; and

"(2) the status of the assessment by the Commission of issues relating to social and support services, and income security, for children and their families.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 402. RESEARCH AND EVALUATIONS TO BE CONDUCTED BY THE ADVISORY COMMISSION ON CHILDREN AND FAMILIES.

(a) IN GENERAL.—Section 1144, as added by section 401(a) of this Act, is amended by redesignating subsections (c), (d), (e), and (f) as subsections (d), (e), (f), and (g), respectively, and by inserting after subsection (b) the following:

"(c) RESEARCH AND EVALUATION PROJECTS.—

"(1) EVALUATION OF CHILD WELFARE SERVICES PROGRAMS.—

"(A) IN GENERAL.—The Commission shall, directly or under contract with 1 or more independent research organizations, evaluate child welfare services programs receiving funds under part B, including programs of each of the 3 types described in the subparagraphs of section 435(a)(2), in accordance with such criteria as the Commission deems appropriate. To the maximum extent practicable, the evaluations shall use treatment and control groups of statistically appropriate sample sizes to measure the effects of the program. The evaluations shall consider short-term and long-term program effects.

"(B) INTENSIVE FAMILY PRESERVATION PROGRAMS.—

"(i) IN GENERAL.—An appropriate portion of the evaluations referred to in subparagraph (A) shall be of intensive family preservation programs. For purposes of this subsection, the term 'intensive family preservation programs' means family-based crisis intervention programs which are—

"(I) designed to maintain children safely in their homes and prevent the need for foster care; and

"(II) characterized by small caseloads for workers, limited duration of services, 24-hour-a-day availability of staff, and the provision of services primarily in the child's home or in another environment familiar to the child.

"(ii) EVALUATION REQUIREMENTS.—(I) The evaluation of any intensive family preservation program shall provide information on the extent (if any) to which the success of the program depends on—

"(aa) the philosophical approach of the program;

"(bb) the types of services provided by the various kinds of programs;

"(cc) the administrative techniques employed by the various kinds of programs;

"(dd) the characteristics of families participating in the various kinds of programs; and

"(ee) other relevant factors.

"(II) Only programs that have a plan for targeting families that are at imminent risk of a foster care placement shall be evaluated, and a portion (deemed appropriate by the Commission) of the programs evaluated must target families in crisis due to substance abuse.

"(III) A control group and a treatment group shall be established consisting of families at imminent risk of a foster care placement.

"(IV) Families in the control group shall receive the array of preplacement preventive services available to families in the areas in which the programs are located.

"(V) The services received by the families in the control group and the services received by the families in the treatment group shall be described, and an assessment of the need for post-program services for families participating in the programs shall be made.

"(VI) Each group of families shall be monitored for at least 3 years after participation in the programs to determine the effectiveness of such programs.

"(VII) The effectiveness of any program shall be determined by using specific outcome measures deemed appropriate by the Commission, including—

"(aa) whether the program resulted in the placement of fewer children in foster care over the short- and long-term;

"(bb) whether the program increased the well-being of children and improved family functioning;

"(cc) whether the program provided valuable diagnostic information and promoted earlier and more successful permanent placements; and

"(dd) whether the benefits of the program exceeded the costs of the program.

"(2) FOSTER CARE EVALUATIONS.—In order to promote more appropriate and effective foster care for children in need of long-term foster care, the Commission shall, directly or under contract with 1 or more independent research organizations, and in accordance with such criteria as the Commission deems appropriate, evaluate the effects of alternative foster care arrangements and services on the well-being of children who—

"(A) have little prospect of being reunited with their families, or of being adopted; and

"(B) represent a challenging group of foster children who are in need of specialized services or care.

"(3) LONGITUDINAL CHILD WELFARE DATA BASES; STUDIES OF CHILD WELFARE POPULATION DYNAMICS.—

"(A) CONTRACT AUTHORITY.—In order to develop more appropriate and effective intervention strategies with respect to children and their families who are referred or reported to the child welfare system, the Commission shall, directly or under contract with 1 or more independent research organizations—

"(i) plan, design, develop, and implement not more than 5 child welfare data bases that provide detailed longitudinal information on children and their families to whom the local public child welfare system provides services, from the time such children are first referred or reported to such system; and

"(ii) using data from such data bases, conduct such studies on children and their families served by public child welfare systems, as the Commission deems appropriate, including a study of the extent to which a lack of affordable housing is a factor in the placement of children in foster care, and (at the option of the Commission) studies of—

"(I) the movements of subgroups of children and their families into, through, and out of the various parts of the child welfare system;

"(II) the characteristics of those children or families who stay in the system or various parts of the system for short time periods versus those who stay for long time periods;

"(III) the type and intensity of, and effectiveness of, services that families receive in the system;

"(IV) the frequency of contact between and among foster children, their parents, and caseworkers;

"(V) the factors associated with repeat occurrences of child abuse and neglect, and other outcomes; and

"(VI) the condition of children in the system in areas that may include educational performance, health, and personal and social adjustment.

"(B) AGREEMENTS WITH STATES.—

"(i) IN GENERAL.—Not later than October 1, 1993, the Secretary shall, taking into account recommendations made by the Commission, enter into agreements with not more than 5 States or localities to—

"(I) participate in the planning, design, development, and operation of a longitudinal child welfare data base described in subparagraph (A) in the participating State or locality involved; and

"(II) reimburse such States or localities for expenditures incurred with respect to such activities.

"(ii) PAYMENTS TO STATES.—Under each such agreement, the Secretary shall be obligated to pay the State or locality participating in the establishment of the data base—

"(I) from amounts available for payments under section 474(a)(3)(C), 90 percent of such expenditures as are incurred during the 3-year period beginning on October 1, 1993, for the planning, design, development, installation, or operation of the data base; and

"(II) from amounts available for payments under section 474(a)(3)(D), 50 percent of such expenditures as are incurred after the end of such 3-year period for the operation of the data base.

"(C) DATA BASE REQUIREMENTS.—The Secretary shall ensure that each longitudinal data base established under this paragraph—

"(i) includes information on the receipt, by children and their families in the data base, of particular child welfare services, including—

"(I) child protective services;

"(II) services designed to strengthen and preserve families;

"(III) foster care and adoption services; and

"(IV) other services made available by the child welfare system;

"(ii) to the extent feasible, includes information on the receipt of services, or the placement of children, through the public mental health or juvenile justice agencies;

"(iii) includes only data that are reliable and developed using uniform definitions and methodologies that are consistent over time and, to the extent feasible, among jurisdictions; and

"(iv) to the extent appropriate, is implemented with the State data collection and information retrieval systems described in section 474(a)(3)(C).

"(4) COMPREHENSIVE SERVICE PROJECTS EVALUATIONS.—

"(A) IN GENERAL.—The Commission shall, directly or under contract with 1 or more independent research organizations, evaluate the effectiveness of 1 or more comprehensive service projects authorized under section 441 that the Commission considers likely to yield significant information not available elsewhere, in accordance with such criteria as the Commission deems appropriate.

"(B) EVALUATION REQUIREMENTS.—Each such evaluation shall measure, using criteria

the Commission deems appropriate, the extent to which the project—

"(i) increased the well-being of children and their families;

"(ii) resulted in cost savings due to a reduction in the number of placements of children outside their homes or in the length of stay in out-of-home placements;

"(iii) increased coordination within the child welfare agency, and among the child welfare, mental health, and juvenile justice agencies;

"(iv) increased the level and mix of preventive services available to children and their families in the child welfare, mental health, and juvenile justice systems; and

"(v) resulted in such other outcomes as the Commission deems it appropriate to measure.

"(C) TECHNICAL ASSISTANCE.—The Commission shall provide technical assistance, upon request, to any State preparing an application to conduct a comprehensive services project, and shall provide to any State, upon request, a statement containing the Commission's recommendations to the Secretary with respect to the application.

"(5) CHILD SEPARATION GUIDELINES STUDY.—

"(A) IN GENERAL.—The Commission shall conduct a study designed to answer the following questions:

"(i) How do the criteria for removal of children from the home, and the tools for assessing the risk to the child if not removed from the home, vary from State to State? In considering this question, the Commission should examine—

"(I) the decisionmaking process at the caseworker level in at least 3 States, at least 1 of which has a significantly higher than average rate of removing children from the home, at least 1 of which has an approximately average rate of removing children from the home, and at least 1 of which has a significantly lower than average rate of removing children from the home; and

"(II) other factors that may affect placement rates such as State laws and policies, interpretations by the State child welfare agency of the reasonable efforts requirement of section 471(a)(15), and the tendency to place or not place children as a result of economic incentives provided by various State and Federal funding sources.

"(ii) What guidelines should be used to assess such risk and determine the need for removal of children from the home, and what kind of training would ensure the consistent application of such guidelines? The Commission should review and compile all current research relevant to this question.".

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of the enactment of this Act.

SEC. 403. OTHER RESEARCH AND EVALUATIONS.

(a) IN GENERAL.—Section 426(a) (42 U.S.C. 626(a)) is amended—

(1) in paragraph (1), by striking "and" the second place such term appears;

(2) in paragraph (2), by striking the period and inserting a semicolon; and

(3) by adding at the end the following:

"(3) to enable the Secretary—

"(A) under contract with an independent research organization, to conduct a study to assess the prevalence and nature of risks to the safety of employees of child welfare systems, under which empirical information shall be obtained on—

"(i) the incidence of violence toward, or harassment of, such employees;

"(ii) the types of such employees exposed to the greatest risk;

"(iii) the types of harm threatened or inflicted;

"(iv) the characteristics of perpetrators of such violence or threats;

"(v) the most dangerous child welfare settings; and

"(vi) the differences (if any) between urban and rural areas in the above respects; and

"(B) to make the results and recommendations of the study described in subparagraph (A) available for dissemination;

"(4) to enable the Secretary—

"(A) to enter into a contract with an organization or organizations with demonstrated experience in the field of workload measurement for human service agencies—

"(i) under which the organization is to conduct a 3-year study to examine methodologies for measuring the workloads of providers of child welfare services and providers of community mental health services; and

"(ii) which, at a minimum, requires the organization to—

"(I) examine and document which methodologies are used to measure caseworker and supervisor workloads;

"(II) develop general standards for measurement and size of workloads;

"(III) apply and validate standards for measurement and size of workloads; and

"(IV) develop software that enables agencies to use appropriate methodologies to measure workloads; and

"(B) to consult with an advisory body selected by the Secretary, in planning and carrying out the study described in subparagraph (A); and

"(C) to make the results and recommendations of the study described in subparagraph (A) available for dissemination; and

"(5) to enable the Secretary—

"(A) under contract with an independent research organization, to conduct a study that—

"(i) is designed to evaluate strategies for the recruitment and retention of foster parents, and the effects of foster parent training programs on the retention of foster parents; and

"(ii) shall identify successful recruitment techniques and recommend steps which could be taken at the Federal, State, or local level to improve the recruitment, retention, and training of foster parents; and

"(B) to make the results and recommendations of the study described in subparagraph (A) available for dissemination.".

(b) CONFORMING AMENDMENTS.—Section 426 (42 U.S.C. 626) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

SEC. 404. CHILD WELFARE DEMONSTRATION PROJECTS.

(a) GENERAL PROVISIONS.—

(1) MINIMUM NUMBER OF PROJECTS OF EACH TYPE.—The Secretary of Health and Human Services (in this section referred to as the "Secretary") shall authorize at least 1 demonstration project to be conducted under each paragraph of subsection (b), and at least 1 demonstration project to be conducted under each clause of subsection (b)(2)(A), during the 4-year period beginning with fiscal year 1994.

(2) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS.—For demonstration projects approved by the Secretary under this section, there are authorized to be appropriated to the Secretary not to exceed $45,000,000 for each of fiscal years 1994, 1995, 1996, and 1997.

(b) SPECIFIC TYPES OF PROJECTS.—

(1) EXPEDITIOUS PERMANENT PLACEMENT OF CHILDREN.—

(A) IN GENERAL.—The Secretary may make no more than 10 grants to States or localities to conduct demonstration projects, throughout the State or in areas selected by the State as having the greatest need, designed to—

(i) review statutes, administrative and judicial procedures, and agency legal representation, in effect in the State or locality, that govern determinations of abandonment of children, termination of parental rights, and permanent placement of children, particularly with respect to children abandoned at or shortly after birth;

(ii) assess which of such procedures or laws cause delays in the permanent placement of such children or the consideration of termination of parental rights;

(iii) assess the extent, or lack, of training of judges and child protection service workers on the timelines for determinations involving termination of parental rights or permanent placement of such children;

(iv) assess the provision of (and the impact of providing) coordinated comprehensive social services, particularly in relation to reunification or maintenance of families;

(v) assess the impact of the designation of entities or individuals that have or could be granted standing to initiate placement or termination of parental rights proceedings with respect to children who have been placed under protective care or public supervision;

(vi) assess the extent of the current presence of individuals either employed by a social service agency or a private entity, who are specifically responsible for expediting consideration of the termination of parental rights and permanent placement, particularly with respect to children abandoned at or shortly after birth, and the impact of such individuals on the timelines for such considerations;

(vii) assess the success of programs which concurrently provide planning for, and services to, preadoptive and natural parents; and

(viii) implement new procedures or make other improvements (as determined by the assessments conducted pursuant to this paragraph) that ensure more timely hearing of, and final decisions on, cases involving termination of parental rights and the permanent placement of children, with the goal of substantially reducing the amount of time that elapses from the time the child is removed from a home setting and is permanently placed in a stable adoption placement, including, at the option of the State or locality, improvements that include activities that—

(I) provide additional personnel identified as necessary under any provision of this paragraph to pursue or process cases involving termination of parental rights or expeditious permanent placements;

(II) expand the standing of foster parents and others to bring actions involving the termination of parental rights and permanent placements; and

(III) require certain children to be placed in foster care in homes that are likely to become permanent adoptive homes of such children.

(B) APPLICATION.—Each State or locality desiring to conduct a demonstration project under this paragraph shall submit to the Secretary an application containing—

(i) an assurance that the State or locality will develop and carry out the project jointly with appropriate judicial administrators, and with appropriate agencies of the State or locality that provide services to children abandoned at or shortly after birth; and

(ii) such other information as the Secretary may require by regulation.

(C) APPROVAL OF CERTAIN APPLICATIONS.—

(i) IN GENERAL.—The Secretary shall approve not more than 10 applications to conduct projects which appear likely to contribute significantly to the achievement of the purpose of this paragraph, particularly as they relate to changes in the legislative, judicial, and administrative practices with respect to permanent placement and termination of parental rights.

(ii) DISTRIBUTION CRITERION.—In determining whether to approve applications under this paragraph, the Secretary shall ensure that grants under this paragraph are made to applicants whose positions on consideration of parental rights and the termination of such rights reflect the range of statutory and judicial positions taken by States on such matters.

(iii) GRANT PERIOD.—Subject to the availability of appropriations therefor, the Secretary shall make grants under this paragraph for a period of 4 years.

(D) EVALUATIONS; REPORT.—Each State and locality that conducts a demonstration project under this paragraph shall develop and carry out a plan for evaluating the effects of the project, and shall submit to the Secretary a report on such evaluation.

(E) DISSEMINATION OF REPORTS.—The Secretary shall make available to the Congress and the public the reports submitted pursuant to subparagraph (D).

(F) REVIEW AND EVALUATION BY THE SECRETARY.—The Secretary shall periodically review and evaluate the conduct of each demonstration project conducted under this paragraph.

(G) AUTHORITY TO SUSPEND OR TERMINATE PROJECTS.—Notwithstanding subparagraph (C)(iii), the Secretary may suspend for any period or terminate the authority to conduct a demonstration project under this paragraph, and may discontinue the provision of grants under this paragraph for the project, if the Secretary determines that the project has not been conducted in a satisfactory manner.

(2) CULTURALLY SENSITIVE AND SPECIAL NEEDS CHILD WELFARE WORKER TRAINING DEMONSTRATION.—

(A) IN GENERAL.—

(i) TRAINING TO DELIVER CHILD WELFARE SERVICES IN BORDER REGIONS.—The Secretary shall authorize not more than 5 eligible institutions to conduct demonstration projects to train eligible individuals to deliver culturally sensitive and bilingual child welfare services in areas of the United States that border on Mexico.

(ii) TRAINING TO DELIVER CHILD WELFARE SERVICES TO HISTORICALLY UNSERVED OR UNDERSERVED POPULATIONS IN CERTAIN URBAN CENTERS.—In addition, the Secretary may make no more than 5 grants to eligible institutions to conduct projects to train eligible individuals to deliver culturally sensitive and bilingual welfare services in urban centers which have a high proportion of historically unserved or underserved populations.

(B) APPLICATIONS.—

(i) APPLICATIONS UNDER SUBPARAGRAPH (A)(i).—The Secretary shall approve an application of an eligible institution to conduct a demonstration project under subparagraph (A)(i) for a fiscal year if the Secretary has approved not more than 4 other such applications for the fiscal year and the application meets the following requirements:

(I) HISTORY OF, OR PLAN FOR, TRAINING STUDENTS TO DELIVER CHILD WELFARE SERVICES IN BORDER AREAS.—The application demonstrates that the applicant has a history of, or a plan for, training students to deliver child welfare services in an area of the United States that borders on Mexico.

(II) TRAINING CURRICULUM REQUIREMENTS.—The application describes the curriculum of the training program. Such curriculum must be sensitive to the culture of the area that borders on Mexico and the State in which the applicant is located, and must include training for the identification of health problems of children and their families and of child abuse and neglect.

(III) SCOPE AND LENGTH OF TRAINING.—The application includes an assurance that the training program meets all requirements established under subparagraph (C) governing the scope and length of the training to be provided.

(IV) PLAN FOR PLACING INDIVIDUALS COMPLETING THE TRAINING IN BORDER AREA FAMILY ASSISTANCE AGENCIES.—The application contains a plan for placing each eligible individual who completes the training under the project in a family assistance agency that provides services directly to residents of the border county in which the agency is located.

(V) COMMITMENT TO CONSULT WITH STATE CHILD WELFARE AGENCY.—The application contains a commitment by the applicant to consult with the child welfare agency of the State in which the applicant is located to ensure that the project is designed to provide individuals with child welfare skills that are needed for work with disadvantaged individuals in the area of the State that borders on Mexico.

(ii) APPLICATIONS UNDER SUBPARAGRAPH (A)(ii).—The Secretary shall approve an application of an eligible institution to conduct a demonstration project under subparagraph (A)(ii) for a period of 4 fiscal years (subject to the availability of funds and satisfactory performance) if the Secretary has not approved more than 4 other applications for such projects and the application meets the following requirements:

(I) The applicant demonstrates that it has a history of, expertise in, and commitment to, providing training for individuals to deliver child welfare services to historically unserved or underserved populations in urban centers.

(II) The applicant describes how the application was developed in consultation with State and local child welfare agencies, community-based organizations serving the area to be affected, and the residents of the area, including public notice and opportunity to comment on the training program to be offered, and a plan for a continuing consultation process with these entities.

(III) The curriculum to be offered includes the broad range of Federal, State, and local programs available to provide services to historically unserved or underserved populations in urban centers, and the identification of health problems in children and their families which may lead to child abuse or neglect and the presence of such conditions.

(IV) The application includes an assurance that the training program meets all the requirements of subparagraph (C) governing the scope and length of the training to be provided.

(V) The application includes a plan for placing each eligible individual who completes the training under the project in a public or private nonprofit family assistance agency that provides services directly to unserved or underserved populations in urban centers with high concentrations of such populations.

(iii) GRANTS SUBJECT TO APPROPRIATIONS.—The Secretary shall make grants for projects authorized under subparagraph (A)(ii) subject to the availability of appropriations therefor.

(iv) REVIEW AND EVALUATION BY THE SECRETARY.—The Secretary shall periodically review and evaluate the conduct of each demonstration project authorized to be conducted under subparagraph (A)(ii).

(v) AUTHORITY TO SUSPEND OR TERMINATE PROJECTS.—The Secretary may suspend for any period or terminate the authority to conduct a demonstration project under subparagraph (A)(ii), and may discontinue the provision of grants under subparagraph (A)(ii) for the project, if the Secretary determines that the project has not been conducted in a satisfactory manner.

(C) TRAINING REQUIREMENTS.—The Secretary, in consultation with the State child welfare agencies of the eligible States, shall develop criteria regarding the scope and length of the training program to be provided under any demonstration project conducted under this paragraph to ensure that training under the program adequately prepares trainees for the work they will perform after completion of the training program. The Secretary shall treat participation in a program leading to a bachelor's or a master's degree in social work as providing such adequate preparation.

(D) GRANTS.—

(i) ALLOCATION AMONG STATES WITH APPROVED PROJECTS.—Each eligible State in which is located an eligible institution whose application to conduct a demonstration project under subparagraph (A)(i) for a fiscal year has been approved by the Secretary shall be allocated for the fiscal year that portion of the funds available to carry out subparagraph (A)(i) for the fiscal year that is represented by—

(I) the number of disadvantaged individuals who, as of the close of the second preceding fiscal year, resided in the border counties of the State; divided by

(II) the total number of disadvantaged individuals who, as of the close of the second preceding fiscal year, resided in the border counties of all such eligible States.

(ii) GRANT AUTHORITY.—The Secretary shall make a grant to each eligible institution that the Secretary authorizes to conduct a demonstration project under subparagraph (A)(i) for a fiscal year in an amount equal to—

(I) the amount allocated for the fiscal year under clause (i) to the State in which the institution is located; divided by

(II) the number of eligible institutions in the State that are so authorized.

(E) USE OF GRANTS.—Each eligible institution that receives a grant under this paragraph—

(i) shall use the grant to equip eligible individuals with the knowledge and skills necessary to perform the range of child welfare work, from case management to supervisory skills; and

(ii) may use the grant to pay the tuition, room and board, travel, and other living expenses of eligible individuals.

(F) DEFINITIONS.—As used in this paragraph:

(i) BORDER COUNTY.—The term "border county" means—

(I) in the State of Texas, the counties of Cameron, Brooks, Hidalgo, Kenedy, Willacy, Jim Hogg, Starr, Webb, Zapata, Duval, La-Salle, Maverick, Dimmit, Zavala, Uvalde, Kinney, Val Verde, Edwards, Crockett, Terrell, Pecos, Brewster, Presidio, Jeff

Davis, Reeves, Culberson, Hudspeth, Bexar, and El Paso;

(II) in the State of New Mexico, the counties of Otero, Sierra, Dona Ana, Luna, Hidalgo, Grant, Lea, Roosevelt, Chaves, Eddy, and Lincoln;

(III) in the State of Arizona, the counties of Cochise, Graham, Greenlee, Maricopa, Pinal, Pima, Yuma, La Paz, and Santa Cruz; and

(IV) in the State of California, the counties of Imperial, San Diego, Riverside, and Orange.

(ii) CHILD WELFARE AGENCY.—The term "child welfare agency" means, with respect to a State, the individual or agency that administers or supervises the administration of the State plan for child welfare services under part B of title IV of the Social Security Act.

(iii) DISADVANTAGED INDIVIDUAL.—The term "disadvantaged individual" means an individual whose income does not exceed 130 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size of the individual's family.

(iv) ELIGIBLE INDIVIDUAL.—The term "eligible individual" means any individual who—

(I) is, or intends to become, an employee of a family assistance agency in an eligible State; and

(II) enters into an agreement with an eligible institution in the State under which—

(aa) the institution agrees to train the individual to deliver culturally sensitive and bilingual child welfare services in the area of the United States that borders on Mexico; and

(bb) the individual agrees to so deliver such services at or from a site approved by the child welfare agency of the State for at least 1 year beginning within a reasonable time after the individual completes the training under a project conducted under subparagraph (A)(i), or for a period of 1 year for each year of assistance or training received beginning upon completion of the training under a project conducted under subparagraph (A)(ii).

(v) ELIGIBLE INSTITUTION.—The term "eligible institution" means any institution of higher education that is located in an eligible State.

(vi) ELIGIBLE STATE.—The term "eligible State" means Texas, New Mexico, Arizona, and California.

(vii) FAMILY ASSISTANCE AGENCY.—The term "family assistance agency" means a child welfare agency, family planning agency, hospital, clinic, community mental health facility, or drug and alcohol treatment program.

(viii) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" means—

(I) an institution of higher education (as defined in section 1201(a) or 481(a) of the Higher Education Act of 1965); and

(II) an area vocational education school (as defined in subparagraph (C) or (D) of section 521(3) of the Carl D. Perkins Vocational Education Act).

(ix) The term "urban centers" means an area in a metropolitan statistical area, as designated by the Director of the Office of Management and Budget, which has a high incidence of individuals in historically unserved or underserved populations who are in need of social services, as determined by the Secretary using the most recent and best available information. A list of such urban centers shall be published by the Secretary in the Federal Register no more than 180 days after the date of the enactment of this Act.

(x) The term "historically unserved or underserved populations" includes—

(I) minority populations;

(II) persons with limited English proficiency;

(III) populations residing in urban areas and exhibiting a high incidence of child abuse, neglect, or abandonment, as determined by the Secretary;

(IV) homeless persons (within the meaning of section 103 of the Stewart B. McKinney Homeless Assistance Act);

(V) persons who are, or are in danger of becoming, infected with the human immunodeficiency virus; and

(VI) persons who abuse alcohol or drugs.

(G) RECOVERY OF ASSISTANCE IN CERTAIN CASES.—Any individual participating in a project conducted under subparagraph (A) who breaches the agreement referred to in subparagraph (F)(iv)(II) shall repay to the Secretary an amount equal to the amount or value of assistance received by the individual under the project, ratably reduced, if applicable, by a proportion representing that portion of the year during which the individual complied with the agreement. The Secretary shall establish guidelines and repayment schedules to carry out this subparagraph.

(3) STAFF RECRUITMENT AND RETENTION DEMONSTRATION.—

(A) IN GENERAL.—The Secretary may make grants under this paragraph to not more than 10 State or local government agencies to conduct demonstration projects designed to develop and implement innovative recruitment or retention strategies for trained staff in public and private nonprofit agencies working with children and adolescents at risk of being placed in foster care.

(B) ELIGIBILITY.—To be eligible to conduct a demonstration project under this paragraph, a State or local government agency shall submit to the Secretary a 3-year plan for the recruitment and retention of trained direct services staff (for public and private nonprofit agencies that contract for the care of children in the custody of public agencies), which contains such information as the Secretary may prescribe by regulation, including a description of the planned outreach activities and the steps that will be taken to encourage recruitment and retention of staff.

(C) GRANT REQUIRED TO BE MADE FOR ELIGIBLE PROJECT DESIGNED FOR MINORITY COMMUNITY SERVICE.—The Secretary shall make a grant under this paragraph to at least 1 State or local government agency which submits to the Secretary an application for a demonstration project designed to expand the capacity of minorities to provide services within their communities if the application otherwise meets the requirements of this paragraph.

(D) PRIORITY TO BE GIVEN TO CERTAIN PROJECTS.—In considering proposed demonstration projects under this paragraph, the Secretary shall give priority to—

(i) proposed projects that demonstrate intersystem cooperation among child welfare, juvenile justice, mental health, or substance abuse agencies; and

(ii) proposed projects that are designed to test urban and rural strategies in a variety of geographic areas.

(E) APPROVAL OF CERTAIN APPLICATIONS.—The Secretary shall approve not more than 10 applications to conduct projects which appear likely to contribute significantly to the achievement of the purpose of this paragraph.

(F) USE OF GRANTS.—Each agency that receives a grant under this paragraph shall use the grant to carry out the plan submitted to the Secretary as described in subparagraph (B).

(G) STATE REQUIRED TO PARTIALLY MATCH GRANTS MADE FOR CONSECUTIVE YEARS.—Each agency which receives a grant under this paragraph for 2 or more consecutive years shall provide from non-Federal sources—

(i) for the 2nd consecutive year, an amount equal to 20 percent of the grant made for such year; and

(ii) for the 3rd consecutive year, an amount equal to 25 percent of the grant made for such year.

(H) EVALUATIONS; REPORT.—Each State and locality that conducts a demonstration project under this paragraph shall develop and carry out a plan for evaluating the effects of the project, and shall submit to the Secretary a report on such evaluation.

(I) DISSEMINATION OF REPORTS.—The Secretary shall make available to the Congress and the public the reports submitted pursuant to subparagraph (H).

(4) JOINT TRAINING DEMONSTRATION.—

(A) IN GENERAL.—The Secretary may make grants under this paragraph, on a competitive basis, to not more than 10 State or local government agencies to conduct demonstration projects designed to test the effect of joint training programs for the staff of child welfare, mental health, and juvenile justice agencies, and for judicial personnel and judges.

(B) ELIGIBILITY.—To be eligible for a grant under this paragraph, a State or local government agency shall designate a public agency which provides services to children in the State and demonstrate that at least 2 such agencies will participate in the project by contributing financial resources, staff resources, and trainees.

(C) APPROVAL OF CERTAIN APPLICATIONS.—The Secretary shall approve not more than 10 applications to conduct projects which appear likely to contribute significantly to the achievement of the purpose of this paragraph.

(D) USE OF GRANT.—Each State or local government agency that receives a grant under this paragraph shall use the grant to train staff (including supervisors) of public and private agencies who provide services to children or adolescents at risk of requiring foster care or to the families of such children or adolescents. Such training shall be designed to—

(i) educate staff about the special needs of, and service programs for, certain populations of children or adolescents, such as those who have been sexually abused, suffer from serious emotional disturbances, are substance abusers, have acquired immune deficiency syndrome, or are infected with a human immunodeficiency virus;

(ii) coordinate the interagency delivery of services (including family preservation services, family reunification services, independent living services, and supportive services) to children at risk of being placed in foster care; and

(iii) provide training for judges or other administrative personnel, who are authorized to make final determinations as to termination of parental rights or placement of children in either temporary or permanent situations, to determine and incorporate into their decisions factors relating to the physical, mental, and social interests of the child.

(E) EVALUATIONS; REPORT.—Each State or local government agency that conducts a demonstration project under this paragraph shall develop and carry out a plan for evaluating the effects of the training provided under the project, and shall submit to the Secretary a report on such evaluation.

(F) DISSEMINATION OF REPORTS.—The Secretary shall make available to the Congress and the public the reports submitted pursuant to subparagraph (E).

(c) FOSTER CARE AND ADOPTION ASSISTANCE DEMONSTRATION.—

(1) IN GENERAL.—The Secretary may authorize not more than 5 States to conduct demonstration projects designed to test, for not more than 6 years, the feasibility of eliminating the requirements in sections 472 and 473 of the Social Security Act that relate to the income and resources of the child or of the family from which a child originated, and allowing States to receive reimbursement for foster care maintenance payments and for adoption assistance payments made with respect to children without regard to such income and resources.

(2) APPLICATION.—Each State desiring to conduct a demonstration project under this subsection shall submit to the Secretary an application in such form and containing such information as the Secretary may require by regulation.

(3) AGREEMENT ON FEDERAL MATCHING PAYMENTS AND STRATEGY FOR EVALUATION.—

(A) IN GENERAL.—As a condition precedent to approving any application to conduct a demonstration project under this subsection, the Secretary and the State shall reach agreement on—

(i) the rates at which the various types of expenditures under the project shall be reimbursed, in lieu of the rates at which such expenditures would otherwise be reimbursed under section 474 of the Social Security Act; and

(ii) a strategy for evaluating the effects of the project.

(B) LIMITATION.—The Secretary may not agree to any set of reimbursement rates under subparagraph (A)(i) of this paragraph, unless the Secretary determines that the set of rates is likely to result in an amount of Federal payments to the State under section 474 of the Social Security Act that does not exceed the amount that would have been so paid to the State if the State were not conducting the demonstration project.

(4) APPROVAL OF CERTAIN APPLICATIONS.—

(A) IN GENERAL.—The Secretary shall approve not more than 5 applications to conduct projects which appear likely to contribute significantly to the achievement of the purpose of this subsection.

(B) PROJECT LIFETIME.—

(i) 3 YEARS.—Each agreement under paragraph (3) shall be for a term of 3 years.

(ii) AUTHORITY TO RENEW PROJECT FOR 3 YEARS.—Upon the request of the State, the Secretary shall extend for 3 additional years the term of any agreement under paragraph (3).

(5) EVALUATIONS; REPORT.—Each State that conducts a demonstration project under this subsection shall develop and carry out a plan for evaluating the effects of the project, and shall submit to the Secretary a report on such evaluation.

(6) DISSEMINATION OF REPORTS.—The Secretary shall make available to the Congress and the public the reports submitted pursuant to paragraph (5).

SEC. 405. TECHNICAL ASSISTANCE.

(a) IN GENERAL.—Section 476 (42 U.S.C. 676) is amended by adding at the end the following:

"(c) The Secretary shall provide technical assistance to the States to assist the States in—

"(1) interpreting and implementing part B, part C, and this part;

"(2) disseminating information on innovative child welfare practices;

"(3) correcting problems identified through Federal audits and reviews, and carrying out corrective action plans required by this part;

"(4) implementing the foster care and adoption data collection system described in section 479; and

"(5) addressing such other matters as the Secretary may identify.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1992.

TITLE V—MISCELLANEOUS HUMAN RESOURCES AMENDMENTS

SEC. 501. STATE OPTION TO USE RETROSPECTIVE BUDGETING WITHOUT MONTHLY REPORTING UNDER AFDC PROGRAM.

(a) IN GENERAL.—Section 402(a)(13) (42 U.S.C. 602(a)(13)) is amended—

(1) by striking all that precedes subparagraph (A) and inserting the following:

"(13) provide, at the option of the State and with respect to such category or categories as the State may select and identify in the State plan, that—"; and

(2) in each of subparagraphs (A) and (B), by striking ", in the case of families who are required to report monthly to the State agency pursuant to paragraph (14)".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1992, and shall apply to payments under part A of title IV of the Social Security Act for fiscal year 1993 and such payments for succeeding fiscal years.

SEC. 502. INCREASE IN STEPPARENT INCOME DISREGARD UNDER AFDC PROGRAM.

(a) IN GENERAL.—Section 402(a)(31) (42 U.S.C. 602(a)(31)) is amended by striking "$75" and inserting "$90".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1992, and shall apply to payments under part A of title IV of the Social Security Act for fiscal year 1993 and such payments for succeeding fiscal years.

SEC. 503. EXTENSION OF PERIOD FOR DEMONSTRATION PROJECTS FOR EVALUATING MODEL PROCEDURES FOR REVIEWING CHILD SUPPORT AWARDS.

(a) IN GENERAL.—Section 103(e)(4) of the Family Support Act of 1988 is amended by striking "2-year" and inserting "3-year".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act.

SEC. 504. TECHNICAL CORRECTIONS RELATED TO THE INCOME SECURITY AND HUMAN RESOURCES PROVISIONS OF THE OMNIBUS BUDGET RECONCILIATION ACT OF 1990.

(a) AMENDMENT RELATED TO SECTION 5057.—Section 5057 of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508), and the amendment made by such section, are hereby repealed, and section 1139(d) of the Social Security Act shall be applied and administered as if such section 5057 had never been enacted.

(b) AMENDMENT RELATING TO SECTION 5060(a).—Clause (II) of section 402(g)(1)(A)(vi) of the Social Security Act (42 U.S.C. 602(g)(1)(A)(vi)(II)) is amended by moving such subclause 2 ems to the right so that the left margin of such subclause is aligned with the left margin of subclause (I) of such section.

(c) AMENDMENT RELATING TO SECTION 5061(a)(3).—Section 407(b)(1)(B)(v) of the Social Security Act (42 U.S.C. 607(b)(1)(B)(v)) is amended by striking "parents' needs" and inserting "parent's needs".

(d) AMENDMENT RELATED TO SECTION 5081(a).—Section 402(i)(6)(D) of the Social Security Act (42 U.S.C. 602(i)(6)(D)) is amended by striking "as as" and inserting "as".

(e) AMENDMENT RELATING TO SECTION 5105(a)(1)(B)(ii)(I).—Section 1631(a)(2)(C)(i) of the Social Security Act (42 U.S.C. 1383(a)(2)(C)(i)) is amended by inserting "a" before "representative".

(f) AMENDMENT RELATED TO SECTION 5105(d)(1)(B).—Section 5105(d)(1)(B) of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) is amended to read as follows:

"(B) TITLE XVI.—Section 1631(a)(2)(F) (42 U.S.C. 1383(a)(2)(F)), as so redesignated by subsection (c)(2) of this section, is amended to read as follows:

'(F) The Secretary shall include as a part of the annual report required under section 704, information with respect to the implementation of the preceding provisions of this paragraph, including—

'(i) the number of cases in which the representative payee was changed;

'(ii) the number of cases discovered where there has been a misuse of funds;

'(iii) how any such cases were dealt with by the Secretary;

'(iv) the final disposition of such cases (including any criminal penalties imposed); and

'(v) such other information as the Secretary determines to be appropriate.'.".

(g) AMENDMENTS RELATED TO SECTION 5105(b).—Section 1631(a)(2)(C) of the Social Security Act (42 U.S.C. 1383(a)(2)(C)) is amended—

(1) by striking clause (ii);

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

(3) in clause (iv) (as so redesignated), by striking "(iii), and (iv)" and inserting "and (iii)".

(h) AMENDMENTS RELATED TO SECTION 5107(a)(2)(B).—Section 1631(c)(1)(B) of the Social Security Act (42 U.S.C. 1383(c)(1)(B)) is amended by striking "paragraph (1)" each place such term appears and inserting "subparagraph (A)".

(i) AMENDMENT RELATED TO SECTION 5109(a)(2).—Section 1631 of the Social Security Act (42 U.S.C. 1383) is amended by redesignating the subsection (n) added by section 5109(a)(2) of the Omnibus Budget Reconciliation Act of 1990, as subsection (o).

(j) AMENDMENTS RELATED TO SECTION 11115(b)(2).—Section 1613(a) of the Social Security Act (42 U.S.C. 1382b(a)) is amended—

(1) in paragraph (9), by striking "and";

(2) in the first paragraph (10), by striking the period and inserting "; and"; and

(3) by redesignating the second paragraph (10) as paragraph (11).

(k) EFFECTIVE DATE.—Each amendment made by this section shall take effect as if the amendment had been included in the provision of the Omnibus Budget Reconciliation Act of 1990 to which the amendment relates, at the time the provision became law.

SEC. 505. TECHNICAL CORRECTIONS RELATED TO THE HUMAN RESOURCE AND INCOME SECURITY PROVISIONS OF OMNIBUS BUDGET RECONCILIATION ACT OF 1989.

(a) AMENDMENT RELATING TO SECTION 8004(a).—Section 408(m)(2)(A) of the Social Security Act (42 U.S.C. 608(m)(2)(A)) is amended by striking "a fiscal" and inserting "the fiscal".

(b) AMENDMENT RELATING TO SECTION 8006(a).—Section 473(a)(6)(B) of the Social Security Act (42 U.S.C. 673(a)(6)(B)) is amended by striking "474(a)(3)(B)" and inserting "474(a)(3)(C)".

(c) AMENDMENT RELATING TO SECTION 8007(b)(3).—Subparagraph (D) of section 475(5) of the Social Security Act (42 U.S.C. 675(5)(D)) is amended by moving such subparagraph 2 ems to the right so that the left margin of such subparagraph is aligned with the left margin of subparagraph (C) of such section.

(d) EFFECTIVE DATE.—Each amendment made by this section shall take effect as if the amendment had been included in the provision of the Omnibus Budget Reconciliation Act of 1989 to which the amendment relates, at the time the provision became law.

TITLE VI—CHILDHOOD HUNGER RELIEF

SEC. 601. SHORT TITLE.

This title may be cited as the "Mickey Leland Childhood Hunger Relief Act".

SEC. 602. REFERENCES TO ACTS.

Except as otherwise specifically provided in this title, references to "the Act" and sections thereof shall be deemed to be references to the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.) and the sections thereof.

Subtitle A—Ensuring Adequate Food Assistance

SEC. 611. FAMILIES WITH HIGH SHELTER EXPENSES.

(a) REMOVAL OF CAP.—The fourth sentence of section 5(e) of the Food Stamp Act of 1977 (hereinafter referred to as "the Act") (7 U.S.C. 2014(e)) is amended by striking ": *Provided*, That the amount" and all that follows through "June 30".

(b) TRANSITIONAL CAP.—Effective for the period beginning on October 1, 1992, and ending December 31, 1996, section 5(e), as amended by subsection (a), is amended by inserting after the fourth sentence the following: "In the period beginning on October 1, 1992, and ending September 30, 1993, such excess shelter expense deduction shall not exceed $218 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $379, $311, $265, and $161 a month, respectively; in the twelve months ending September 30, 1994, shall not exceed $238 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $414, $340, $289, and $176 a month, respectively; in the twelve months ending September 30, 1995, shall not exceed $257 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $447, $367, $312, and $190 a month, respectively; and in the fifteen months ending December 31, 1996, shall not exceed $278 a month in the forty-eight contiguous States and the District of Columbia, and shall not exceed, in Alaska, Hawaii, Guam, and the Virgin Islands of the United States, $483, $397, $337, and $205 a month, respectively.".

(c) CONFORMING AMENDMENT.—The sentence of section 5(e) of the Act (7 U.S.C. 2014(e)) beginning "In computing the excess shelter expense deduction" is amended by deleting the following: "under clause (2) of the preceding sentence".

SEC. 612. CONTINUING BENEFITS TO ELIGIBLE HOUSEHOLDS.

Section 8(c)(2) of the Act (7 U.S.C. 2017(c)(2)) is amended in subparagraph (B) by inserting after "following any period" the phrase "of more than one month in".

SEC. 613. HOMELESS FAMILIES IN TRANSITIONAL HOUSING.

Section 5(k)(2)(F) of the Act (7 U.S.C. 2014(k)(2)(F)) is amended to read as follows:

"(F) housing assistance payments made to a third party on behalf of a household residing in transitional housing for the homeless;".

SEC. 614. IMPROVING THE NUTRITIONAL STATUS OF CHILDREN IN PUERTO RICO.

Section 19(a)(1)(A) of the Act (7 U.S.C. 2028(a)(1)(A)) is amended:

(1) by striking "$1,051,000,000" and inserting "$1,066,000,000";

(2) by striking "$1,091,000,000" and inserting "$1,116,000,000"; and

(3) by striking "$1,133,000,000" and inserting "$1,168,000,000".

SEC. 615. HOUSEHOLDS BENEFITING FROM GENERAL ASSISTANCE VENDOR PAYMENTS.

Section 5(k)(1)(B) of the Act (7 U.S.C. 2014(k)(1)(B)) is amended to read as follows:

"(B) a benefit payable to the household for housing expenses, not including energy or utility-cost assistance, under—

"(i) a State or local general assistance program; or

"(ii) another basic assistance program comparable to general assistance (as determined by the Secretary).".

SEC. 616. HELPING LOW-INCOME HIGH SCHOOL STUDENTS.

Section 5(d)(7) is amended by striking ",who is a student, and who has not attained his eighteenth birthday" and inserting "and who is an elementary or secondary student".

Subtitle B—Promoting Self-Sufficiency

SEC. 621. CHILD SUPPORT DISREGARD.

Section 5 of the Act (7 U.S.C. 2014) is amended—

(1) in clause (13) of subsection (d)—

(A) by striking "at the option" and all that follows through "subsection (m)," and inserting "(A)"; and

(B) by adding at the end the following: "and (B) the first $50 of any child support payments for each month received in that month, and the first $50 of child support of each month received in that month if such payments were made by the absent parent in the month when due,"; and

(2) by striking subsection (m).

SEC. 622. CHILD SUPPORT PAYMENTS TO NONHOUSEHOLD MEMBERS.

Section 5(d)(6) of the Act (7 U.S.C. 2014(d)(6)) is amended by striking the comma at the end and inserting the following: ": *Provided*, That child support payments made by a household member to or for a person who is not a member of the household shall be excluded from the income of the household of the person making such payments if such household member was legally obligated to make such payments,".

SEC. 623. VEHICLES NEEDED TO SEEK AND CONTINUE EMPLOYMENT AND FOR HOUSEHOLD TRANSPORTATION.

Section 5(g)(2) of the Act (7 U.S.C. 2014(g)(2)) is amended by striking "$4,500" and inserting the following: "a level set by the Secretary, which shall be $4,500 through the period ending on September 30, 1996, and which shall be adjusted from $4,500 on October 1, 1996, and on each October 1, thereafter, to reflect changes in the Consumer Price Index for all urban consumers published by the Bureau of Labor Statistics, for new cars, for the twelve months ending the preceding June 30, and rounded to the nearest $50".

Subtitle C—Simplifying the Provision of Food Assistance

SEC. 631. SIMPLIFYING THE HOUSEHOLD DEFINITION FOR HOUSEHOLDS WITH CHILDREN AND OTHERS.

The first sentence of section 3(i) of the Act (7 U.S.C. 2012(i)) is amended—

(1) by striking "(2)" and inserting "or (2)";

(2) by striking ", or (3) a parent of minor children and that parent's children" and all that follows through "parents and children, or siblings," and inserting ". Parents and their minor children who live together and spouses"; and

(3) by striking ", unless one of" and all that follows through "disabled member".

SEC. 632. ASSURING ADEQUATE FUNDING FOR THE FOOD STAMP PROGRAM.

Section 18 of the Act (7 U.S.C. 2027) is amended by striking subsections (b), (c), and (d) and redesignating subsections (e) and (f) as subsections (b) and (c), respectively.

Subtitle D—Commodity Distribution to Needy Families.

SEC. 641. COMMODITY PURCHASES.

Section 214 of the Emergency Food Assistance Act of 1983 (7 U.S.C. 612c note) is amended by adding at the end the following new paragraph:

"(k) INCREASED ALLOTMENTS.—During fiscal year 1993, the Secretary shall spend $70,000,000 to purchase, process and distribute commodities in addition to those purchased with funds under subsection 202 and 203D(a). Commodities purchased under this subsection shall be distributed in accordance with subsection (f) and subject to the same terms and conditions as commodities purchased under subsection (e).".

Subtitle E—Implementation and Effective Dates

SEC. 651. EFFECTIVE DATES.

(a) Except as otherwise provided in this title, the provisions of this title shall become effective and be implemented on October 1, 1992.

(b) Sections 612, 615, 621, 622, and 631 of this Act shall become effective and be implemented on July 1, 1993.

SEC. 652. PROHIBITION ON REDUCING AGRICULTURAL PRICE SUPPORT PROGRAMS.

No agriculture price or income support program administered through the Commodity Credit Corporation under the Agricultural Act of 1949 may be reduced to achieve offsets to provide for any provision of this Act.

TITLE VII—FUNDING

SEC. 701. SURTAX ON INDIVIDUALS WITH INCOMES OVER $1,000,000.

(a) GENERAL RULE.—Subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to determination of tax liability) is amended by adding at the end thereof the following new part:

"PART VIII—SURTAX ON INDIVIDUALS WITH INCOMES OVER $1,000,000

"Sec. 59B. Surtax on section 1 tax.

"Sec. 59C. Surtax on minimum tax.

"Sec. 59D. Special rules.

"SEC. 59B. SURTAX ON SECTION 1 TAX.

"In the case of an individual who has taxable income for the taxable year in excess of $1,000,000, the amount of the tax imposed under section 1 for such taxable year shall be increased by 10 percent of the amount which bears the same ratio to the tax imposed under section 1 (determined without regard to this section) as—

"(1) the amount by which the taxable income of such individual for such taxable year exceeds $1,000,000, bears to

"(2) the total amount of such individual's taxable income for such taxable year.

"SEC. 59C. SURTAX ON MINIMUM TAX.

"In the case of an individual who has alternative minimum taxable income for the taxable year in excess of $1,000,000, the amount of the tentative minimum tax determined under section 55 for such taxable year shall be increased by 2.5 percent of the amount by which the alternative minimum taxable income of such taxpayer for the taxable year exceeds $1,000,000.

"SEC. 59D. SPECIAL RULES.

"(a) SURTAX TO APPLY TO ESTATES AND TRUSTS.—For purposes of this part, the term 'individual' includes any estate or trust taxable under section 1.

"(b) TREATMENT OF MARRIED INDIVIDUALS FILING SEPARATE RETURNS.—In the case of a married individual (within the meaning of section 7703) filing a separate return for the taxable year, sections 59B and 59C shall be applied by substituting '$500,000' for '$1,000,000'.

"(c) COORDINATION WITH OTHER PROVISIONS.—The provisions of this part—

"(1) shall be applied after the application of section 1(h), but

"(2) before the application of any other provision of this title which refers to the amount of tax imposed by section 1 or 55, as the case may be."

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 1 is amended by adding at the end the following new item:

"Part VIII. Surtax on individuals with incomes over $1,000,000."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1992.

The CHAIRMAN. No amendment to the substitute, as modified, and no other amendment to the bill is in order.

The question is on the amendment in the nature of a substitute, as modified.

The amendment in the nature of a substitute, as modified, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MURTHA] having assumed the chair, Mr. STUDDS, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3603) to promote family preservation and the prevention of foster care with emphasis on families where abuse of alcohol or drugs is present, and to improve the quality and delivery of child welfare, foster care, and adoption services, pursuant to House Resolution 543, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. ARCHER

Mr. ARCHER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. ARCHER. I am, Mr. Speaker.

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

The Clerk read as follows:

Mr. ARCHER moves to recommit the bill H.R. 3603, to the Committee on Ways and Means with instructions to report the same to the House forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "State Initiatives in Child Welfare Act of 1992".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—CHILD WELFARE ENTITLEMENT PROGRAM

Sec. 101. Child welfare entitlement program.

TITLE II—FEDERAL OVERSIGHT AND TECHNICAL ASSISTANCE

Sec. 201. Child protections and State assurances.
Sec. 202. Technical assistance.
Sec. 203. Moratorium on child protection reviews and on disallowances and deferrals under part B of title IV of the Social Security Act.
Sec. 204. Commission on Child Welfare Accountability.
Sec. 205. Reports on State child welfare programs.

TITLE III—CREATING RELIABLE INFORMATION ON CHILD WELFARE

Sec. 301. Annual State data reports.
Sec. 302. Child welfare demonstration projects.
Sec. 303. Analysis of State data on foster care dynamics.

TITLE I—CHILD WELFARE ENTITLEMENT PROGRAM

SEC. 101. CHILD WELFARE ENTITLEMENT PROGRAM.

(a) IN GENERAL.—Title IV of the Social Security Act (42 U.S.C. 601 et seq.) is amended by inserting after part B the following:

"PART C—CHILD WELFARE ENTITLEMENT

"SEC. 440. ENTITLEMENT.

"(a) PURPOSE.—The purpose of this part is to grant States the flexibility and resources necessary to provide such services and activities as the State deems appropriate to—

"(1) preserve and strengthen families with children at risk of needing placement outside their home;

"(2) reunite children with their families if an out-of-home placement is found to be necessary;

"(3) place children in adoptive homes or other permanent arrangements in a timely fashion if reunification with their families is not in the best interest of the child; and

"(4) ensure the well-being of children referred to public officials because of suspected or actual abuse or neglect.

"(b) ENTITLEMENT.—For payments under section 442(a) to which qualified States are entitled, there shall be available to the Secretary—

"(1) $1,267,000,000 for fiscal year 1993;

"(2) $1,456,000,000 for fiscal year 1994;

"(3) $1,646,000,000 for fiscal year 1995;

"(4) $1,866,000,000 for fiscal year 1996; and

"(5) $2,096,000,000 for fiscal year 1997.

"(c) QUALIFIED STATES.—As used in this part, the term 'qualified State' means a State which—

"(1) has a plan developed in accordance with section 422; and

"(2) has certified to the Secretary that—

"(A) the payments made to the State under this part will be used by the State in accordance with this part; and

"(B) not less frequently than every 2 years, the State will audit the expenditures of the amounts paid to the State under this part.

"SEC. 441. ALLOTMENTS TO QUALIFIED STATES.

"(a) IN GENERAL.—The Secretary shall allot to each qualified State, for use by the child welfare agency of the State, the amount that bears the same ratio to the sum remaining available pursuant to section 440(b) of this Act for the fiscal year after the application of section 202(b) of the State Initiatives in Child Welfare Act of 1992, as the aggregate amount the State was entitled to receive under section 474(a)(3) of this Act (as in effect immediately before the enactment of this part) for fiscal year 1991 bears to the total amount all States were entitled to receive under such section 474(a)(3) for fiscal year 1991.

"(b) NOTIFICATION OF ALLOTMENTS.—Not later than 60 days before the beginning of each fiscal year, the Secretary shall notify each qualified State of the amount allotted to the State for the fiscal year.

"SEC. 442. PAYMENTS TO STATES.

"(a) IN GENERAL.—For each fiscal year, the Secretary shall pay each qualified State the amount allotted to the State under section 441 for the fiscal year, in equal quarterly installments. The State share of expenditures under this part shall be an amount not less than the amount of the State share of expenditures for which payment was made under section 474(a)(3) (as in effect immediately before the enactment of this part) for fiscal year 1992.

"(b) SUPPLEMENTAL PAYMENTS.—

"(1) APPLICATION.—If the foster care caseload of a qualified State increases by more than 15 percent in any fiscal year, the State may, not later than the end of the next fiscal year, apply to the Secretary for a supplemental payment under this subsection.

"(2) PAYMENT.—

"(A) IN GENERAL.—Within 90 days after receipt of any application for a supplemental payment under this subsection, the Secretary shall determine whether to make the payment.

"(B) AMOUNT OF PAYMENT.—The amount of any payment to a State under this subsection with respect to a fiscal year shall be the product of—

"(i) 1/100 of the number of percentage points by which the increase in the foster care caseload of the State for the fiscal year exceeds 15 percent;

"(ii) the aggregate amount the State was entitled to receive under section 474(a)(3) (as in effect immediately before the enactment of this part) for fiscal year 1991, divided by the total amount all States were entitled to receive under such section for fiscal year 1991; and

"(iii) the sum made available pursuant to section 440(b) for the fiscal year.

"(C) SOURCE OF PAYMENT.—Any payment under this subsection shall be made from such amounts as may be provided in advance in appropriations Acts.

"SEC. 443. USE OF FUNDS.

"(a) IN GENERAL.—Except as provided in subsection (b), each State that receives funds under this part may use such funds—

"(1) in any manner that the State child welfare agency deems appropriate to accomplish the purpose of this part; and

"(2) for the planning, design, development, installation, and operation of such statewide mechanized data collection and information retrieval systems (including the hardware components for such systems) as—

"(A) meet the requirements imposed by regulations promulgated pursuant to section 479(b)(2);

"(B) to the extent practicable, are capable of interfacing with the State data collection system that collects information relating to child abuse and neglect; and

"(C) the Secretary determines are likely to provide more efficient, economical, and effective administration of the programs carried out under the State plan approved under part B or the State plan approved under part E.

"(b) PROHIBITIONS.—Each State that receives funds under this part may not, directly or indirectly, use such funds for—

"(1) foster care maintenance payments under section 472;

"(2) adoption assistance payments under section 473, other than nonrecurring adoption expenses described in section 473(a)(1)(B)(i); or

"(3) any other arrangement (other than respite care) that provides for the care of any child outside the home of the child.

"(c) PENALTY FOR MISUSE OF FUNDS.—Taking into account the results of any independent third party audit of State expenditures of amounts paid under this part, if any State has expended any such amount during a fiscal year in violation of subsection (b), the Secretary shall reduce, by such amount, the amount that would otherwise be paid to the State under this part for the immediately succeeding fiscal year.

"(d) ADMINISTRATION.—Notwithstanding any other provision of law—

"(1) the Secretary may not prescribe the manner in which States are to comply with the provisions of this part;

"(2) the Secretary may not, except as provided in section 205(d) of the State Initiatives in Child Welfare Act of 1992, conduct any review of State activities under this part; and

"(3) the Secretary may not withhold, suspend, or deny any payment under this part with respect to a State expenditure, unless an independent third party audit shows that the expenditure was not made in compliance with applicable requirements or assurances.".

(b) COORDINATION WITH STATE PLANS FOR CHILD WELFARE SERVICES.—Section 422(b) of such Act (42 U.S.C. 622(b)) is amended—

(1) in paragraph (1), by inserting "and will administer or supervise the administration of the activities of the State under part C of this title," before "and (B)";

(2) in paragraph (2), by inserting "under part C of this title," before "and under";

(3) in paragraph (3), by inserting ", and, if applicable, with respect to day care services under part C of this title" before the comma;

(4) in paragraph (5), by inserting "with respect to this part and part C," before "contain"; and

(5) in paragraph (8), by inserting ", with respect to this part and part C," before "such reports".

(c) CONFORMING AMENDMENTS.—

(1) Section 474(a) of such Act (42 U.S.C. 674(a)) is amended—

(A) by striking paragraph (3); and

(B) by redesignating paragraph (4) as paragraph (3).

(2) Section 473(a)(6) of such Act (42 U.S.C. 673(a)(6)) is amended—

(A) by striking "(6)(A)" and inserting "(6)"; and

(B) by striking subparagraph (B).

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992, and shall apply to payments for fiscal years 1993, 1994, 1995, 1996, and 1997.

(e) SUNSET.—Effective October 1, 1997—

(1) title IV of the Social Security Act (42 U.S.C. 601 et seq.) is amended by striking part C;

(2) section 422(b) of such Act (42 U.S.C. 622(b)) is amended—

(A) in paragraph (1), by striking "and will administer or supervise the administration of the activities of the State under part C of this title,";

(B) in paragraph (2), by striking "under part C of this title,";

(C) in paragraph (3), by striking ", and, if applicable, with respect to day care services under part C of this title";

(D) in paragraph (5), by striking "with respect to this part and part C,"; and

(E) in paragraph (8), by striking ", with respect to this part and part C,";

(3) section 474(a) of such Act (42 U.S.C. 674(a)) is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by inserting after paragraph (2) the matter stricken by section 101(c)(1)(A) of this Act; and

(4) section 473(a)(6) of such Act (42 U.S.C. 673(a)(6)) is amended—

(A) by striking "(6)" and inserting "(6)(A)"; and

(B) by adding after and below the end the matter stricken by section 101(c)(2)(B) of this Act.

TITLE II—FEDERAL OVERSIGHT AND TECHNICAL ASSISTANCE

SEC. 201. CHILD PROTECTIONS AND STATE ASSURANCES.

(a) STATE PROVISION OF CHILD WELFARE SERVICES.—

(1) STATE PLAN REQUIRED TO PROVIDE FOR FOSTER CARE PROTECTIONS.—

(A) IN GENERAL.—Section 422(b) of the Social Security Act (42 U.S.C. 622(b)) is amended—

(i) by striking "and" at the end of paragraph (7);

(ii) by striking the period at the end of paragraph (8) and inserting "; and"; and

(iii) by adding at the end the following:

"(9) provide that the State must—

"(A) conduct or have conducted an inventory of all children who have been in foster care under the responsibility of the State for a period of 6 months preceding the inventory, and determine or have determined—

"(i) the appropriateness of, and necessity for, the foster care placement;

"(ii) whether the child can or should be returned to the parents of the child or should be freed for adoption; and

"(iii) the services necessary to facilitate either the return of the child or the placement of the child for adoption or with a legal guardian; and

"(B) implement and operate—

"(i) a statewide information system from which the status, demographic characteristics, location, and goals for the placement of every child who is in foster care, or who has been in such care within the preceding 12 months, can be readily determined;

"(ii) a case review system (as defined in section 475(5)) for each child receiving foster care under the supervision of the State;

"(iii) a service program designed to help children—

"(I) where appropriate, return to families from which they have been removed; or

"(II) be placed for adoption or with a legal guardian; and

"(iv) a preplacement preventive service program designed to help children remain with their families.".

(B) CONFORMING AMENDMENTS.—

(i) Part B of title IV of such Act (42 U.S.C. 620 et seq.) is amended by striking section 427.

(ii) Section 423(a) of such Act (42 U.S.C. 623(a)) is amended by striking "and in section 427".

(iii) Section 425(a)(2) of such Act (42 U.S.C. 625(a)(2)) is amended by inserting "to comply with section 422(b)(9) or" before "to comply".

(iv) Section 472(d) of such Act (42 U.S.C. 672(d)) is amended by striking "427(b)" and inserting "422(b)(9)".

(C) CONSTRUCTION OF PARAGRAPH.—The amendments made by this paragraph shall not be construed to permit any State to interrupt the provision of the foster care protections described in section 427 of the Social Security Act, as in effect immediately before the enactment of this Act.

(2) STATE PLAN REQUIRED TO CONTAIN CERTAIN CERTIFICATIONS AND ASSURANCES.—Section 422(b) of such Act (42 U.S.C. 622(b)), as amended by paragraph (1)(A) of this subsection, is amended—

(A) by striking "and" at the end of paragraph (8);

(B) by striking the period at the end of paragraph (9) and inserting "; and"; and

(C) by adding at the end the following:

"(10) contain—

"(A) a certification that the payments made to the State to carry out the State plan will be used by the State in accordance with this part; and

"(B) assurances from the chief executive officer of the State that the State will comply with paragraph (9) for the fiscal year; and

"(C) a certification that, not less frequently than every 2 years, the State will audit the expenditures of amounts paid to the State under this part.".

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on October 1, 1992, and shall apply to payments under part B of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

(b) STATE PROVISION OF FOSTER CARE AND ADOPTION ASSISTANCE.—

(1) STATE PLAN REQUIRED TO CONTAIN CERTAIN CERTIFICATIONS AND ASSURANCES.—Section 471(a) of such Act (42 U.S.C. 671(a)) is amended—

(A) by striking "and" at the end of paragraph (16);

(B) by striking the period at the end of paragraph (17) and inserting "; and"; and

(C) by adding at the end the following:

"(18) contain—

"(A) a certification that the payments made to the State to carry out the State plan will be used by the State in accordance with this part; and

"(B) a certification that, not less frequently than every 2 years, the State will audit the expenditures of amounts paid to the State under this part.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) shall take effect on October 1, 1992, and shall apply to payments under part E of title IV of the Social Security Act for fiscal year 1993 and to such payments for any succeeding fiscal year.

SEC. 202. TECHNICAL ASSISTANCE.

(a) IN GENERAL.—The Secretary of Health and Human Services shall provide or broker technical assistance to States on any aspect of child welfare, including program improvement, financial management, research, automated data systems, State laws and court procedures, and any other matter that the Secretary deems appropriate. Where possible, the Secretary is encouraged to facilitate the provision of technical assistance between and among States.

(b) FUNDING.—0.5 percent of the sum made available pursuant to section 440(b) of the Social Security Act for any fiscal year shall be available to the Secretary of Health and Human Services to carry out subsection (a).

SEC. 203. MORATORIUM ON CHILD PROTECTION REVIEWS AND ON DISALLOWANCES AND DEFERRALS UNDER PART B OF TITLE IV OF THE SOCIAL SECURITY ACT.

The Secretary of Health and Human Services shall not, before the end of the 2-year period that begins on the date of the enactment of this Act—

(1) conduct any review of State compliance with section 427 of the Social Security Act (as in effect immediately before the enactment of this Act) or section 422(b)(9) of the Social Security Act, except to the extent necessary to comply with section 205(b) of this Act; or

(2) disallow, or take any deferral action with respect to, any expenditure under part B of title IV of the Social Security Act.

SEC. 204. COMMISSION ON CHILD WELFARE ACCOUNTABILITY.

(a) ESTABLISHMENT.—There is established a commission to be known as the "Commission on Child Welfare Accountability" (in this section referred to as the "Commission").

(b) DUTIES.—Within 2 years after the date of the enactment of this section, the Commission—

(1) shall recommend to the Congress and the Secretary of Health and Human Services methods by which the Federal government can better ensure the protection of children referred to State child protective services programs and the accountability of such programs; and

(2) in developing such recommendations—

(A) shall examine the protections described in section 427 of the Social Security Act (as in effect immediately before the enactment of this Act) and the technical review procedures used to ensure the provision of such protections; and

(B) on the basis of such examination, the reports required by subsections (c) and (d) of section 205 of this Act, and the hearings and investigations of the Commission, shall develop a detailed outline of a plan by which—

(i) States can provide the types of protections described in such section 427; and

(ii) the Federal Government can ensure, without undue interference in State programs, that such protections are provided; and

(3) shall include with such recommendations the determination of the Commission as to whether a performance-based review system is feasible and desirable, and if so, how such a system should be established and integrated with the data reporting system required by section 479 of the Social Security Act.

(c) MEMBERSHIP.—

(1) NUMBER AND APPOINTMENT.—Within 3 months after the date of the enactment of this section—

(A) the Chairman of the Committee on Ways and Means of the House of Representatives shall appoint 2 members to the Commission;

(B) the ranking minority member of the Committee on Ways and Means of the House of Representatives shall appoint 2 members to the Commission;

(C) the Chairman of the Committee on Finance of the Senate shall appoint 2 members to the Commission;

(D) the ranking minority member of the Committee on Finance of the Senate shall appoint 2 members to the Commission; and

(E) the Secretary of Health and Human Services shall appoint 2 members to the Commission.

(2) TERM OF OFFICE.—Each member shall be appointed for the life of the Commission.

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

(d) COMPENSATION OF COMMISSION MEMBERS.—

(1) NO PAY FOR COMMISSION MEMBERS.—Except as provided in paragraph (2), members may not receive pay, allowances, or benefits by reason of their service on the Commission.

(2) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(e) PROCEDURE.—

(1) QUORUM.—6 members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(2) CHAIR.—The Chair of the Commission shall be elected by the members.

(3) MEETINGS.—The Commission shall meet at the call of the Chair or of a majority of the members.

(f) STAFF.—Subject to rules prescribed by the Commission, the Commission may appoint and fix the pay of such personnel as it considers appropriate.

(g) EXPERTS AND CONSULTANTS.—Subject to rules prescribed by the Commission, the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(h) POWERS OF COMMISSION.—

(1) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this section, hold hearings, sit and act at such times and places, take such testimony, and receive such information as the Commission considers appropriate.

(2) OBTAINING OFFICIAL DATA.—The Commission may secure directly from any department or agency of the United States information necessary to enable it to carry out this section. On request of the Chair of the Commission, the head of that department or agency shall furnish that information to the Commission.

(3) ACCEPTANCE OF GIFTS.—The Commission may accept, use, and dispose of gifts of services or property, both real and personal, for the purpose of aiding or facilitating the work of the Commission. Gifts of money and proceeds from sales of other property received as gifts shall be deposited in the Treasury and shall be available for disbursement upon order of the Chair of the Commission or of the Commission.

(i) TERMINATION.—The Commission shall terminate 2 years after the date of the enactment of this section.

(j) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, there are authorized to be appropriated $1,000,000 in the aggregate for fiscal years 1993 and 1994.

SEC. 205. REPORTS ON STATE CHILD WELFARE PROGRAMS.

(a) STATE REPORTS ON SECTION 427 PROTECTIONS.—Within 9 months after the date of the enactment of this Act, each State shall transmit to the Secretary of Health and Human Services and the Commission on Improvement of Child Protective Services Programs a report outlining the efforts that the State has made to ensure the uninterrupted provision of the protections of section 427 of the Social Security Act (as in effect immediately before the enactment of this Act).

(b) HHS RECOMMENDATIONS TO COMMISSION.—Within 12 months after the date of the enactment of this Act, the Secretary of Health and Human Services shall transmit to the Commission on Child Welfare Accountability a report that, among other things—

(1) discusses the characteristics of successful child welfare programs, common problems that States encounter in conducting such programs, and model practices that meet the needs of children and families while protecting children;

(2) discusses the strengths and weaknesses of the procedures used in providing the protections described in section 427 of the Social Security Act (as in effect immediately before the enactment of this Act), and of the audits required pursuant to part E of title IV of such Act;

(3) discusses the use of data on child and family outcomes after receiving services, as an integral part of an accountability system;

(4) recommends a new accountability system which would ensure that appropriate services are provided for children in a timely manner, and would guarantee the protection of children; and

(5) discusses the relationship that would exist between such recommended child welfare accountability system and the data reporting requirements of section 479 of the Social Security Act.

TITLE III—CREATING RELIABLE INFORMATION ON CHILD WELFARE

SEC. 301. ANNUAL STATE DATA REPORTS.

Section 479(b)(2) of the Social Security Act (42 U.S.C. 679(b)(2)) is amended—

(1) in the first sentence, by striking "December 31, 1988" and inserting "June 1, 1993"; and

(2) in the second sentence, by striking "1991" and inserting "1993".

SEC. 302. DEMONSTRATION PROJECTS TO IMPROVE THE PROVISION OF CHILD WELFARE, FOSTER CARE, AND ADOPTION ASSISTANCE SERVICES.

(a) IN GENERAL.—In order to grant States the flexibility and resources necessary to develop innovative policies and appropriate service networks to preserve and strengthen families with children at risk of needing placement outside their home, to reunite children with their families in a timely fashion if an out-of-home placement is found to be necessary, and to place children in adoptive homes or other permanent arrangements in a timely fashion if reunification with their families is impossible, and to provide for the evaluation of innovative State programs and the assessment of the impact of such programs on children and families, the Secretary of Health and Human Services (in this section referred to as the "Secretary") may authorize not more than 10 States to conduct demonstration projects, which may be carried out throughout the State or in limited areas of the State, in accordance with this section.

(b) CONSIDERATION OF APPLICATIONS.—The Secretary shall consider all applications received from States desiring to conduct demonstration projects under this section.

(c) CONTENTS OF APPLICATIONS.—

(1) GENERAL RULES.—Each application by a State to conduct a demonstration project under this section shall—

(A) propose a project designed to—

(i) provide extensive assistance to families which have problems that may lead to the removal of a child from the family;

(ii) promote the treatment of family problems leading to the reunification of children with their families in a timely fashion after the time it becomes necessary to temporarily remove the child from the family;

(iii) facilitate the timely and permanent placement of children who are in foster care or who have been abandoned at or shortly after birth; or

(iv) address any combination of the matters described in clauses (i), (ii), and (iii), and other child welfare services issues; and

(B) contain a commitment by the State to plan the project during fiscal year 1993 and carry out the project during the 5-year period beginning with fiscal year 1994.

(2) PROJECTS FOCUSING ON PROVIDING CHILD WELFARE SERVICES TO FAMILIES.—Each application by a State to conduct a demonstration project under this section of the type described in paragraph (1)(A)(i) shall outline the services and procedures the State will offer to prevent family dissolution whenever possible. In addition, each such application by a State shall include the following:

(A) CASE PLANS.—A case plan, written in collaboration with the child's parents, to ensure that intervention includes assistance for all members of the family, including fathers.

(B) MEASURES TO INFORM FAMILIES ABOUT HOW TO MAINTAIN PROGRESS TOWARD SOLVING PROBLEMS THAT CAUSED REFERRAL.—A description of the measures to be employed by the State to ensure that families are informed about what they must do to maintain satisfactory progress in solving the problems that caused the family situation to be reported to the State.

(C) MEASURES TO KEEP SINGLE PARENTS REQUIRING DRUG OR ALCOHOL TREATMENT WITH THEIR CHILDREN.—A description of the measures to be employed by the State to keep single parents and their young children together while the single parent participates in required drug or alcohol treatment.

(D) DRUG AND ALCOHOL TREATMENT PLAN.—A plan to ensure that appropriate drug and alcohol treatment programs are made available to parents who are substance abusers.

(E) PLAN TO COORDINATE FAMILY WELFARE FUNDING AND SERVICES.—A plan to coordinate the funding of, and the services and benefits provided under the following:

(i) The State's child welfare services program carried out under the State plan approved under part B of title IV of the Social Security Act.

(ii) The maternal and child health block grant program under title V of such Act.

(iii) The job opportunities and basic skills training program carried out pursuant to section 402(a)(19) and part F of title IV of such Act.

(iv) Medical assistance furnished to pregnant women and children under the State plan approved under title XIX of such Act.

(v) The drug treatment programs of the State.

(vi) The mental health services programs of the State.

(vii) Any new services for children and families that the State deems necessary to meet the needs of all family members in order to carry out the purposes of this section.

(viii) Such other programs as the State deems appropriate.

(F) INTERPRETATION OF "REASONABLE EFFORTS".—A statement that the State does not interpret section 471(a)(15) of the Social Security Act as limiting the authority of the State to—

(i) where appropriate, immediately place children in foster care; or

(ii) initiate procedures to terminate in a timely manner the parental rights of the parents of foster children.

(3) FAMILY REUNIFICATION PROJECTS.—Each application by a State to conduct a demonstration project under this section of the type described in paragraph (1)(A)(ii) shall include the following:

(A) DESCRIPTION OF PROPOSED PROCEDURES TO ASSIST FAMILY REUNIFICATION.—A description of how the State will—

(i) design a treatment plan for solving the family problems that led to removal of the child;

(ii) involve all family members in executing the plan;

(iii) coordinate the programs and resources necessary to effectively solve the problem that led to removal of the child;

(iv) reunify the child with the family as soon as is appropriate; and

(v) implement administrative and judicial review of foster care and for termination of parental rights, and any planned changes to such procedures that would ensure timely hearings and decisions leading to permanent placements in a timely fashion.

(B) REASONS WHY PROPOSED PROCEDURES WOULD RESULT IN EARLIER FAMILY REUNIFICATION.—A discussion of why the particular procedures proposed in the application would be likely to result in earlier family reunification than is achieved under the present policies and procedures of the State.

(4) PERMANENT PLACEMENT PROJECTS.—Each application by a State to conduct a demonstration project under this section of the type described in paragraph (1)(A)(iii) shall describe how the State will expeditiously permanently place children who are in foster care, are boarder babies, or have been abandoned at or shortly after birth, and other children whose parents are addicted to drugs or have other characteristics that render them unfit as parents. In addition, each such application by a State shall include the following:

(A) PROCEDURES FOR FOSTER CARE REVIEW AND TERMINATION OF PARENTAL RIGHTS.—A description of the procedures in effect in the State for administrative and judicial review of foster care and for termination of parental rights, and any planned changes to such procedures that would ensure timely hearings and decisions, including procedures that would achieve permanent placement of children in foster care within 2 years, and of boarder babies before they attain the age of 4 months.

(B) INTERPRETATION OF "REASONABLE EFFORTS".—A statement that the State does not interpret section 471(a)(15) of the Social Security Act as limiting the authority of the State to—

(i) where appropriate, immediately place children in foster care; or

(ii) initiate procedures to terminate in a timely manner the parental rights of the parents of foster children.

(5) PROJECTS ADDRESSING OTHER CHILD WELFARE ISSUES.—Each application by a State to conduct a demonstration project under this section of the type described in paragraph (1)(A)(iv) shall describe a project designed to test an innovative approach to any number of significant child welfare services issues, including—

(A) avoiding out-of-home placements;

(B) achieving speedy reunification of families from which it has been necessary to remove a child;

(C) reducing the time it takes to permanently place children who have been removed from their families;

(D) permitting children to stay at home, or be quickly returned home, while their parents receive treatment for substance abuse;

(E) identifying risk factors which would allow child welfare agencies to identify and treat families that are likely to have children who require protective services; or

(F) any combination of the service issues described in this paragraph.

(d) ADMINISTRATIVE PROVISIONS.—Within 12 months after the date of the enactment of this section—

(1) the Secretary shall prepare and transmit to each State a detailed explanation of the requirements for participation in the demonstration program established by this section;

(2) any State interested in conducting a demonstration project under this section shall transmit to the Secretary a letter of intent containing a tentative description of the project; and

(3) the Secretary shall approve not more than 10 applications which meet the applicable requirements of subsection (c), 1 from each of 10 different States.

(e) GRANTS.—

(1) ELIGIBLE RECIPIENTS.—The Secretary shall make grants in accordance with this subsection to each State whose application to conduct a demonstration project under this section is approved by the Secretary, in accordance with a contract prepared by the Secretary (in consultation with the entity or entities selected pursuant to subsection (f)) which specifies the duties of the Secretary, the State, and the entity selected to evaluate the project in achieving the purpose described in subsection (a).

(2) ANNUAL GRANTS.—The Secretary shall make grants to States under this subsection for each fiscal year for which the State is authorized to conduct a demonstration project under this section.

(3) AMOUNT OF GRANTS.—The amount of each grant to be made under this subsection to a State for a fiscal year shall be an amount equal to 15 percent of the amounts paid to the State for the fiscal year pursuant to section 423 of the Social Security Act.

(4) USE OF GRANTS.—Each State which receives funds under this section may use such funds to improve the provision of child welfare, foster care, and adoption assistance services in any manner that the State deems appropriate.

(f) EVALUATION OF DEMONSTRATION PROJECTS.—

(1) SELECTION OF EVALUATING ENTITY.—The Secretary shall—

(A) publish in the Commerce Daily a request for applications from entities that are capable of, and interested in performing the functions described in paragraph (2) of this subsection; and

(B) in time for such an entity to meaningfully participate in the development of contracts under subsection (e)(1), enter into a contract with 1 or more entities to perform such functions.

(2) FUNCTIONS OF EVALUATING ENTITY.—The functions of the entity or entities selected by the Secretary pursuant to paragraph (1) are—

(A) to assist the Secretary and the States in devising a detailed plan for the evaluation of demonstration projects conducted under this section;

(B) to prepare in accordance with paragraph (3), and submit to the Secretary, with respect to each such project—

(i) interim reports that evaluate the costs and benefits of the project; and

(ii) a final report that—

(I) describes in detail, and documents, the ways in which the project has changed the provision of preventive services, child welfare, foster care, reunification services, or adoption assistance services in the State; and

(II) evaluates the costs and benefits of the project.

(3) EVALUATION REQUIREMENTS.—In evaluating a demonstration project conducted by a State under this section, the entity or entities selected by the Secretary to perform the evaluation shall—

(A) collect such information as may be necessary to analyze the impact of the project on—

(i) foster care placement rates;

(ii) child development and behavior (including academic performance, intellectual development, and health); and

(iii) family relationships;

(B) collect such other information on outcomes as the Secretary or the State deems appropriate; and

(C) use currently acceptable scientific methods.

(4) DUTY OF STATES TO PROVIDE INFORMATION.—Each State which conducts a demonstration project under this section shall provide the entity or entities selected by the Secretary to evaluate the project with such information with respect to the project and the State programs carried out pursuant to parts B and E of title IV of the Social Security Act as the entity or entities may request under the contract described in subsection (e)(1) entered into by the Secretary, the entity, and the State.

(5) COSTS OF EVALUATIONS.—The Secretary shall pay the costs incurred during each fiscal year by any State in assisting the evaluation of the demonstration project conducted by the State under this section, that are not attributable to the collection or reporting of data under the data collection system contained in final regulations promulgated pursuant to section 479 of the Social Security Act.

(g) COST NEUTRALITY.—The Secretary may not approve an application of a State for a demonstration project under this section unless the Secretary and the State have agreed on a method to limit Federal reimbursement for maintenance payments for foster care and adoption assistance under part E of title IV of the Social Security Act and Federal financial participation under the State plan under title XIX of such Act for families affected by the project in each fiscal year of the project to aggregate amounts no greater than the aggregate amounts that would have been paid by the Federal Government in the year for such reimbursement and participation in the absence of the project.

SEC. 303. ANALYSIS OF STATE DATA ON FOSTER CARE DYNAMICS.

(a) STUDIES.—The Secretary of Health and Human Services shall conduct studies to analyze State data on the administration of foster care and adoption programs, that are designed to focus on describing caseload dynamics, changes in rates at which infants and adolescents are placed, and changes in rates at which children are placed in the care of relatives. The Secretary may use such portion of the amounts appropriated to carry out this subsection as the Secretary deems appropriate to induce States to cooperate in the conduct of such studies.

(b) LIMITATIONS ON AUTHORIZATION OF APPROPRIATIONS.—For studies under subsection (a), there are authorized to be appropriated to the Secretary of Health and Human Services not to exceed $4,000,000 for each of fiscal years 1993, 1994, 1995, 1996, and 1997.

Mr. ARCHER (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. ARCHER] will be recognized for 5 minutes, and a Member in opposition to the motion to recommit will be recognized for 5 minutes.

The Chair recognizes the gentleman from Texas [Mr. ARCHER].

Mr. ARCHER. Mr. Speaker, the vote on the motion to recommit presents Members with a simple choice: Support an $8.2 billion tax increase to create new entitlement programs more bureaucracy, more categorical programs, more rules, more regulations, and more committees and commissions.

In other words, a classic tax-and-spend plan to increase the size of Government.

Or you can support an approach that reduces bureaucracy, reduces rules and regulations, brings flexibility and decisionmaking to the local level, provides money for services to families—and does not raise taxes one dime.

Because of the ill-advised partisan decision of the Rules Committee to block the Johnson-Weldon amendment from reaching the floor, the only chance for House Members to support the bipartisan alternative, which has the committed support of 29 Democrat Members of this body, is on the motion to recommit.

And it is a bipartisan approach, unlike the blatantly political document the majority leadership is insisting upon.

NANCY JOHNSON, CURT WELDON, FRED GRANDY, BILL EMERSON, ROBERT ANDREWS, BILL SARPALIUS, and LIZ PATTERSON—a highly respected, dedicated, group of Members of this House—have done an excellent job of fashioning this responsible alternative. They have worked very, very hard, and I am privileged to offer the motion to recommit on their behalf.

In cooperation with the administration, they have developed an innovative, effective approach of helping the Nation's abused and neglected children and their families.

Here is how they do it:

According to CBO, we are already planning to spend $17.9 billion on foster care and adoption over the next 5 years.

This amount includes about $6 billion in new money above the 1992 baseline; The Johnson-Weldon, and others, alternative would take over $8 billion of this money and provide it for States to spend as they best see fit on child welfare.

□ 1300

This proposal would convert four categorical entitlement programs into one entitlement program over which States would have almost complete control thereby dramatically reducing paperwork and administrative complexity while at the same time allowing States to use the money to help families directly.

In other words, it seeks to make child welfare programs better—not just bigger and more inefficient. We want precious tax dollars to help children—not new Federal bureaucracies.

Most important for legislators responsible for reducing our $400 billion deficit, the Johnson-Weldon bill accomplishes all these goals without spending any more money than is already in the baseline.

I urge Members to support the motion to recommit. It is our only chance to avoid new taxes and new spending while supporting true reform of the welfare system.

It is the only sure opportunity to see that more resources go to help children, because the President will sign it into law.

Vote "yes" on the motion to recommit.

Mr. DOWNEY. Mr. Speaker, I yield 30 seconds to the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Chairman, I began the balanced budget movement 16 years ago. I do not think you should spend more than you take in, but I think you should spend what you take in on necessities, not junk at jewelry prices for White House-favored contractors.

Hoosier Abe Martin said it, "There is always plenty of money for everything but the necessities."

Mr. DOWNEY. Mr. Speaker, I yield 2½ minutes to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Speaker, I rise in opposition to the motion to recommit.

Whatever the arguments may be with regard to the child preservation section of this bill, I want to remind Members that this substitute cuts off all funding for the Mickey Leland Hunger Relief Act. It provides no reforms in that area, does not even talk about reforms. It simply says we are going to eliminate the nutrition element of this bill.

So what it says to 5 million hungry children, what it says to 12 million at-risk children in this country, what it says to the 50 percent of the food stamp recipients who are children, is wait in line. Wait in line behind the Russians. Wait in line behind the space station. Wait in line behind the super collider. Wait in line behind everything. Wait for next year. We will take care of you some time down the road.

The provisions of this bill are reforms. They deal with the penalties we

now apply to those who pay high shelter costs and lose their benefits, who get their child support payments and lose their benefits. Those are the reforms we have, and there is no objection to the provisions of this bill.

To wipe it out with this motion to recommit is essentially to say to the children of this country, forget good nutrition, forget the fact that you are hungry, and the ultimate consequence is that we forget that lost generation of our time, the children who are paying the highest price for our forgetfulness.

Mr. RANGEL. Mr. Chairman, as a member of the Ways and Means Committee, and as chairman of the House Select Committee on Narcotics Abuse and Control, I am pleased to rise in support of H.R. 3603, the Family Preservation and Childhood Hunger Relief Act of 1992. I commend my colleague from New York and the Ways and Means Committee, Mr. DOWNEY, for his efforts in developing this legislation which makes important strides in meeting the needs of families in crisis due to substance abuse.

Mr. Chairman, the epidemic of drug abuse that has swept our Nation in the past decade fueled by cocaine and crack, and the alarming spread of AIDS related to drug use, has had a devastating impact on our children and families and placed intolerable strains on child welfare and other social agencies. The failure to make drugs a top national priority is costing us $300 billion annually in added expenditures for social services, lost productivity and lost revenues.

The upsurge in recent years in the numbers of children placed in foster care and boarder babies remaining in hospitals after being medically cleared for discharge is a direct reflection of illegal drug use in our Nation, especially among parents of young children. Unfortunately, the foster care system in most cities is so overburdened that they have neither the money nor the personnel to deal with these childrens' needs adequately.

The Child Welfare League estimates that over 400,000 children are currently in foster care, an increase of 50 percent over 5 years ago—50 percent of all foster care cases involve children under 6, and one-third of children placed in foster care are children of drug abusers. The annual cost for a child in foster care ranges from $13,000 to $36,000.

In New York City, 30 to 50 percent of drug-exposed infants go into foster care; between 1980 and 1989, the number of babies born to substance abusing mothers increased 400 percent. An estimated 14,000 babies will be born to addicted mothers in New York in the coming year.

A recent survey of 72 hospitals in 12 U.S. cities found that over 600 infants a month where boarder babies in these few hospitals, and that 85 percent were prenataly exposed to drugs or alcohol. The average daily boarding cost for each infant was $805, and the total yearly cost for boarder babies at just these hospitals may well exceed $34 million a year.

The association between child abuse and neglect and illegal drugs is also well established. Parental drug use is now found in the majority of child abuse cases.

Reports of child abuse or neglect in the 1980's increased 226 percent to 2.4 million in 1989.

New York City's Child Welfare Administration estimates that 25 percent of all child abuse and neglect cases involve parental substance abuse. This means that 18,000 children a year enter foster care because their parents use drugs.

A recent study in Boston found that 64 percent of all child abuse cases involved illicit drugs.

The twin epidemics of AIDS and drugs is also destroying families and creating added demands on child welfare and social services agencies. Nearly 60 percent of children infected with AIDS were born to mothers who were intravenous [IV] drug users or the sexual partners of IV drug users. In New York City, IV drug users account for at least half of all newly diagnosed AIDS cases, and the city's health department estimates that by the end of this decade, as many as 50,000 children will lose one or both parents to AIDS.

In the face of this crushing impact of substance abuse on families, children and society, a major purpose of H.R. 3603 is to promote and support expanded and innovative State family preservation services, with an emphasis on families in crisis due to drug or alcohol abuse. H.R. 3603 would establish a new, capped entitlement program under title IV–B of the Social Security Act, in addition to the existing authorization of $325 a year, for child welfare services designed to strengthen and improve families, including substance abusing families. Basic entitlement amounts would increase from $200 million in 1993 to $600 million in 1997, with adjustments for inflation after that.

The purpose of this new entitlement is to assist States in providing expanded, comprehensive and flexible services to preserve families when possible and avoid unnecessary foster care and out-of-home placements. I am particularly pleased that the bill requires States to use a part of their funds to develop or expand specialized child welfare programs targeted to families in crisis due to substance abuse that emphasize comprehensive services and are geared to the whole family. States are also encouraged to expand services for pregnant women and programs that allow mothers, or other caretaker relatives, to reside with their children while receiving services or treatment. At present, treatment for pregnant and postpartum substance abusing women and their children is woefully inadequate although the costs of drug exposed babies and continued maternal drug abuse far exceeds the costs of treatment. To receive their share of this new entitlement, each State must submit each year a plan which, among other things, assesses the need for substance abuse treatment services for families with children at risk of being placed outside the home, describes programs available to meet the needs of such families, and includes a certification from the Governor that State substance abuse treatment and child welfare services programs are coordinated.

The bill also permits States to conduct comprehensive service projects under which a State may use title IV–E foster care funds and title IV–B child welfare funds flexibly to address family problems and reduce foster care and other out-of-home placements. Any State intending to conduct such a comprehensive services project must submit a plan and timetable for implementing, among other things, a comprehensive services program designed to include, at a minimum, access to substance abuse treatment parenting education, health, mental health, crisis management and counseling services.

Such efforts to provide comprehensive family preservation and foster care prevention services are not only good social policy but also highly cost-effective. For example, New York City's Family Rehabilitation Program provides drug treatment and intensive foster care prevention to families whose children are at risk of being placed in foster care due to their parents' substance abuse. This program costs $15,000 per family compared to average foster care costs of $120,000 in city, State and Federal funds. The program has proven successful for 7 out of 10 families served and by 1996 could save as much as $290 million in foster care costs. H.R. 3603 would allow even more families to be helped.

For children who must be removed from their homes, the bill makes needed improvements in existing foster care and adoption programs to speed placements and help foster and adoptive families cope with the added burdens that may be involved in caring for child who may have special needs due to drug exposure. For example, the bill extends foster care and adoption assistance under title IV–E to abandoned children and children living outside the home before entering foster care. It also extends adoption assistance under title IV–E to children with special needs such as certain drug-exposed infants who are at high-risk for medical conditions or other handicaps or children whose handicaps manifest themselves after adoption. In this regard, it needs to be kept in mind that 1 in 10 children born in the United States is born to a substance abusing mother and that 70 percent of drug-exposed infants show no symptoms at birth but may have developmental problems later on. The bill also authorizes respite care for foster parents of special needs children.

H.R. 3603 includes a number of measures that will help us to better address the multiple needs of children and families scarred by substance abuse. By facing up to these problems, we cannot only save lives but also begin to save the enormous social costs we are paying for the drug epidemic. I urge my colleagues to support this important measure.

Mr. McMILLEN of Maryland. Mr. Chairman, I rise today in support of H.R. 3603, the Family Preservation and Hunger Relief Act. This bill seeks to promote the preservation of families by improving the quality and delivery of child welfare, foster care, and adoption services. Recent State initiatives to provide in-home services clearly show that rehabilitating a family is more effective and cost efficient than removing a child from the home environment to receive services elsewhere. Because this bill channels Federal assistance toward keeping families together, it is not only good policy, but a solid financial investment. In addition, I am enthusiastic that H.R. 3603 seeks to address the needs of abused and neglected children and families where alcohol or drugs

are present as this is a problem which has, unfortunately, been on the rise.

By imposing a 10-percent surtax on millionaires and billionaires, this legislation will raise sufficient revenues to not only pay for this bill in a fiscally responsible way, but also to decrease our Federal deficit. H.R. 3603 will reduce the deficit by $1.2 billion over 5 years. It is essential that the wealthiest of Americans help with the Nation's biggest priorities, decreasing the deficit and helping children.

Do we need increased Federal resources for the kinds of programs targeted by this bill? You bet we do. Statistics show that approximately 5 million children in the United States under the age of 12 are hungry during the year. This situation is completely unacceptable. This bill contains important provisions that would alleviate childhood hunger by expanding eligibility for the Food Stamp Program and increasing benefit levels. How can we deprive our children and families of such a basic necessity of life? Anyone who thinks this is a waste of money is woefully out of touch.

This bill gives Congress the opportunity to assist in strengthening family values by providing services that allow families to stay together during their most troubling times and by assisting in their rehabilitation. This bill also allows us to invest in our most valuable resource, our children. By giving them every opportunity to grow up in a stable family environment, we give them the best possible chance to lead happy, healthy, and productive lives. The only way that America is going to remain competitive in the world economy is by making wise investments, this is one of them. It is time that we stood up for what we believe in and identify our priorities. Our children have been short-changed, and I am voting today to say it is time for children to come first.

Mr. MAZZOLI. Mr. Chairman, I rise in strong support of H.R. 3603, the Family Preservation/ Mickey Leland Childhood Hunger Relief Act of 1992, and I am most proud to be a cosponsor of this legislation.

In this political season, the rhetoric about family values has risen to a crescendo, but unfortunately that crescendo is but shrill and hollow music in the ears of the families and the children of America. Today, we have an opportunity to match the rhetoric of family values with real world, concrete measures designed to improve the lot of families, and to truly contribute to family values.

This bill reflects the hard work of the gentleman from New York [Mr. DOWNEY] and the gentleman from California [Mr. PANETTA]. I commend their outstanding efforts. It is a consolidation of two types of programs: one aimed at preserving families; the other to eradicate childhood hunger.

According to a recent Washington Post article, a fourth of all U.S. children now live with a single parent, and 60 percent will spend at least part of their childhood in a single parent home. From 1985 to 1989, the percentage of single parent households in the United States rose by 15 percent alone.

Furthermore, statistics based on the 1990 Census indicate that childhood poverty rates rose even during the booming 1980's. The number of children living in poverty rose in 33 States during that period, including my State of Kentucky, where a full quarter of the Commonwealth's children now live in poverty, up from 21 percent 10 years ago. In Jefferson County, KY, the childhood poverty rate rose from 16.5 percent to 20.4 percent. In the city of Louisville, the proportion of children in poverty rose from 28 to 35 percent during that 10-year period.

By and large, single parents do an admirable job—against great odds—in raising and nurturing their families. But, it is undeniable that children need both parents for their full development and formation. H.R. 3603 addresses this reality.

And, my friend, the distinguished Governor of Kentucky, Brereton Jones, addressed this point in testimony a few weeks ago before the U.S. Senate in which he emphasized the need to maintain whole, self-sustaining families as the basis for Federal and State social welfare programs.

FAMILY PRESERVATION

Recent studies have shown that the past few years have seen a 50 percent increase in the number of children in foster care nationwide. The provisions of H.R. 3603 increase funding for counseling and family preservation programs at the State and local levels. These programs will help keep families intact and avoid foster care for the children of at-risk families.

In a related matter, I am proud to report that the Family Preservation Program in my district in Jefferson County, KY, was the subject of a public broadcasting station documentary which aired this past spring. Jefferson County District Judge Richard Fitzgerald, who presides over the family court in Louisville, appeared in the documentary and discussed Jefferson County's successful program that involves a collaboration between Kentucky's Department for Social Services, Seven Counties Services, Inc., and the court system. It is most gratifying to see national recognition given for a program which is committed to keeping our families together and safe.

The Family Preservation Act also authorizes a $100 million increase in block grants to States for fiscal years 1993 and 1994 for social and child welfare services. And, it establishes a permanent Advisory Commission on Children and Families to serve as a central clearinghouse and repository for information on the economic and physical well-being of children and families.

CHILDHOOD HUNGER RELIEF

Naturally, the astoundingly high childhood poverty rates mean that many American children live lives where going hungry is the norm and not the exception. Most poor children are in families receiving food stamps and are part of households which tend to pay an extremely high percentage of their income for shelter, leaving little for the purchase of food. H.R. 3603 addresses is problem. It expands family eligibility for food stamps and increases their benefit levels.

The bill also authorizes a $70 million increase for fiscal year 1993 to purchase food for needy families under the Temporary Emergency Food Assistance Program [TEFAP].

Furthermore, H.R. 3603 makes tax changes designed to encourage the collection and payment of child support. And, the bill restructures the food stamp program so that it will not penalize families who receive basic child support payments but who, in doing so, disqualify themselves for food stamp eligibility.

Finally, all of these increases in Federal funding for social welfare services and childhood hunger relief are subject to the pay-as-you-go requirements of the 1990 Budget Act, and are paid for by a surtax on high-income persons.

Mr. Chairman, this is a well crafted and most needed bill for the sake of families and children. I am extremely happy that at long last the House will pass legislation that truly helps the American family, rather than only talking about helping the American family.

Ms. PELOSI. Mr. Speaker, I rise in strong support of H.R. 3603, the Children's Initiative. I would like to commend my colleagues Congressman TOM DOWNEY and Congressman LEON PANETTA for their hard work on behalf of the children of this Nation. This legislation which includes both the Family Preservation Act and the Mickey Leland Childhood Hunger Act is a tremendous effort toward alleviating childhood hunger and in helping keep families together.

The Family Preservation Act would encourage families to remain together by improving State child welfare services, strengthening Federal foster care and adoption assistance, and increasing the number of children and families who qualify for assistance. The Mickey Leland Childhood Hunger Relief Act would enlarge the Food Stamp Program by expanding eligibility and raising the benefit levels. This bill would pay for itself with a tax on the wealthiest individuals. H.R. 3603 would raise $7 billion over the next 5 years in aid and cut the deficit by $1.2 billion.

There is an overwhelming need for this legislation. Currently, 11.2 million children are living in poverty in the United States; that is one in every five children and one in every three children in the inner cities. It is a national travesty that these children are allowed to go without basic necessities such as food, clothing, health care, or adequate preparation for an education. What we can and must offer these children today is hope—hope that they can have a home and food and an opportunity for a better life.

Mr. Speaker, I urge my colleagues to vote for the Children's Initiative and help give children the fighting chance they deserve.

Mr. HOYER. Mr. Chairman, I rise today in support of H.R. 3603. I rise today on behalf of America's families. I rise today as an advocate for our children.

I rise today to urge each Member of this body to support H.R. 3603, because each one of us believes in family values, and because each one of us values families.

As a member of the House Appropriations Subcommittee on Labor, Health and Human Services and Education which funds the discretionary Federal child welfare and foster care services programs, I am well aware of the tremendous need for this legislation.

Two years ago, my amendment to the Labor, Health and Education appropriations bill providing $20 million for school-based and other programs for children of substance abusing parents was enacted, and has been included in each subsequent appropriations bill.

The program funds school-based, and public and nonprofit social services for these chil-

dren and their families. These funds are also available for program coordination and desperately needed training for the professionals who must intervene on behalf of these at-risk children.

The fact is that title IV–B which provides foster care services and which has been virtually frozen for the past 3 years, is a program which should serve these same children—children like the 6-year-old boy in Prince Georges County: Whose mother was a crack cocaine addict; whose home was a crack house; whose meals were either eaten at school or prepared by a neighbor, if he was lucky; a boy who was literally being robbed of his childhood.

But title IV–B has grown by only 1 percent in the past decade, in real terms.

These are our children, our future—how much longer can we afford to wait before we take action to save the next generation?

The young man of whom I spoke was a child with a parent, but a failed parent whose involvement with drugs destroyed her ability to care about or perform the most basic of parental responsibilities.

When the parent fails, the extended family, friends and neighbors step in. When there are no reasonable alternatives, it is the State which must protect our most valuable and most vulnerable asset—our children.

But the best place for a child is a nurturing home. Mr. Lawrence Cherry, a resident of Prince Georges County testified before the Labor, Health and Education Subcommittee this spring about how the funds funneled through the title IV–B Program helped hold his family together while he recovered from a serious drug problem. Today he is successfully fighting his addiction and his children live happily in the comfort and security of their own home with a loving parent.

It is important to note that had the State taken his children away, it would have cost approximately $20,000.

In general, it costs about one-third as much to maintain a child in his or her family home than to remove the child and place him or her in foster care.

In Mr. Cherry's case, instead of removing the children from the home, the Commission on Children, using the kind of bundled services that the Family Preservation Act encourages, helped Mr. Cherry get into a drug rehabilitation program, intervened with his landlord when he fell behind in his rent, purchased groceries, provided counseling and parenting training, and home visits. Where efforts to keep a family intact are futile or counterproductive, authorities ought to take swift and decisive action to protect and promote the interests of the child, including removing the child from the home. The bill earmarks up to $25 million for a grant program for State courts to assess foster care procedures and implement improvements.

But in most cases, including those where intervention is desperately needed, the social service system is too overburdened to respond.

H.R. 3603 embodies an effective approach for promoting and preserving families.

Over 80 percent of the children coming into the Prince Georges County Social Services Department come from drug abusing households.

In Calvert County, MD, there has been a one-third increase in referrals to protective services in a year.

In Charles County, MD, out of home care has grown in just over 6 years by 40 percent.

In St. Mary's County, the number of children in foster care jumped 37 percent from 1989 to 1991.

Federal spending to reimburse the State for maintenance payments for children in foster care is not limited.

But the system is overburdened, and the funds for providing the intensive services that help avoid out of home placements, are woefully inadequate. Nationally: 500,000 women of child bearing age use cocaine regularly; 550,000 to 740,000 drug-exposed infants are born each year; 2.7 million children are reported abused and neglected, for a 125-percent increase since 1980; and 1,400 children died from abuse or neglect in 1990 for a 54-percent increase in only the last 6 years.

This is one of the best opportunities we will have during the 2d session of the 102d Congress to prove that we value families—to put legislation firmly behind the American family—to make Federal policy profamily policy—to translate rhetorical flourish into concerted action.

One final word, Mr. Chairman—for those who would tell us that what we are doing here today does not reflect a willingness to make difficult choices.

Mr. Chairman, our Labor Health Appropriations Subcommittee provided an additional $25 million for title IV–B, but no one in this Chamber would argue that $300 million is enough to cope with the problem.

This bill should help reduce costs over time.

This legislation will help at-risk children and families.

This legislation will help keep families intact.

This legislation ought to pass this House overwhelmingly.

Mr. DOWNEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

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

I congratulate the gentleman for his work and associate myself with the remarks of the gentleman from California.

I rise in strong opposition to the motion to recommit and in strong support of this critically important and needed bill.

Mr. DOWNEY. Mr. Speaker, the gentlewoman from Connecticut [Mrs. JOHNSON] is an esteemed and valued member of our subcommittee, and in fact voted for this bill when it came out of committee. We have learned a great deal from her.

In our legislation and family preservation, we incorporate all the reforms that are talked about in the offer of the minority. We make sure that the States have the flexibility, but we do something that the minority does not do. We provide the resources to the States to do what needs to be done.

But do not take my word for it. Take the word of the Governor of Virginia, the Governor of Arkansas, the Governor of Oklahoma, the Governor of Texas, the Governor of Alabama, and the Governor of Florida. They love the idea of flexibility, but what they love even more and need even more is additional resources.

Let me read from an official from South Carolina:

> Given our current economic problems and an increasing caseload in our child welfare programs, we maintain that this legislation [the Family Preservation Act] is critical to the future of families and children in our State.

That is from South Carolina.

From Oklahoma:

> This legislation is urgently needed at a time when an escalating number of families are being torn apart, child abuse and neglect have reached epidemic proportions, and childhood hunger remans a national disgrace.

Should I go on? There is a big difference between the proposal of the minority and the proposal of the majority. They talk about the problem, and we do something about it.

Please vote against the motion to recommit.

The SPEAKER pro tempore (Mr. MURTHA). 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. ARCHER. 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.

Pursuant to the provisions of clause 5, rule XV, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the question of the passage of the bill, following the vote on the motion to recommit.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 191, nays 230, not voting 13, as follows:

[Roll No. 371]

YEAS—191

Allard	Bunning	Cunningham
Allen	Burton	Dannemeyer
Andrews (NJ)	Byron	Davis
Archer	Callahan	DeLay
Armey	Camp	Dooley
Baker	Campbell (CA)	Doolittle
Ballenger	Carper	Dornan (CA)
Barrett	Chandler	Dreier
Barton	Clinger	Duncan
Bateman	Coble	Edwards (OK)
Bereuter	Coleman (MO)	Emerson
Bilirakis	Combest	English
Bliley	Condit	Erdreich
Boehlert	Coughlin	Ewing
Boehner	Cramer	Fawell
Broomfield	Crane	Fields

Fish
Franks (CT)
Gallegly
Gallo
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hubbard
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kaptur
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Lancaster
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Orton
Oxley
Packard
Pallone
Parker
Patterson
Paxon
Peterson (FL)
Petri
Pickett
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Rowland
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shuster
Skeen
Skelton
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stenholm
Stump
Sundquist
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—230

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (TX)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Campbell (CO)
Cardin
Carr
Chapman
Clay
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Cooper
Costello
Cox (IL)
Coyne
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Huckaby
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Panetta
Pastor
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (MN)
Pickle
Poshard
Price
Rahall
Rangel
Reed
Richardson
Roe
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Thomas (GA)
Thornton
Torres
Torricelli
Traficant
Unsoeld
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates

NOT VOTING—13

Anthony
Barnard
Clement
Cox (CA)
Dickinson
Ford (TN)
Hatcher
Luken
McEwen
Ray
Schulze
Towns
Traxler

□ 1324

Mr. SWIFT, Mrs. MINK, and Mr. VISCLOSKY, changed their vote from "yea" to "nay."

Messrs. SKELTON, BILIRAKIS, and SARPALIUS, 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. MURTHA). The question is on the passage of the bill.

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

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

The yeas and nays were ordered.

The SPEAKER pro tempore. The Chair announces to the Members that this is a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 256, nays 163, not voting 15, as follows:

[Roll No. 372]

YEAS—256

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (TX)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bilirakis
Blackwell
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Frank (MA)
Frost
Gejdenson
Gephardt
Gibbons
Gilman
Glickman
Gonzalez
Green
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Hughes
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Morella
Morrison
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Owens (NY)
Owens (UT)
Panetta
Parker
Pastor
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickle
Poshard
Price
Rahall
Rangel
Reed
Regula
Richardson
Rinaldo
Roe
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Thomas (GA)
Torres
Torricelli
Traficant
Unsoeld
Upton
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates

NAYS—163

Allard
Allen
Andrews (NJ)
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bliley
Boehlert
Boehner
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dooley
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gaydos
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Holloway
Hopkins
Houghton
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kanjorski
Kaptur
Kasich

Klug	Orton	Smith (NJ)
Kolbe	Oxley	Smith (OR)
Kyl	Packard	Smith (TX)
Lagomarsino	Pallone	Snowe
Lent	Patterson	Solomon
Lewis (CA)	Paxon	Spence
Lewis (FL)	Petri	Stearns
Lightfoot	Pickett	Stump
Livingston	Porter	Sundquist
Long	Pursell	Taylor (MS)
Lowery (CA)	Quillen	Taylor (NC)
Machtley	Ramstad	Thomas (CA)
Marlenee	Ravenel	Thomas (WY)
Martin	Ray	Valentine
McCandless	Rhodes	Vander Jagt
McCollum	Ridge	Vucanovich
McCrery	Riggs	Walker
McGrath	Ritter	Walsh
McMillan (NC)	Roberts	Weber
Meyers	Rohrabacher	Weldon
Michel	Roth	Wolf
Miller (OH)	Santorum	Wylie
Miller (WA)	Saxton	Yatron
Molinari	Schaefer	Young (AK)
Montgomery	Schiff	Young (FL)
Moorhead	Sensenbrenner	Zeliff
Myers	Shaw	Zimmer
Nichols	Shuster	
Nussle	Skeen	

NOT VOTING—15

Anthony	Ford (TN)	Roemer
Barnard	Gordon	Schulze
Clement	Hatcher	Thornton
Dickinson	Luken	Towns
Ford (MI)	McEwen	Traxler

□ 1333

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. FORD of Michigan. Mr. Speaker, on rollcall 372, I was present and intended to vote "aye." My "no" vote on the motion to recommit that immediately preceded that was recorded. I am not recorded on rollcall 372, and I would like the RECORD to show that I was present and thought that I was voting "aye" on the proposition.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO SIT DURING 5-MINUTE RULE TODAY

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be permitted to sit during proceedings under the 5-minute rule on Thursday, August 6, 1992.

Mr. SOLOMON. Mr. Speaker, reserving the right to object, I probably will not object, but we do not know what is going on. Would the gentleman just tell us what the bill is and whether the ranking member, the gentleman from New York [Mr. HORTON], is in agreement?

Mr. CONYERS. Mr. Speaker, we have a bill and three reports in full committee before the Committee on Government Operations. The gentleman from New York [Mr. HORTON], the ranking minority member, has concurred fully that we be permitted to bring this proceeding forward.

Mr. SOLOMON. Mr. Speaker, based on the assurances that the gentleman from New York [Mr. HORTON] is in concurrence, I certainly will not object, and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. MURTHA). Is there objection to the request of the gentleman from Michigan?

There was no objection.

AUTHORIZING INCREASED FUNDING FOR A PORTION OF THE JEFFERSON NATIONAL EXPANSION MEMORIAL

Mr. VENTO. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2926) to amend the act of May 17, 1954, relating to the Jefferson National Expansion Memorial to authorize increased funding for the East St. Louis portion of the memorial, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate Amendment: Page 3, strike out lines 1 to 18 and insert:

"(b)(1) For the purposes of the East St. Louis portion of the memorial, there are authorized to be appropriated $2,000,000 for land acquisition and, subject to the provisions of paragraphs (2) and (3), such sums as may be necessary for development: *Provided*, That such authorization shall not include any sums for the acquisition, removal, or relocation of the grain elevator and business located within the East St. Louis unit of the Memorial. Such development shall be consistent with the level of development described in phase one of the draft Development and Management Plan and Environmental Assessment, East St. Louis Addition to Jefferson National Expansion Memorial—Illinois/Missouri, dated August 1987.

"(2) Federal funds expended under paragraph (1) for development may not exceed 75 percent of the actual cost of such development. The remaining share of such costs shall be provided from non-Federal funds, services, or materials, or a combination thereof, fairly valued as determined by the Secretary. Any non-Federal expenditures for the acquisition, removal, or relocation of the grain elevator and business shall be included as part of the non-Federal cost share: *Provided*, That credit shall not be given for any such expenditures which exceed the cost of acquisition, removal, or relocation of the grain elevator and business located within the East St. Louis unit of the Memorial if such action had been accomplished by the Federal Government as determined by the Secretary under existing law: *Provided further*, That only those non-Federal funds expended at least sixty days after the transmission of the report referred to in paragraph (3) for the removal of such grain elevator shall be credited towards the non-Federal cost share. For the purpose of this paragraph, the Secretary may accept and utilize for such purposes any non-Federal funds, services, and materials so contributed.

"(3) Within one year after the date of enactment of this paragraph, the Secretary, in direct consultation with the city of East St. Louis, Gateway Arch Park Expansion, and the Southwestern Illinois Development Authority, shall develop and transmit to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives a study of alternatives to, and costs associated with, the removal of the grain elevator located within the East St. Louis unit of the Memorial. The study shall contain, but need not be limited to, at least one alternative which would incorporate and retain the existing grain elevator into the draft development and management plan and environmental assessment referred to in paragraph (1).".

Mr. VENTO (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

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

There was no objection.

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

Mrs. VUCANOVICH. Mr. Speaker, reserving the right to object, I would ask the gentleman from Minnesota [Mr. VENTO] to explain the proposal.

Mr. VENTO. Mr. Speaker, if the gentlewoman will yield, H.R. 2926 is legislation introduced by Representative JERRY COSTELLO to complete the designation of the East St. Louis portion of the Jefferson National Expansion Memorial. This legislation originally passed the House on March 24, 1992. The Senate considered the measure on July 20, 1992, and has returned the bill to the House with an amendment.

The Senate amendment, which is acceptable to me, contains several new provisions relating to the grain elevator located within the boundaries of the proposed addition to the Jefferson National Expansion Memorial. First, it prohibits any Federal funds from being used for the acquisition, removal, or relocation of the grain elevator. Second, it allows non-Federal expenditures for the acquisition, removal, or relocation of the grain elevator to be counted toward the 25 percent local match required by the bill for development of the site. Finally, it directs the Secretary of the Interior to study costs and alternatives to the removal of the grain elevator.

Mr. Speaker, I commend the author of the bill, Mr. COSTELLO, and Majority Leader GEPHARDT for the efforts in crafting this legislation. The designation of the East St. Louis portion of the Jefferson National Expansion Memorial is long overdue. The bill before us is cost effective and has strong bipartisan support from the administration and the Illinois and Missouri delegations. I urge Members to support H.R. 2926 as amended.

Mrs. VUCANOVICH. Mr. Speaker, I thank the gentleman for his explanation. I understand there is no objection on the minority side.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

A motion to reconsider was laid on the table.

FREEDOM SUPPORT ACT OF 1992

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 545 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 545

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. 4547) to authorize supplemental assistance for the former Soviet republics. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed two hours, with thirty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, thirty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs, twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture, twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, and twenty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology. After general debate the bill shall be considered for amendment under the five-minute rule. In lieu of the committee amendments now printed in the bill, it shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule an amendment in the nature of a substitute consisting of the text of H.R. 5750. The amendment in the nature of a substitute shall be considered as read. All points of order against the amendment in the nature of a substitute are waived. No amendment to the amendment in the nature of a substitute and no other amendment to the bill shall be in order. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendment as may have been adopted. The previous question shall be considered as ordered on the bill and any amendment thereto to final passage without intervening motion except one motion to recommit with or without instructions, which may be offered only by Representative Michel of Illinois or his designee. After passage of H.R. 4547, it shall be in order to take from the Speaker's table the bill S. 2532 and to consider the Senate bill in the House. All points of order against the Senate bill and its consideration are waived. It shall then be in order to move to strike all after the enacting clause of the Senate bill and to insert in lieu thereof the provisions of H.R. 4547 as passed by the House. All points of order against that motion are hereby waived. If the motion is adopted and the Senate bill, as amended, is passed, then it shall be in order to move to insist on the House amendment to S. 2532 and to request a conference with the Senate thereon.

□ 1340

The SPEAKER pro tempore (Mr. MURTHA). The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], 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, House Resolution 545 is a closed rule providing for the consideration of the Freedom Support Act of 1992. The rule provides for 2 hours of general debate. The general debate time is to be divided in the following manner: 30 minutes to be equally divided between the chairman and ranking minority member of the Committee on Foreign Affairs; 30 minutes to be equally divided between the chairman and ranking minority member of the Committee on Banking, Finance, and Urban Affairs; 20 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture; 20 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services; and 20 minutes to be equally divided and controlled by the chairman and ranking minority member of the Committee on Science, Space, and Technology.

House Resolution 545 provides that, in lieu of the committee amendments now printed in the bill, it shall be in order to consider H.R. 5750 as an original bill for the purpose of amendment. All points of order against the substitute are waived. No other amendment to the bill will be in order under the rule.

Finally, House Resolution 545 provides one motion to recommit with or without instructions, which may only be offered by Mr. MICHEL or his designee. The rule will facilitate the ability to go to conference with the Senate on the bill, S. 2532.

Mr. Speaker, this rule will allow the House to consider the Freedom Support Act in a timely manner. The bill is one of the more important measures we will consider in this session of Congress. It provides a comprehensive framework for expanding activities in the former Soviet Republics. Specifically, it would set forth criteria which must be met before assistance may be provided to the Republics. It further would lift restrictions on agriculture and other export credits; authorize various nonproliferation and disarmament activities; encourage trade in space technologies; and call upon the United States to take a leading role in debt restructuring and currency stabilization. The bill also would authorize the U.S. Governor of the International Monetary Fund to consent to raise the U.S. quota in the International Monetary Fund to $12 billion.

Mr. Speaker, House Resolution 545 will allow us to move smoothly and expeditiously to final passage of the bill. This is an unprecedented opportunity for us to be active participants in the transformation of the Soviet Republics to new democracies and market economies. I urge my colleagues to support the rule.

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

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

Mr. Speaker, I would observe right here at the outset that we have before the House today an issue that knows no partisanship. Members will cast their votes—first on this rule, and then on the bill that follows—based on what their conscience tells them.

Under the present circumstances, I believe it is very appropriate for Members to proceed on the basis of what their conscience tells them, rather than on the basis of partisan or political considerations. I know that is sometimes difficult to do.

We have a bill before us today that was made possible by the free world's victory in the cold war. And while I believe we should not in any way try to humiliate or belittle the people who live in what was once the Soviet bloc, neither should we be defensive or apologetic about the fact that our side prevailed, the side of democracy.

It was the historic Western philosophy of individual freedom and responsibility, democracy, and all of those values that constitute the bulwark of a free society that eventually defeated Soviet communism. It was our way of life—and our system of human Government—that was affirmed by the course of history and by human nature itself.

Now that the cold war is over, I think that all Americans and, indeed, certainly every Member of this House are wondering what our national responsibility now is, especially to the former Soviet empire.

Recognizing that honest men and women can disagree, especially during a time of such uncertainty, I am confident that all Members will respect the views of others as they are expressed here today during the debate on this bill.

Turning now to the rule, I would simply reiterate what my good friend, the gentleman from Massachusetts [Mr. MOAKLEY], chairman of the Committee on Rules, has said. This is a closed rule. It has 2 hours of general debate. No amendments are permitted. There can be only one motion to recommit with or without instructions by our minority leader, the gentleman from Illinois [Mr. MICHEL] or his designee.

Mr. Speaker, Members need to be aware that both the Democratic leader-

ship and the Republican leadership of this House support this closed rule, and their request was endorsed by the administration as well.

Having said that, and without making further comment about it, I will turn now to the bill itself.

The bill authorizes a program of technical and humanitarian assistance to the States that formerly comprised the Soviet Union and it authorizes a $12.3 billion commitment by the United States to the International Monetary Fund.

And although I am open to persuasion, I must admit to having serious reservations about this bill itself.

I have a serious philosophical reservation about aiding any country—or individual, for that matter—which already possesses the capability to pay its own way.

Yes, the former Soviet States are bankrupt and have been mismanaged horrendously. But it is also true that the Commonwealth of Independent States, the former Soviet Union, is the world's richest country. It has deposits of essential minerals and metals that are equaled only by those in South Africa. And it has petroleum and natural gas reserves on a vast scale, far outnumbering those of our country.

I am not convinced that the provisions in this bill draw the connection between charity and self-reliance.

Mr. Speaker, I can support an assistance program that makes use of loans, credits, and other guarantees that mean the American people will eventually be paid back. What I cannot support is an aid program that consists of grants or gifts, especially a program of grants to a country that is sitting on top of a gigantic resource base.

Mr. Speaker, this bill would, in my opinion, be much better if the former Soviet States were required to make some material contribution in exchange for the assistance that is being provided to them in this legislation.

Second, I believe this bill would be a better bill if the conditions that are placed on some of this assistance were stronger. I hardly need remind any Member of the House that the Red army continues to occupy Latvia, Lithuania, and Estonia—with fresh conscripts being rotated in on a regular basis.

Now, surely at a very minimum, a complete withdrawal of Soviet troops from the Baltics should be required in this legislation. It is not.

Finally, Mr. Speaker, I would say a word about the authorization for the IMF [International Monetary Fund].

□ 1350

Mr. Speaker, I am not convinced that this portion of the assistance package for the former Soviet States will have any impact that people in need will really be able to see. To be very blunt about that, I am very suspicious that the IMF authorization is little more than a bailout for Western European banks; not American banks, but Western European banks that gambled on somebody named Gorbachev and lost. Nothing I heard in the testimony before the Committee on Rules yesterday convinced me otherwise.

Mr. Speaker, I am sure many Members also have these and other concerns. I am open to persuasion myself, and I am going to listen to the debate very carefully in case I missed something 3 hours yesterday up in the Committee on Rules.

Mr. Speaker, I look forward to an interesting and important debate.

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

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Speaker, I appreciate the opportunity to speak in favor of House Resolution 545, the rule providing for the consideration of H.R. 4547, as amended by H.R. 5750.

I understand the concerns of many of my colleagues about the closed rule requested for consideration of this legislation. Those concerns must be addressed.

I support a closed rule for the following reasons:

First, this is an extraordinary piece of legislation that addresses an extraordinary situation. This situation demands that we expedite and preserve the essential message of this legislation—our national interest in assisting our former adversary.

It is in our national interest to see 300 million people in the former Soviet Union have the opportunity to enjoy the freedoms of democracy and the prosperity of a free-market economy. Free and democratic government in these Republics will yield real economic and security benefits for the United States. Democracy will also mean the realization of the values in which we believe so strongly.

A lengthy amendment process today would undermine and blur this message of support for democracy and free markets. This would undermine President Yeltsin and other reformers, who already have their hands full. We do not want to do anything that could promote the hardliners and others who oppose reform. The United States national interest demands that we act—and act resolutely—to send an urgent and clear message—the message of H.R. 5750. No useful purpose will be served by complicating that message.

Second, in the last few days, several meritorious amendments have been proposed. Individually, I could support most of these amendments. Many are appealing, and our colleagues deserve to be commended for raising these important issues. But collectively, these amendments would overburden and overload this bill. They would frustrate our efforts to help President Yeltsin and the reformers.

The amendments proposed during the last few days fall into two categories—those which seek to strengthen conditionality on assistance, and those which seek to orient the U.S. assistance program in certain directions. Both sets of amendments address concerns that will be with us for the duration of this program.

The bill we will take up later today tries to accommodate many of these concerns with effective—but not excessive—conditionality and broad direction—but not rigid guidelines—for the content of the program.

There will be future opportunities to refine our message on many of these points if that is necessary. This is not our last chance to adjust the content of the program or the policies that this bill will authorize.

Third, an amending process is not necessary, given the amount of work that has already been done on this bill. This bill already represents the work of five committees. These five committees have worked together closely to balance interests and achieve a strong legislative package. The Foreign Operations Subcommittee of the Appropriations Committee also supports the bill's provisions. Because so many already have had an opportunity to put their valuable imprint on the bill, a normal amending process is not essential.

Fourth, the experience of the other body should be instructive to us. Some 74 amendments were agreed to in the Senate. Some of the Senate amendments provide useful guidance that can be incorporated in a statement of managers. Several other Senate amendments are overlapping, contradictory, and would create layer upon layer of new bureaucracy. The House will go into conference in a much stronger position if we can keep the bill clean. The House will thereby be in the driver's seat when the time comes to shape better legislation.

Fifth, some amendments could seriously derail an effective program. I would like to recall for the committee last year's debate on some of the amendments to the foreign assistance authorization bill.

One amendment which many of us, including myself, found appealing established no less than 18 conditions before assistance could be provided to what was then still the Soviet Union. Many of those 18 conditions were important statements of policy—goals that we all would want to achieve—including: respect for human rights; freedom of emigration; free, fair, and open elections; deep reductions in defense spending; termination of strategic weapons modernization; termination of all military assistance to Cuba, Vietnam, and North Korea; and termi-

nation of supporting for the Cienfuegos nuclear reactor in Cuba.

This amendment passed the House overwhelmingly. I supported then—and support now—each of these objectives, but the amendment would have made it impossible to conduct a foreign assistance program.

Finally, Mr. Speaker, this bill's consideration today is not the last word on this legislation. The work of a conference committee and the writing of a statement of managers lay ahead of us. In that process, I am committed to try to address as many of the concerns of my colleagues as I can.

Mr. Speaker, I urge my colleagues to support this rule and to join us in working for a bipartisan bill that sends an unambiguous message of support for democracy and free markets in the former Soviet Union.

This is a historic moment. The vote before us today will be long remembered. It will certainly be the most important foreign policy vote many of us will cast in our careers.

I urge adoption of the rule, House Resolution 545, and I urge support for the bill. Both serve the U.S. national interest.

Mr. SOLOMON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois [Mr. MICHEL], our distinguished Republican leader.

Mr. MICHEL. Mr. Speaker, I rise in support of this rule. Assuming this rule is adopted, I will have much more to say with respect to the contents of the legislation before us. I just want to make a very brief argument in support of the rule, because it provides for an up-or-down vote on the issue of Soviet aid, which has bipartisan support here in the House.

The distinction here is this: we are not in a position today where, as is normally the case on our side, we would be arguing for an open rule because we would have our specific view and philosophical differences between the two parties. We would present our justification for having an open rule, having free and open debate.

But in this case, we have bipartisan support. Obviously, it is not unanimous. We have Members on both sides of the aisle who have serious problems with respect to voting for a proposition of this kind. I happened to think it is the right thing to do, and support it wholeheartedly. We will make those kinds of arguments during the course of consideration of the bill.

For the moment, the rule, even though it is closed, is a good rule for consideration of this effort to have it a clean up-or-down vote.

I understand, while I was not present at the Committee on Rules, there were Members making their pitch for this or that amendment on this side of the aisle, this or that amendment on that side of the aisle. Everybody has his or her views of how their amendments are just perfect for their particular district or their view. But we are trying to do something for the whole, here in the House as an institution.

I think this is a good bill under these circumstances. I hope it will have broad bipartisan support so we can get on to considering the real element of what is involved in this legislation. I urge support of the rule.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from New York [Mr. SOLARZ].

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

Mr. Speaker, I rise in strong support of both the rule and the bill. This is probably the most important vote in the last 40 years which the Congress has cast on a foreign aid issue. Four decades ago, when President Truman proposed the Marshall plan, Western Europe was literally on its knees and there was a real possibility that Soviet power could reach the Atlantic. The President asked the Congress to approve $12.9 billion over 4 years to prop up our friends and allies in Western Europe.

In spite of war weariness here at home, in spite of an enormous pent-up demand for consumer goods, in spite of little visible support for the Marshall plan in the polls, the Congress had the guts and the courage to vote for that aid. It probably turned out to be one of the best investments we ever made. We prevented a world war. Communism was contained. Eastern Europe eventually became free. The Soviet Union, the evil empire, ultimately collapsed. We were the ones who won the cold war.

Today we face a somewhat different challenge. Our task is not to contain communism but to consolidate democracy. Unless Mr. Yeltsin and the other newly democratically elected leaders of the Republics of the former Soviet Union can translate the promise of democracy into a better life for their own people, the chances are not that communism will return, but that a kind of ultranationalist neo-Facist movement which could very well produce another cold war and would certainly eliminate our hopes for the peace dividend. If that were to happen, it would be a disaster for our own country.

At the time of the Marshall plan, we acted on our own. In 1992 dollars, we provided $77 billion, which represented 6.6 percent of GNP. Today, we are joined by the other industrial democracies.

The cost to the American taxpayer of this bill is less than half a billion dollars per year, which is less than one-tenth of 1 percent of GNP. Having spent trillions to prevent war, let us not lose an opportunity to win the peace and consolidate democracy.

There is no guarantee that if this bill passes, democracy will survive in the Commonwealth of Independent States, but we can be reasonably sure if this bill is defeated that democracy will fail. That is why I urge the adoption of this legislation.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. BROOMFIELD], our retiring ranking Republican on the Committee on Foreign Affairs and a really tremendous Congressman.

Mr. BROOMFIELD. Mr. Speaker, I want to thank the gentleman from New York for yielding me this time.

Mr. Speaker, I urge my colleagues to vote in favor of this rule for consideration of H.R. 5750, the Freedom Support Act.

Chairman FASCELL and I have worked closely with the President, as well as the Democrat and Republican leadership, to fashion the best possible legislation. I know that it does not contain enough restrictions for some Members, and it contains too much money for others. But it is the best compromise we could reach.

The United States must send a message that we will support the people of the former Soviet Union in their efforts to build democracies and free markets. The time to act is now.

Such a response from our Nation to the overthrow of the global Communist menace will demonstrate our commitment to a new era of peace and prosperity, much as the Marshall plan opened the process of economic and political healing in the wake of World War II.

The cost of this task is minimal in comparison with what has already been spent, and what is at stake for the future.

Since the end of World War II, defending our Nation and its interests against the threat of Soviet-sponsored aggression has cost the United States tens of thousands of lives and trillions of dollars in defense spending.

Now, with a freely elected President in the Kremlin, and 12 new independent nations created out of the former Soviet Union, we have a chance to put to rest the cold war.

Mr. Speaker, it is our turn to act. We must demonstrate that our Nation has the ability to lead the peace—as well as the defense. So much is at stake for future generations.

I urge my colleagues to vote "yes" on the rule.

Mr. Speaker, I include a letter from four former Presidents in support of this legislation and a strong letter of support from President Bush, and also a letter from Boris Yeltsin.

THE WHITE HOUSE,
Washington, August 3, 1992.

Hon. WILLIAM S. BROOMFIELD,
House of Representatives, Washington, DC.

DEAR BILL: As the House moves to consider the Freedom Support Act (H.R. 4547), I wanted to convey to you my strong backing for the bill and my hope that it will have the support of you and your colleagues.

I submitted the Administration's Freedom Support Act proposal in April and requested

prompt Congressional action. On July 2, the Senate passed its version of the bill, S. 2532, by a bipartisan vote of 76 to 20. The Senate and House bills differ from the measure I proposed to Congress, but they contain most of the basic authorities which I requested. I hope that, working together, we can produce a conference report that serves as a bipartisan foundation for our assistance effort.

I am convinced that we now stand at a critical moment in history. Together with our allies, we have the once-in-a-lifetime opportunity to help consolidate democracy and free markets in Russia, Ukraine, Armenia, and other states and to turn former enemies into permanent friends and partners. Most important, we have the chance not only to help the peoples of Russia and the new independent states escape the long nightmare of communism, but also to secure for use and our children a future that is infinitely safer and more prosperous.

Six weeks ago, Russian President Yeltsin came to Washington. Together we defined a new era in our relations. In signing with me the Washington Charter, President Yeltsin made clear and unequivocal commitments to democracy, free markets, and security cooperation that no Soviet leader could have possibly contemplated. After tough negotiations, we signed a historic nuclear arms reduction package that will achieve the greatest measure of security for the United States since the dawn of the nuclear age.

President Yeltsin also reaffirmed his determination to build a free market in Russia and to push ahead with his program of radical economic reforms. Together, President Yeltsin and I established a new framework for vastly expanded U.S.-Russia trade and investment that will benefit our businesses and our workers for years to come. We signed new Tax and Bilateral Investment Treaties that will help our firms enter the Russian market, and the U.S. granted Most Favored Nation status to Russia.

President Yeltsin has boldly and unambiguously committed his government to the values that all Americans hold dear: democracy, freedom, and free markets. He has promised to uncover the darkest secrets of the communist past and to help resolve our deep concerns about American MIAs, POWs, and the KAL 007 tragedy. Now it is time for America to do its part to assist Russia, Ukraine, Armenia, and the other new states to make the historic transition from tyranny to freedom. Together, the Administration and Congress must send a clear message that we stand with them at this difficult hour, when they need our help most.

To those who say America cannot afford to assist these reformers at a time of domestic difficulty, I respond that no such false choice exists. We can—we must—meet challenges both at home and abroad.

The Freedom Support Act is not just another foreign aid bill. It is first and foremost an act of national self-interest, a direct investment in the political, economic, and security future of the American people. Having spent over $4.3 trillion to defend ourselves from Soviet totalitarianism during the Cold War, we can ill afford not to invest in democracy in Russia and Ukraine so that we can permanently reduce our defense burden. The resulting savings would be available for investment here at home. And by acting now to engage Russia and the new states, American firms, workers, and products will be well-positioned to take advantage of this large and rich market.

If we do not act now, we collectively will have failed to live up to the challenges and the strategic opportunity—perhaps the greatest this century—that this new relationship gives us. Now it is time for the House to join the Senate and pass the Freedom Support Act and then to meet in conference and pass a bill I can sign into law. To desert Russia, Ukraine, Armenia, and the other states at this time of need would be a tragic mistake for which history will surely judge us harshly. I therefore urge your support for early passage of the Freedom Support Act.

Sincerely,

GEORGE BUSH.

AUGUST —, 1992

DEAR MR. SPEAKER: We urge your support for the Freedom Support Act. For much of this century, the peoples of Europe and Eurasia have suffered under the tyranny of Communism. Throughout those years, America has nurtured their desire for freedom, their thirst for individual liberties, and their will to become democracies.

Our successive administrations—and our allies—have been united in the struggle against Communism. Our unity has proven the wisdom and strength of our democratic system and provided a stunning victory for freedom.

We now have the opportunity, as fervently pursued for generations, to guarantee a peaceful transition to democracy. America must respond to this challenge, as we have so many times before, through leadership of an international coalition to secure the success of reform in Russia and the other states of the former Soviet Union.

The stakes could not be higher. If we fail to seize this historic opportunity now, authoritarianism could return in Moscow and elsewhere, the anticipated peace dividend could evaporate, future markets and jobs for Americans could be lost, and nuclear weapons may again threaten the lives of our children.

This may be the most important vote you cast. Aid to Russia, Ukraine, Armenia and the other states of the former Soviet Union is an investment in peace and prosperity for the American people.

Sincerely,

RONALD REAGAN.
GERALD R. FORD.
JIMMY CARTER.
RICHARD M. NIXON.

[Translated from Russian]

MOSCOW,
July 30, 1992.

Hon. THOMAS S. FOLEY,
Speaker of the House of Representatives of the U.S. Congress.
Hon. GEORGE J. MITCHELL,
Majority Leader of the U.S. Senate, Washington, DC.

DEAR SIRS: I would like to address to you the words of my sincere gratitude for the warm reception accorded to me in the US Congress during my recent visit to Washington. I regard this as something more than would be appropriate hospitality for such occasion. In this I see an expression of approval and support on behalf of the US legislators to the course of democratic reforms in Russia.

The main task our two countries are facing now is to turn the new quality of Russian-American relations which has been acquired in the result of the Washington meetng of the Russian and US Presidents, into a practical dimension.

You are aware of that great importance which we attach to the Russia Freedom Support Act now discussed in the US Congress. Adopting this Law would serve a powerful impulse for our political and economic reforms, and it would be an important factor for enhancement of our internal resources and external assistance with a view to achieving a more rapid advancement along the road of democratic reforms.

I would like to reiterate the fact that the Russia Freedom Support Act also protects America's freedom. The failure of our reforms would have shattered the foundations of liberty and democracy in the entire world.

The consideration of the Russian Freedom Support Act which took place in the US Congress and its approval in first reading in the US Senate on July 2, support this viewpoint.

Meanwhile, I will not hide it from you, that we take a very guarded look at those amendments introduced by some senators to that bill, which would make a link between the economic aid to Russia and a solution to certain problems, such as, in particular, withdrawal of Russian troops from the territory of the Baltic states. In this connection, I would like to assure you that we intend to firmly pursue the goal of a complete withdrawal of the armed forces from the territory of Latvia, Lithuania and Estonia. This is a political decision which is already being translated into practice. The troops withdrawal is being carried out. As regards the timeframe, this will be determined during the negotiations between the state delegations of Russia and Baltic countries, with due consideration of securing legitimate rights of all parties.

Therefor, we would count on a positive response from the U.S. lawgivers on this matter. I would once again make this appeal to you to exercise political prudence, understanding and support to the aspirations of Russia in its newly acquired quality of a free and democratic state.

Sincerely,

B. YELTSIN.

□ 1400

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentlewoman from Michigan [Mrs. COLLINS].

Mrs. COLLINS of Michigan. Mr. Speaker, I thank the chairman for yielding 1 minute to me.

Mr. Speaker, I oppose this rule. I believe it is unconscionable for us to give aid to Russia and its Republics and none for the urban cities of America. I feel that this country is like the wayward husband who feeds his girl friend's children while his own children are starving at home.

Our cities are hurting in America. They are devastated and they are hurting, and we want to put an amendment for loan guarantees for the urban crisis in America first.

We must learn how to take care of America first. Our cities are hurting.

I urge my colleagues to vote "no" on this rule.

Mr. SOLOMON. Mr. Speaker, I yield 4 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, I think it is ironic that this bill, which is designed to help foster democracy in Russia, is being debated under conditions less generous than we would urge on the Russians; namely, a closed rule.

In the Rules Committee, the drafters argued for a closed rule on the grounds that if we Members could offer amendments, some of them might actually be adopted, and that would not be wise. The answer, of course, is that this is a democracy where that is supposed to happen, and if the majority will is to amend the bill, then by definition in a democracy that is the appropriate result. What kind of a lesson are we sending to the Russians when we debate this bill under rules which preclude many Members, Democrats and Republicans alike, from offering amendments to try to make it a better bill?

This we-know-better attitude is the same excuse that has always been used by every dictator in the world. Democracy is about giving people a choice, and we have no choice under this bill. It is take it or leave it as it has been written. You cannot change it and you cannot even try to change it.

That is wrong, and we should send the rule back to allow the amendments that Members on both sides of the aisle would like to offer.

As Members might expect, I have what I think is a pretty good amendment. It is not an amendment designed to preclude aid being given to the Russians, but rather, it is designed to express to them those things which we believe are very important, and frankly which we want all of the people in Russia to understand underpin our support for the Russian Government.

For example, we want them to recognize that they need a plan to get their troops out of the Baltic States, and we say within 2 years. Is that unreasonable? Why should this body be reluctant to condition the support upon the existence of such a plan which the Russian leadership has said that it desires to implement?

We ask that necessary data be given to the IMF to determine creditworthiness of Russia and its ability to repay debt; that this be provided not because the loans have to be conditioned upon it, just that the information has to be supplied. What could be wrong with that?

We have asked that the Russians not continue to train Iranian submarine sailors or transfer *Kilo* class submarines to Iran. And those of us who are concerned about the safety of our troops in the Persian Gulf area will understand clearly the importance of the Iranians not being given these submarines by the Russians. That is not unreasonable, if we are going to aid the Russians, to ask for a little cooperation.

We ask that they continue to cooperate on the question of American POW's and MIA's. They are cooperating, and there is no reason why they will not continue to cooperate. This is an important expression to all of the people in Russia of something that is very, very important to the American people. If we are going to make our taxpayer dollars available to them, that is not unreasonable. The Russian leadership and the United States are together on this.

We ask that Russia no longer provide assistance to Cuba, North Korea, Vietnam, or Afghanistan, which they have indicated that they intend not to do in the future; and this is certainly not unreasonable. Why should American taxpayers' dollars, money being fungible, go to support regimes like that?

Finally, that Russia be in compliance with all arms control agreements. They have said they intend to be by signing these agreements, and clearly we should not be giving them aid if they are not willing to be in compliance with those very important arms control agreements.

So these are not requirements that are too strict for the Russians to meet. As a matter of fact, these are things the Russian leadership has indicated a desire to continue to do.

This is not a matter of hurting Mr. Yeltsin. In fact, it is a matter of helping him.

I submit for my colleagues' attention an article from the Washington Times by Gwynne Dyer concerning this, and I ask my colleagues to vote against the rule.

The article referred to follows:

MARCHING TO THE OLD TUNES

(By Gwynne Dyer)

"We have to restore the true face of Russia. . . . We have to revive the glory of the Russian army."—Russian Vice President Aleksandr Rutskoi, Feb. 9.

"I believe that this great former country (the ex-Soviet Union) . . . should make every effort to make fascists (i.e., Moldovan President Mircea Snegur) take the place they deserve on the gallows."—Maj. Gen. Aleksandr Lebed, July 7.

The Russian army, or at least some chunks of it, is dangerously close to getting out of control. Gen. Lebed commands the Russian 14th Army, which is still on the soil of the independent republic of Moldova.

Lately, his men have been fighting the Moldovans on the side of the breakaway Trans-Dnestrian Republic declared by the Russian minority there. And his suggestion that they should hang the president of the Moldovan republic came precisely one day after Russian President Boris Yeltsin had negotiated a peace-keeping force for Moldova with the gentleman in question.

This seriously endangered the peacekeeping plan, which involves some 10,000 troops from Russia, the Ukraine, Belarus, Romania and Bulgaria coming in to separate the combatants. But did the loose-tongued Gen. Lebed lose his job?

On the contrary. A variety of Russian generals backed him up, including Gen. Yevgeny Shaposhnikov, the commander of all CIS forces. And, of course, ultra-nationalist politicians like Mr. Rutskoi had a field day.

The most poisonous inheritance Russia has received from the former Soviet Union is the old Soviet armed forces. Practically all the officers were communists until that became illegal, so few of them feel loyal to the new democratic order—and they have no hope of maintaining their existing privileges and standard of living in any other trade.

They are professional patriots, as it were, and they were bound to start looking for new jobs to do. Generals are always good at finding problems that need military solutions, and in this case the answer was obvious.

The disintegration of the old Soviet Union has stranded Russian ethnic minorities in every one of the 14 other former republics. So the army's duty, they have decided, is to defend the rights of Russian-speakers everywhere.

As Russia's nervous neighbors have all noted, this could easily become a pretext for the reconquest of the old empire. That is why every newly independent republic is desperate to get ex-Soviet troops off its territory as soon as possible.

The defense of Russian-speakers everywhere is not yet formal Russian army doctrine, but it is Mr. Boris Yeltsin's biggest nightmare. If the soldiers get their way, then all of the former Soviet Union could soon resemble Yugoslavia.

On the other hand, it is Mr. Rutskoi's greatest hope. Incessant appeals to Russian nationalism are clearly his choose strategy for displacing Mr. Yeltsin, and he is increasingly coordinating his campaign with insubordinate Russian generals.

Mr. Rutskoi is a former air force officer and hero of the Afghan war. He demanded and got the vice presidency last year as his reward for throwing the support of his parliamentary group, Communists for Democracy, behind Mr. Yeltsin.

Lately, Mr. Rutskoi has been claiming that it is necessary to maintain Russian troops in other republics "in defense of our fellow countrymen." And as the economic situation in Russia becomes harsher, more Russians are likely to respond to this kind of nationalist incitement.

Already, Mr. Yeltsin is having to take more nationalist positions himself to guard his flank against these people politically. He then retreats from his tough nationalist talk as quickly as possible—for instance, the peace-keeping missions to Georgia and Moldova, or any of his dealings with Ukraine—but he is repeatedly being pushed into corners.

There is a real danger that Russian military interventions on behalf of allegedly victimized Russian-speakers will spread war across the whole of the former empire, destroying democracy at home in the process.

The best way to help Mr. Yeltsin avert this threat is to get Russian troops back on Russian territory as soon as possible.

Take the example of the three Baltic republics of Lithuania, Latvia and Estonia. All of them have significant Russian-speaking minorities, and they still have a total of about 100,000 Russian troops within their borders.

All three Baltic states want those troops off their soil before local Russian settlers exploit their presence and draw them into a Moldova-style confrontation with the local authorities. But until recently, the Russian army insisted that it could not start pulling out until 1997 at the earliest.

Early this month, the Baltic states resorted to blackmail. They refused to sign the final communique of the Helsinki summit on European security until Russia agreed to pull the troops out.

Since the communique had to be unanimous, and it contained things that the major Western countries wanted, they then twisted Mr. Yeltsin's arm. He promptly agreed to conclude "without delay . . . bilateral agreements, including timetables, for the early, orderly and complete withdrawal" of Russian troops from the Baltic states.

This is a template for what should be happening everywhere that Russia still has troops beyond its own borders. If they have come home, it will be far harder to send them abroad again on some trumped-up mission to save Russian minorities.

Nobody should worry about embarrassing Mr. Yeltsin by pressing hard on this issue. He knows what must be done, but he needs foreign pressure as an excuse for doing it.

Gwynne Dyer is a columnist based in London, England.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Speaker, I rise in strong support of the rule. As the gentleman from Indiana [Mr. HAMILTON] stated, this is an extraordinary bill which must be implemented with extraordinary speed.

First, Members should recognize that this is a very balance bill. The conditions on assistance to Russia and the other States are strong but attainable. United States aid may be provided only to the extent that the States meet these requirements:

That they make significant progress toward and commit to the comprehensive implementation of a market-oriented democracy; respect human rights and the rights of emigration; settle disputes peacefully; and adhere to their arms control agreement.

Any harsher conditions put to this bill would be beyond the reach of the Russian Government and severely threaten Yeltsin's chances of success.

In addition, time is of the essence in this landmark legislation. If we attach a large number of amendments, the entire process of supporting Yeltsin will be slowed down. Yeltsin does not have much chance, much time. If he fails, Russian democracy fails with him.

I ask that Members read the New York Times op-ed column where Secretary Baker strongly supports this amendment.

Mr. SOLOMON. Mr. Speaker, I yield 2½ minutes to the distinguished gentleman from New York [Mr. GILMAN], a member of the Committee on Foreign Affairs.

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

Mr. Speaker, I rise in support of the rule for H.R. 5750, the Freedom Support Act, and I commend the distinguished gentleman from Massachusetts, the chairman of the Rules Committee [Mr. MOAKLEY] for his leadership, as well as the distinguished ranking Republican member of the committee, the gentleman from New York [Mr. SOLOMON], for their wisdom in giving us this limited rule.

H.R. 5750, the Freedom Support Act, is absolutely essential, if the newly independent States of the former Soviet Union are to succeed. As Secretary of State Baker advised us, this bill is "* * * an historic, once in a life-time opportunity for the United States to exercise world leadership."

This is a bipartisan bill, carefully crafted to satisfy both Republicans and Democrats. It is a measure which is desperately needed by the Russian Republic to bring about fundamental, structural changes in the former Soviet Union.

Mr. Speaker, there is no guarantee that freedom and democracy in the former Soviet Union will prevail, but without our help, reform in Russia, the Ukraine, Armenia, and elsewhere is doomed.

This is not an easy vote, but no one ever said leadership was easy. It is up to all of us to inform the American people that this bill is a sound investment in American security and American prosperity.

History has provided us with a great opportunity and we must learn from the mistakes of the past. During the period preceding World War II, the United States failed in its efforts to secure the peace. We failed because of isolationist policies. Isolationism and security, and protectionism and prosperity cannot be reconciled.

Mr. Speaker, I commend the President, as well as our Republican and Democrat leadership for not only crafting an appropriate response to the crisis in the former Soviet Union, but also for having the foresight to recognize the importance of restricting amendments to this measure.

Voting for this rule is a vote for American leadership—it is a vote enhancing U.S. security, it is a vote for hope and peace. It is a vote for the security of future generations. Accordingly, I strongly urge its adoption.

□ 1410

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. KANJORSKI].

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 2 minutes.

Mr. KANJORSKI. Mr. Speaker, I rise, unfortunately, today with very little time. I am opposed to the rule, but I am in favor of aid to the Republics of the Soviet Union.

We are not deciding whether to give aid here today. We are deciding how we are going to do it and what we are saying is we only have an hour of time, and we do not have an opportunity to debate new methods and new policies even though we are in the new age, we are in the new time, the new world order.

We have important amendments that have been made. Why have not these amendments at least been given the time in the democratic body here of the house and discussed? What is so important that we cannot wait a day or two to have the American people's representatives discuss the policies that should be coming before this House? No. What we are doing, and when I hear the majority leader talk about the fact that they are in agreement for a closed rule, it really scares me, a government by oligarchy rather than democracy.

We can we not have open democracy? I spend 3 hours at the Committee on Rules and asked for the possibility of three amendments and listened to them. One of the amendments is a very important amendment. It passed the Committee on Banking, Finance and Urban Affairs unanimously, and the one amendment that passed the Committee on Banking, Finance and Urban Affairs would have provided that lenders from the IMF have to pay the equivalent of the American wage and abide by the American minimum environmental standards in their projects, and that by the year 2000 it be a policy that we spread around the world the minimum wage so foreigners can buy American Buicks someday. What is wrong with that concept.

The second amendment, we are dealing with a country when we are talking about the Soviet Union, that is the wealthiest country in the world, over $2.5 trillion in verified resources in the ground. Their President wants to offer these commodities as security. Why do we not take the time in the free country of the world to develop and international commodities market so that they can not only have their money but they can have hundreds of billions from the free-enterprise system of the world to go in and develop their country? No. We do not want to think of new ideas.

Finally, in this bill there is a Democracy Corps, another NED, National Endowment for Democracy, $15 million given away. To whom? To the Republican Party, to the Democratic Party, to the AFL-CIO, and the national Chamber of Commerce that are going to carry on American foreign policy.

I say shame. That amendment belongs before the people's body.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. MCCURDY].

The SPEAKER pro tempore. The gentleman from Oklahoma [Mr. MCCURDY] is recognized for 2 minutes.

Mr. MCCURDY. Mr. Speaker, I rise in support of this rule and in strong support of the bill.

Mr. Speaker, It is amazing how quickly we forget just a few years ago that we sat our stood on this floor and debated the window of vulnerability on nuclear weapons and ICBM's, yet now we have a window of opportunity, and we are about to let it pass without seizing a historic opportunity.

This should be a bipartisan bill, and I urge my colleagues on both sides of the aisle to support this historic piece of legislation. This bill will not save the Soviet Union or save Russia. It will not prop up and save the Yeltsin government.

But if we do not act, if we do not seize this opportunity, it very well could send signals that lead to the crumbling of that fragile democracy.

Let us not let short-sighted parochial thinking derail this legislation and this support. Richard Nixon said it right when he addressed America and said, "This is an opportunity that the United States needs to seize and provide the leadership for, in order to provide for a safer and more stable world in the future."

The money we will save in defense spending by reducing defense expenditures over the next few years will fully be recovered, and the savings we have by seizing this opportunity will enable us to make those savings in defense and reduce the risk not only of greater conflict but also of potential nuclear holocaust.

The evidence is clear that the Yeltsin government is struggling, that it is a fragile democracy today, and we need to stand up together as leaders of this country and provide strong bipartisan support.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. FASCELL].

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

Mr. Speaker, I rise in support of the closed rule.

Let me just read something out of the bill, and I think it says it about as good as anything else that can be said.

First of all, it was a judgment call, as I understand it, on restricting this bill and limiting it to the matters that are in the bill now, because there was no way to otherwise handle what would be a basketful of amendments, all of them legitimate in their own right, to be discussed and still maybe some way, somehow can and will be.

The difference is, of course, that where there are mandatory conditions as against principles, then the line was drawn. Reading from the bill, I think, explains the reason for that:

(7) the unprecedented pace and nature of events in the independent states of the former Soviet Union require that the President be provided with the authority to furnish United States assistance and resources flexibly and expeditiously if the United States is to be able to support the transformation of the independent states of the former Soviet Union to democratic civil societies with market-economies.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, while America is worried about stabilizing the ruble, the dollar is going straight to hell.

I would like to state this today: I keep hearing in Washington about all of the gridlock, all of the gridlock. The administration wants $12 billion in loan money for Russia. Congress is going to give it to them. The administration wants another $1.2 billion in aid for Russia. Congress is going to give it to them. This is not gridlock. This is wedlock.

We have got cities on fire. The money should be going to America.

They have gold. They have chromium. They have oil. They have lumber. They do not need money. They need to go to work. That is what America stands for. That is what free enterprise stands for.

I am opposed to the bill. We do not even have a Buy American on this damn thing.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker and Members, I rise in opposition to the rule.

Yesterday I spent quite a bit of time sitting in the Committee on Rules. the room was lined with Members from both sides of the aisle who begged the Committee on Rules, please, not to have a closed rule.

What they said was this bill is too important. There are too many good ideas. We were not listened to, unfortunately.

We have before us one of the most important bills that will be debated in this House, and it is a closed rule. We do not have an opportunity to interject into this deliberation any of our ideas. I have an amendment, and it is a loan guarantee. It does not cost the budget $1. It has been scored zero by CBO. It is an amendment that would simply be a loan guarantee for $10 billion that would allow the cities to borrow money for economic development. It would allow them to lend some money to small entrepreneurs, would allow them to do some housing for poor people. It does not cost this budget one dime.

□ 1420

We could not get the Rules Committee to allow us to amend this legislation.

I would ask for opposition to this closed rule so that we could have the kind of deliberation, the kind of discussion that is so necessary for us to deal with on a bill of this nature.

Mr. Speaker, I yield the balance of my time to the gentleman from Maryland [Mr. MFUME], the acting chair of the Congressional Black Caucus.

Mr. MFUME. Mr. Speaker, I also rise in opposition to this rule. It is exclusionary and punitive. It does not allow us the opportunity to vote on providing an aid package for this country. Instead, it provides $12 billion to Russia and another $1.2 billion, without anything at all, without any caring at all for the problems that exist in this country.

The Congressional Black Caucus has taken a position on this and we urge Members of this body also to reject this rule.

The argument that we ought to do something abroad falls flat on its face.

The SPEAKER pro tempore (Mr. MURTHA). The time of the gentleman from Maryland [Mr. MFUME] has expired.

Mr. SOLOMON. Mr. Speaker, I yield 1 additional minute to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Speaker, the argument that we do something for Russia falls flat in the face of other arguments. Who is arguing for factory workers in this country? Their plants are closed. Their hopes die and their jobs go on a fast track to Mexico. Family farmers watch their family farms close while we debate sending aid overseas to the people of Russia.

The American students are told we are more interested in smart bombs to be provided to dumb dictators while they have to deal with a situation that cuts back on their student loans.

Urban America is too poor to abandon, and yet too important to be overlooked in this package.

Middle-class families believe that charity begins at home, and our Nation's children are told to wait for the next tomorrow and the next generation and the next election before we can find aid to them.

Do you want to help some fledgling democracy? Help some of them here back home. They are called Baltimore, Washington, Chicago, Los Angeles, New York, and Philadelphia. They need the kind of deliberative meanings and the deliberative kind of discussions that are coming to this.

I ask the Members of this body to vote no on this package, to kill this rule so that we might have an opportunity to amend it later.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Nebraska [Mr. BEREUTER], a member of the Committee on Foreign Affairs.

Mr. BEREUTER. Mr. Speaker, I went before the Rules Committee yesterday, too, to try to make in order amendments already approved by the Banking Committee. I gave up, because it is clear to me that there were dozens of amendments that Members wanted to offer, some good, some terrible. Undoubtedly the Rules Committee and the leadership of both parties concluded that we were going to have chaos unless we come up with a closed rule.

Therefore, I support the rule and I strongly support H.R. 4547.

It has often been said a hundred times on a hundred different matters that we are on an historic crossroads. It is often said a certain piece of legislation is historic, or that a new initiative is historic.

Historic is an overused term, but I remind my colleagues without hyperbole that this vote on H.R. 4547 is truly quite probably the most historic and important vote that you will ever cast as a Member of the U.S. House of Representatives.

We have spent tens of trillions of dollars fighting the cold war. It has cost the average American family $80,000. Here is our chance to pull back from the precipice of nuclear war that has faced us since Joseph Stalin.

Mr. Speaker, I urge support for the rule and the bill, H.R. 4547.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Speaker, I rise in support of the rule. I will support passage of the Freedom Support Act today because I fully recognize that the end of the cold war and the dissolution of communism in Eastern Europe and the former Soviet Union afford us an historic opportunity to establish lasting global security and ensure our grandchildren a peaceful future.

I have visited many of the Republics of the former Soviet Union and I have seen first-hand how urgently our assistance is needed by the people of the Baltics, Russia, Ukraine, and other Republics of the Commonwealth. Not only do I care about the health and welfare of these people as they overcome the great challenges of establishing democratic governments and free-market economies, I also recognize the vested security interest we have in seeing these democratic experiments succeed over the long term.

But my support for this necessary aid package comes only with a weighty condition. We cannot do for the people overseas what we cannot do for our own people. Before this 102d Congress adjourns, we must act to help the 17 million people unemployed in this country. Congress has an absolute responsibility to these Americans and their families to create the jobs which will put the United States back on the road to recovery. I will work in these final months of the session to do just that, and I hope my colleagues will join me in this effort. This is my pledge to the people of my district in New York and it is my pledge to the people of America—your needs will not play second fiddle to those of any foreign nation.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the distinguished gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. Mr. Speaker, I rise in opposition to the rule and to the bill. One of the reasons is that we are going to give millions of dollars, not just to the Soviet Union or Russia, as they call themselves, but to the IMF.

Do we want to give them welfare? No, let us do it in trade.

Like the gentlewoman from California [Ms. WATERS] has said, how about loan guarantees that are not guaranteed in this rule?

The United States needs titanium. There are only two places to get it. One is in South Africa. The other is in the Soviet Union. Let us put their miners to work. There is a good deal on titanium, and that is called trade, not welfare. This is one of the ways. There are over 1,000, 2,000 items, just like titanium that this country needs and in which we can promote trade instead of giving welfare.

Do we want to teach the Soviets not to work for welfare, like we do in this country? Let us teach them about jobs and trade and working for a living.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Speaker, I rise today in opposition to the rule. I feel very strongly that this country ought to act in its own enlightened self-interest, and in that regard I think that it only makes sense that we support a Russian-aid package; however, I do not believe that the Congress and the Rules Committee did the right thing in terms of the abdication of the work that was done on the restrictions on the International Monetary Fund.

The fact is that the committee, under the leadership of the gentlewoman from Ohio [Ms. OAKAR], and Chairman GONZALEZ did yeoman's work in terms of restricting this international organization on loans that have devastated children's programs, loans that are necessary in order to protect our environment.

Two amendments that I had offered that restricted the IMF from allowing loans to go forward in countries that have gross human rights violations, and second, in terms of countries that spend too much money on military expenditures in opposition to their own economic growth and programs that help the poor in their communities.

It seems to me that if you want this package to work, we ought to come back with a rule that includes the provisions of the Banking Committee.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the distinguished gentlewoman from Kansas [Mrs. MEYERS], who just won a primary in Kansas.

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in support of the Freedom Support Act. This legislation is a vital investment to secure our victory over Soviet communism. The cold war is in reality only half over; communism has lost, but freedom has not yet won. We must work to make sure that democratic capitalism succeeds in bringing a better life to the people of Russia and the other Soviet Republics; because, if we fail, despotism is sure to raise its ugly head.

Boris Yeltsin is not only the first democratically elected Russian leader in history, he is the first nonimperialist Russian leader ever. If he falls because the Russian economy does not improve, aggressive Russian nationalists will be the ones who take over. If that happens, we can forget about the peace dividend. An attempted recreation of the Russian Empire will plunge Europe and Central Asia into chaos that will make the tragedy in Yugoslavia look minor by comparison. If we and he succeed, free markets in Russia, Ukraine, and the other new Republics will provide a market for billions of dollars of new trade that will produce millions of new jobs for America.

The long-term opportunities for trade and investment in the Republics of the former Soviet Union that adopt the free market are bright. President Yeltsin has invited the American private sector to invest in the unique and untapped Russian market. Like the American West in the 1870's and 1880's, the former Soviet Union is a new frontier, waiting to be developed.

This bill has important safeguards against misuse of the assistance provided to the Republics. The President must report, every year, on the progress each Republic is making in economic and political reform, and how American aid is being used to foster that reform.

There is a risk in investing to develop democracy and free enterprise in the new nations of the former Soviet Union, but there is also opportunity to promote peace and profit economically. If we do not pass this bill, the risk is increased, but we will have also thrown away all opportunity.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. DURBIN].

Mr. DURBIN. Mr. Speaker, we would like to believe that the Russian Government which will receive billions of dollars in this bill is a fledgling democracy, sensitive to the principles of freedom; but in one small corner of the world, the brutality of Soviet communism lives.

In the struggling democracies of Lithuania, Latvia, and Estonia, the Russians have an army of occupation of over 130,000 troops. Though the Russians profess enlightenment, their heavy-handed tactics and threats in the Baltic belie these claims.

Today the Russian Foreign Minister, Kozyrev, refused to withdraw his Russian forces until the Baltic States reimbursed the Russians for the expenses they incurred while forcefully occupying the Baltics.

In the streets of Vilnius, Riga, and Tallin, many of our friends are asking whether the United States will abandon them in their fight for democracy, whether our Nation will stand in silence while our friends are once again tyrannized by the Red Army.

□ 1430

We may call this bill the Freedom Support Act, but a vote for this Rus-

sian aid package without a clear mandate to remove Russian troops from the Baltics is a desecration of the word "freedom."

Mr. SOLOMON. Mr. Speaker, I yield 1½ minutes to the porkbuster of the House, the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. I thank the gentleman for yielding.

Mr. Speaker, the gentleman from Indiana [Mr. HAMILTON] of the Committee on Foreign Affairs, said a while ago that a vote for this rule is a vote for democracy and free markets in Russia. I would like to quote from the Center for Security Policy statement which they put out today which says,

Indeed, there are abundant signs that the Yeltsin government is—willingly or unwillingly—adopting positions, appointing personnel and making changes in the direction of its economic and political programs that will prove quite inconsistent with the interests of democracy and free market reform in Russia and with vital U.S. interests. Consider the following quote from today's Washington Post:

"A front-page commentary in the newspaper Nezavisimaya Gazeta today said the [Russian Central] bank's decision [to pump 1 trillion rubles or roughly $6.6 billion into failing enterprises of the military-industrial complex] signalled the end of 'the Gaidar era—the first stage of liberal reforms in Russia.' The paper said it now scarcely matters whether the acting prime minister remains in office, since one of the central planks of his reform program—substantially cutting state subsidies to industry—has gone down in flames."

Mr. Speaker, they are moving away from democracy right now. And this bill ought to be fashioned in such a way as to make sure we are forcing them in the direction of change, positive change, and this rule precludes that possibility.

Mr. Speaker, I am going to speak, when we get into the bill itself, about the minerals they have that we ought to be getting in exchange for the money we are talking about.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, this is not just a Russian aid package; it is a package that includes $12.2 billion of International Monetary Fund increase on the part of our country, and the Committee on Banking, Finance and Urban Affairs has exclusive jurisdiction on that level and yet we were really not considered, even though we had countless hearings, witnesses, markup of a bill with bipartisan support.

So, what you will do with the rule that is closed is excluded, the various instructions related to the International Monetary Fund quota. I think that is wrong not to have any strings attached. That is why I oppose this rule.

Let us go back to the Committee on Rules and put in the titles that we had worked out. It is unfair to the Members who spent countless hours, and most importantly it is unfair to the 165 countries that relate to the International Monetary Fund.

Mr. MOAKLEY. Mr. Speaker, for purposes of debate only I yield 1 minute to the gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Speaker, this week, I received a "Dear Don" letter from George Bush asking for my support for money for hard-pressed people. I am certain that many of our colleagues received similar letters from the President who wished to convey to us his strong backing for the Freedom Support Act.

Frankly, this was the first time in ages that I received a personal letter from George Bush.

Initially, I was pleased that the President was writing to me to ask that I support legislation that would help those in need. Was he writing to ask that I support a bill to help rebuild the riot-torn areas of Los Angeles? Was he writing to ask that I support legislation to help the children of the long-term unemployed? Was he writing to ask that I support a bill to help States deal with gang-related violence in our public schools?

No, George Bush was writing to ask for my vote for funds to help out the people of Russia. And, while I intend to comply with the President's request and vote for the Freedom Support Act, as I think it is a worthwhile piece of legislation, I am perplexed that in the one letter that George Bush has chosen to write to me in months, he wrote on behalf of people who live outside of the United States.

George Bush needs to open his eyes to the people of our own country who are so desperately in need of his help.

Mr. SOLOMON. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. GOSS].

Mr. GOSS. Mr. Speaker, I seldom find reason to support rules, because it so often seems minority issues get flattened out in committee by the majority streamroller. But I also know that bills like this can be killed with kindness by creative amendments under an open-rule situation.

Given the enormity of the scope of what we are about, I conclude that a closed rule is a logical way to keep the main issue in focus. To me, the main issue is whether we can nourish the emerging democracies of the former Soviet Union and provide jobs for Americans and access to new marketplaces for American-made products in the process. That is what this rule today should accomplish.

I sure wish I had an amendment on Cuba to make sure we would be providing guarantees of compliance with the embargo, and I know other Members have amendments like that that they would want to see also. But I believe the central issue should rise or fall on its own merits. That is what this rule is going to provide today. That is why I support the rule.

Mr. SOLOMON. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. DUNCAN].

Mr. DUNCAN. Mr. Speaker, I rise in opposition to this bill and the rule which brings it to the floor.

I am especially opposed to the $12 billion increase in the U.S. contribution to the International Monetary Fund.

B.J. Cutler, foreign affairs columnist for the Scripps-Howard newspaper chain, wrote a few months ago about this $12 billion.

The plan, which won't be spelled out to the public, goes like this: for "humanitarian reasons" the Soviet people must be aided. So the International Monetary Fund and the World Bank will make massive loans to Moscow. But most of the money will be recycled to repay banks in London, Paris, Frankfurt, and Tokyo.

Mr. Cutler is known as a factual reporter and columnist and expert on foreign affairs. In the same column, he wrote this:

To be blunt, the scheme consists of shifting the costs of bankers' blunders to American and foreign taxpayers, which they wouldn't tolerate if they knew about it.

No one wants to see anyone starve or go hungry. But if Mr. Cutler is right, and no one has yet denied his charges, this money will go not for food or to help the poor, but instead will go to aid big banks all over the world.

I believe that an overwhelming majority of Americans would be strongly against bailing out big banks in Tokyo and other places for bad loans made to the Soviet Union.

Earlier today I spoke on the floor and quoted from a column by Leslie Gelb, foreign affairs columnist for the New York Times. His column was called "the Russian sinkhole."

Mr. Gelb said that western aid to the former Soviet states had totaled over $50 billion so far and that it had largely disappeared and had not even made a dent in the economic problems there.

Now Mr. Cutler and Mr. Gelb are proforeign aid—but they both seriously question this aid package.

Milton Friedman, the well-respected economist, wrote in the July 6 issue of National Review that we should not approve this $12 billion increase for the IMF.

He said the IMF should have been abolished years ago and that its actions have simply given more power to centralized governments and have been very antidemocratic and anti-free-market.

Two more points: First, Forbes Magazine a few weeks ago reported that Russia has larger oil reserves than does Saudi Arabia. The former Soviet states have greater natural resources than we do. But their system of too much government has prevented them from developing the great wealth they have. They do not need our money nearly as badly as they need a fair free-market system.

Second, supporters of this IMF increase say it will have no budgetary impact, because we get back preferred drawing rights, or a type of stock, for our contribution.

This is like saying if we buy stock in some company that it has no budgetary impact because we get an asset in return for our money. But the point is that it ties up money that we could spend on some more worthwhile purpose or to help pay on our own staggering debt.

We are going to have to borrow this money in order to contribute it to the IMF. Then these drawing rights will be backed up by the shakiest loans in the world and will be worthless to us if times get really tough. Who will buy them from us? Who will give us foreign aid if our own economy crashes?

This is a bad deal for the American taxpayer. We cannot afford it, especially at a time when our own national debt is $4 trillion and we are losing $1 billion a day on top of that every day. The former Soviet states are not in debt as far as we are.

I wish we could help everyone who is hurting all over the world, but the fact is that we cannot.

I urge defeat of this very expensive and very wasteful bill.

It will certainly be good for the bureaucrats at the IMF, but it will do almost nothing at all for the average Russian citizen.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Speaker, in this morning's New York Times, the gentleman from Indiana [Mr. HAMILTON] said this will be one of the most important foreign policy votes that we cast in our lifetimes. I think he is right.

On August 21, 1941, the House, voted 203 to 202 to extend the draft. It carried by one vote. It was not popular. The American people did not want it. It would not have won on a referendum.

Neither would this. But we are not here because this is a referendum, we are here because this is the right thing to do. It is in the long run the responsible thing to do, and it is in the interest of the United States.

History has judged those who voted wrong in 1941 when the House approved the draft by a single vote, and history will look back on this vote as well and history, I think, will look kindly on those of us who did not what our constituents necessarily wanted, not what is popular, not what will win an election in a few months, but what is in the long-range interests of the United States of America.

Mr. SOLOMON. Mr. Speaker, I yield the reminder of our time, 3 minutes to the very distinguished gentleman from Iowa [Mr. LEACH].

□ 1440

Mr. LEACH. Mr. Speaker, from a historical perspective there have been three momentous events of this century: World War I, World War II, and the cold war. As historians understand, little is more worrisome than the model of punitive intransigence that the winners; that is, the victors, of World War I applied to the losers. Clearly organized retribution against the Kaiser helped precipitate the rise of Hitlerite fascism.

Likewise, Mr. Speaker, little is more successfully enlightened than the generous approach the victors of World War II took to the losers. Today our enemies are now our allies.

The lesson of history, as well as individual life, is that charitable understanding is a more practical, as well as more moral, approach than calculated indifference.

In the long run, free enterprise and trade are the only answers to the economic plight of the former Soviet Republics. In the short run, a modest amount of humanitarian, as well as capital, assistance may be the cheapest insurance policy the United States of America can consider taking out.

The greatest unfought war in history may have been won, but peace remains elusive. If the nascent experiments in democracy and free enterprise collapse for want of the timely Western support in the former Soviet Union, the potential ramifications for the national interest of our country in terms of threats to our security, escalated defense budgets and lost markets for trade and investment could be staggering.

The weight of historical judgment is on our shoulders. It is time for Congress to share with the executive branch the burden of leadership of the free world. The Freedom Support Act deserves our support, and this rule, while a bit restrictive, should be adopted.

Mr. MOAKLEY. Mr. Speaker, I yield the balance of our time to the distinguished majority leader, the gentleman from Missouri [Mr. GEPHARDT].

Mr. GEPHARDT. Members of the House, I will not take the time that is left because it is not necessary, but I want to urge Members to vote for this rule. I know that there are Members here and Members in opposition to this rule who wanted a number of matters to come up on a wide-ranging number of issues. I share sympathy with many of the views that were desired to be expressed and added to this bill in terms of amendments. Some of these matters can be brought up later in the year in other contexts on other bills because they are unrelated to the main subject matter that we are dealing with today. I know that members of the Committee on Banking, Finance and Urban Affairs are concerned about other provisions of the International Monetary Fund, and it would be my hope that those views, those provisions, those amendments, could be brought up in another context.

There are also a lot of Members who are worried about the idea of us voting for loan guarantees, other economic aid to people in Russia or the Ukraine when we have millions of Americans here in our country who are having extreme economic difficulties. I share their concern. It is hard to put a vote up here today to send loan guarantees to people a long way away that we have been fighting with for a long, long time when we do not seem to be able to put much of an economic package together.

Mr. Speaker, this year we have been working, and in the last few weeks, to try to get some additional economic measures out here. We had meetings even up to and including yesterday with the administration to try to free up more moneys for the transportation bill, to try to find a way without present costs to have loan guarantees for cities, urban areas, counties, kind of an advance on their community block grant fund, so they can solve infrastructure and urban problems that are in front of them today. We have no commitment on that.

I want to mislead no one. There is no linkage. There is no quid pro quo. But in good faith we have made progress, and I believe that before this legislation is finished, finally finished, we can have more moneys allocated to the highway bill for resurfacing and things that can and need to be done now, and we can come up with a way in the urban package, which is still yet to be decided, to have loan guarantees so that communities can borrow against moneys that are to come in in the future to do things that need to be done now.

I also want to urge Members to understand that this legislation to extend loan guarantees to people in Russia and the Ukraine is in the deep economic self-interest of our constituents. There is no other good reason to vote for this. None of us gets elected because we are experts in foreign policy or because we are writing articles for Foreign Affairs. We get elected to represent a half million people somewhere in this country. If this legislation is not good economics for the people that live in our districts, we should not vote for it.

But I submit to my colleagues that it is. It has been said here over and over again that we have asked our taxpayers to pay millions and billions of dollars over 45 years to make sure that the people in Russia did not attack us. That money was well spent. But the time has come that we can stop spending that money, or at least as much as we have. That is of infinitesimal benefit for our constituents economically. Those moneys can go to reduce our deficit. Those moneys can go to rebuild this country and this economy.

Finally, Mr. Speaker, if these countries can be made democracies and can

be made market economies, we are building markets for our products in the future, products that we can make in our districts and our States in the United States. That is worth doing.

When we get to the general debate on this subject, I will have, and maybe some of my colleagues think unfortunately, more to say, but I feel about this very strongly. I wish we could have a rule today that anybody can bring up any amendment that comes to their mind. The Senate did that, and they wound up with 70 amendments attached to this bill. This bill is simple and straightforward. It does a very important historical task.

It was said during the Marshall plan that the Marshall plan was the most generous act of any people in the history of the world. This is not the Marshall plan; let us make no mistake about it, but for our time and our day this may be the most important and generous act that this country will ever do.

I urge Members to vote for this rule so that we can take it up, and soon I will urge my colleagues to vote for this bill which is important to everyone that we represent.

Mrs. COLLINS of Illinois. Mr. Speaker. I rise in opposition to the rule. I am as concerned as the next person about the needs of Russia and the former Soviet Republics but, unfortunately, I find it difficult to agree to aid these countries as long as the problems in my own country and my Chicago metropolitan district continue.

Here in my country of birth, we find ourselves in dire economic straits which have resulted in massive unemployment, the near-absence of new low-income housing starts, an overwhelming, strangling budget deficit, homelessness, hopelessness, hunger, and heartbreak.

This is Chicago's plight. This is the plight in most American cities and rural communities, because none have been left unscathed by the results of this severely depressed economy.

Under this closed rule those of us wishing to offer amendments that would bring a measure of balance to this bill have been silenced. Well, Mr. Sparker, common sense dictates that when your own children are hungry you don't go inviting people to dinner. Therefore, I urge my colleagues to oppose this rule.

Mr. SOLOMON. Mr. Speaker, I yield back the balance of my time.

Mr. MOAKLEY. 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 resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. MURTHA). Pursuant to House Resolution 545 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4547.

□ 1449

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4547) to authorize supplemental assistance for the former Soviet Republics, with Mr. SKAGGS in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

The gentleman from Florida [Mr. FASCELL] will be recognized for 15 minutes; the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 15 minutes; the gentlewoman from Ohio [Ms. OAKAR] will be recognized for 15 minutes; the gentleman from Iowa [Mr. LEACH] will be recognized for 15 minutes; the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 10 minutes; the gentleman from Missouri [Mr. COLEMAN] will be recognized for 10 minutes; the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 10 minutes; the gentleman from South Carolina [Mr. SPENCE] will be recognized for 10 minutes; the gentleman from California [Mr. BROWN] will be recognized for 10 minutes; and the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 10 minutes.

Th Chair recognizes the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I yield myself 2½ minutes.

Mr. FASCELL. Mr. Chairman, the Freedom Support Act of 1992 which establishes the general authorities and policy guidelines to provide economic and technical assistance, international debt relief, education and training programs and disarmament and nonproliferation assistance to the Commonwealth of Independent States. One of the most important aspects of this legislation is contained in title V. In this regard, title V establishes the general authorities and policy guidelines for the implementation of a nonproliferation and disarmament fund from which the United States will assist the newly independent Republics in their disarmament, dismantlement, and destruction of the vast arrays of nuclear, biological, and chemical, as well as conventional weaponry that remain stocked in the former Soviet arsenal.

During my more than four decades of service to my country, I have participated in and witnessed the end of World War II. I have seen that hot war replaced by an even potentially more dangerous cold war—a period in which both we and the former Soviet Union engaged ourselves in a relentless stampede to achieve an ever more elusive nuclear edge over one another. A period in which we held our nations, indeed the world hostage to the absolute destructive force of our nuclear arsenals. I have seen that cold war slowly simmer as each new generation of nuclear weapons replaced its predecessors. And, I have seen that cold war almost boil over during both the Berlin airlift and again, during the Cuban missile crisis when we stood at the precipice of global nuclear confrontation.

I have watched the superpower arms race in both awe and amazement as both the United States and the Soviet Union acquired and amassed more than 30,000 nuclear weapons and 70,000 tons of chemical munitions at a cost in excess of $1 trillion. We were not alone in this race. Great Britain and France also acquired nuclear weapons, as did the People's Republic of China. These acknowledged nuclear weapons states formed what euphemistically became known as the club of five but as we all know, there were and are other nations with longstanding nuclear ambitions.

We know for instance that India and Pakistan possess the capabilities to engage in a smaller yet much more volatile nuclear arms race on the subcontinent of Asia. We were equally dismayed to discover the robust nuclear ambitions of the renegade government in Baghdad, and we remain concerned over the prospects of the People's Democratic Republic of Korea's potential ambition to seek admittance to the nuclear club. Finally, we remain concerned and know full well that we cannot afford to allow the outbreak of a nuclear arms race in the Middle East on any scale whatsoever.

As I leave public office and face the decade of the 1990's, I see the folly of the past and hope and pray that it is not repeated. I have to pinch myself in the pleasant realization that the cold war has ended, and that the arms race has slowed—poised at long last for a stop. I am equally pleased to know that the Communists are out of the closet and no longer hiding underneath our beds. I am joyous that the four decades of the nuclear arms race are being replaced by a new decade—the decade of the 1990's—in which there will be a disarmament race. I am delighted that four decades of human repression in Eastern Europe and the former Soviet Union are being replaced by fundamental respect for human rights and the rule of law. I am happy that four decades of centralized planning for a military demand economy are being discarded in favor of a decentralized and consumer based, free-market economy. And, I am ecstatic that four decades of a closed political system is being put upon the ash heap of history and being replaced by an open and democratic form of government.

By taking action on the Freedom Support Act today, we are moving ahead to support these nascent developments—to ensure that they become firm in their reality. Inaction on the Freedom Support Act represents a re-

turn to cold war thinking—a codification of the past cold war mentality, whereas action represents new thinking and support for reaping the benefits of the end of the cold war. In this regard, we must not fail the American people, or the peoples of the Commonwealth of Independent States who desire freedom, democracy and an open free-market economy. We must not fail in taking advantage of the historic opportunity before us, to make the world a safer, more secure and more stable place in which our children and those of the Commonwealth of Independent States will live in peaceful prosperity.

The peoples of the newly independent states of the former Soviet Union have waited patiently to achieve the purported goals of the February revolution which were betrayed by the October coup that replaced the czarist bureaucracy system with that of the communist apparachiks bureaucracy system. Today, the peoples of the newly independent states of the former Soviet Union have liberated themselves from the totalitarian state which oppressed them economically, politically, socially and militarily over seven decades. Today, the hopes and aspirations of the peaceful revolutionary leadership that was initiated by President Gorbachev in 1985 and courageously implemented by President Yeltsin last year are being achieved. The new Russian leadership has shed the old system, rejected the reign of red terror and duress and taken the first fundamental steps toward a new way of life. The Freedom Support Act will go a long way in helping these people to achieve those nascent aspirations.

In this regard, I would like to share with my colleagues the view of Russian President Boris Yeltsin, who in a recent letter to the congressional leadership, has emphasized the great importance the reform leadership of Russia attaches to this Freedom Support Act. In his view, and I quote, "adopting this law would serve as a powerful impulse for our political and economic reforms" and it would be an important factor in encouraging more rapid democratic reforms." President Yeltsin also stressed that the Freedom Support Act protects America's freedoms and interests since failure of reforms in Russia could in the long run undermine the foundations of liberty and democracy in the entire world.

To effectively end the cold war, we need to take what President Kennedy called a profile in courage. We need to make sure that the fruits of the vision of democracy's victory in the cold war are realized. We need to make sure that the weapons of mass destruction do not find their way into regional conflicts and ethnic tensions both within the former Soviet Union and elsewhere.

To effectively end the superpower arms race, we need to reverse the spiral in which we have been engaged. We need to make disarmament, and I mean real disarmament through verifiable dismantlement happen. And in so doing, we must be absolutely sure that in putting out the nuclear arms race inferno, we do not inadvertently contribute to brush fire arms races elsewhere in the world—most notably in the Middle East, the Persian Gulf, the Asian Subcontinent, and Northeast Asia.

To effectively end Communist repression worldwide, we need to do all that we can to support and demonstrate just how a free, democratic and free-market based economy and society work. In short, we need to refocus the global alliance system formed by President Roosevelt, which was strengthened by the Truman doctrine and the Marshall plan with a new plan. That plan is embodied in the Freedom Support Act of 1992. Just as the Marshall plan made Western Europe a beacon for hope for the peoples of Eastern Europe and paid material and substantial economic benefit to the people of the United States, the Freedom Support Act represents a modest but wise investment that will pay tremendous security and economic benefits for the American people in the decade, indeed the decades ahead.

We have all been witness to the extraordinary changes that have occurred in the world since the fall of the Berlin Wall. We all know that that event mandates a new way of thinking if we are to reap the benefits of the end of the cold war. The Freedom Support Act represents a new way of thinking. It is a policy guide for the decade of the 1990's. It makes an investment in the future which offers political, economic, and security returns for the American people and the citizens of the new Commonwealth of Independent States.

The main elements of the Freedom Support Act—economic and technical assistance, international debt relief, education and training programs, and disarmament and nonproliferation assistance—complement the Gorbachev/Yeltsin efforts and create the foundation upon which to replace the cold war competition and confrontation with post-cold-war partnership and cooperation.

The Freedom Support Act makes a political investment in democracy. The return on that investment for the newly independent states of the former Soviet Union is a political future where democratic representation and institutions empower people to take charge of their own destiny. The return for the United States is a partnership to resolve world problems in the spirit of multinational cooperation as opposed to perpetuating them in bipolar competition.

The economic investment of the Freedom Support Act is in free market economies. Consider these returns to the U.S. economy that flow from the Freedom Support Act: Tens of thousands of new jobs for Americans in the export business; 12 new markets in which to sell U.S. goods and services; over 250 million new consumers to purchase American products; access to greater petroleum and natural resources; and over 300 American companies seeking $12 billion in private investment opportunities.

Similarly, the Freedom Support Act makes a security investment in disarmament. An historic opportunity is in our hands. Over the past four decades, we spent hundreds of billions of dollars on the superpower arms race. Now, we need to spend only millions to dismantle, disarm and destroy those arms. The Freedom Support Act assists in the destruction of 40,000 tons of Soviet chemical weapons; 8,000 Soviet strategic nuclear weapons; 16,000 Soviet tactical nuclear weapons; 15,000 Soviet battle tanks; 13,000 Soviet armored combat vehicles; 8,000 Soviet artillery pieces; and 1,000 Soviet combat aircraft.

This represents the net destruction of more than 100,000 lethal Soviet weapons and weapon systems, including those of mass destruction. Much—if not most—of this disarmament business will go to American defense firms who are wisely adjusting to the newly emerging multi-billion-dollar disarmament market, yet another economic benefit to the United States. And, here it should be noted that as a result of the international cooperation created by the Freedom Support Act, U.S. defense spending could fall to $200 billion a year as opposed to a cold war budget approaching that of $400 billion a year by the end of this decade.

The committees of the House of Representatives which have jurisdiction over various parts of the Freedom Support Act have acted responsibly and expeditiously in their consideration of this legislation. From the perspective of the Committee on Foreign Affairs it is important to point out that the Freedom Support Act includes the main elements of the nonproliferation and disarmament fund (H.R. 4549) introduced on a bipartisan basis by myself and the ranking minority member, Mr. BROOMFIELD of Michigan and adopted by the Committee on Foreign Affairs on March 11, 1992. This bipartisan legislative initiative addressed the security challenges and arms control and disarmament opportunities of the post-gulf war and post-cold-war era, not only in the former Soviet Union but worldwide.

An illustrative list of the challenges demonstrates the need to reduce the proliferation threat from all over the world of all types of weaponry. Here are but a few of the proliferation challenges that we continue to face today: Iraq's continued desire to maintain and rebuild its military capabilities; North

Korea's nuclear weapons program; business as usual conventional arms sales in the Middle East; Chinese missile sales to Saudi Arabia, Syria, and Iran; and India and Pakistan's continued nuclear weapons programs.

This arms control initiative was subsequently incorporated into the Aspin-Fascell amendment to the Department of Defense authorization bill for fiscal year 1993 which passed the full House by a vote of 356–54 on June 4, 1992. Title V repeats the elements of that initiative.

This disarmament initiative strengthens U.S. nuclear nonproliferation efforts by: allocating $690 million for nonproliferation and disarmament activities; $40 million for international nonproliferation activities such as IAEA and UNSCOM inspections; $250 million for future nonproliferation and disarmament activities within the newly independent Republics of the former Soviet Union; and $400 million currently authorized for nuclear and chemical disarmament activities in the former Soviet Union to be extended into fiscal year 1993.

In closing, I would advise my colleagues that despite the collapse of communism the world does remain a potentially dangerous place. The Freedom Support Act—specifically title V—represents a comprehensive approach to making the world a safer place. It is a genuine attempt to achieve real arms control through the implementation of solid nonproliferation policies that will benefit not only the United States but mankind. I would also like to insert for the RECORD at this point the cost estimate of the Congressional Budget Office on the substitute text for H.R. 4547 which we are considering today. Mr. Chairman, I urge passage of the Freedom Support Act of 1992.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, August 5, 1992.

Hon. DANTE B. FASCELL,
Chairman, Committee on Foreign Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared a cost estimate to H.R. 5750, the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992, as introduced on August 3, 1992. The bill is similar to H.R. 4547, the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992, but would eliminate the direct spending in agricultural trade programs and would lower the authorization of assistance that was contained in the various versions of that bill. In addition, H.R. 5750 would appropriate funds for the International Monetary Fund.

The bill would affect direct spending and thus would be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985. As a result, the estimate required under clause 8 of House Rule XXI also is attached. Enactment of this bill is estimated to have no effect on the budgets of state or local governments.

Should the Committee so desire, we would be pleased to provide additional information on the estimate.

Sincerely,

JAMES L. BLUM
(For Robert D. Reischauer).

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE—AUGUST 5, 1992

1. Bill number: H.R. 5750.

2. Bill title: Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992.

3. Bill status: As introduced on August 3, 1992.

Bill purpose: The bill would authorize the appropriation of funds for bilateral economic assistance to Russia and the other republics of the former Soviet Union and for nonproliferation and disarmament activities. The bill would encourage the United States to take a leading role in multilateral efforts at macroeconomic stabilization and debt rescheduling, including U.S. participation, up to $3 billion, in a currency stabilization fund. The bill would repeal Cold War restrictions on various bilateral programs aimed at the Soviet Union including agricultural and other export credits.

Section 401 would authorize and appropriate funds for an increase in the United States quota of the International Monetary Fund (IMF).

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1992	1993	1994	1995	1996	1997
Direct spending:						
Estimated Budget Authority	12,314	(1)	(1)	(1)	(1)	(1)
Estimated Outlays	0	(1)	(1)	(1)	(1)	(1)
AUTHORIZATION OF APPROPRIATIONS						
Budget Function 050: National defense:						
Authorization Amount	0	0	0	0	0	0
Estimated Outlays	0	8	−4	−3	−1	0
Budget Function 150: international affairs:						
Authorization amount	0	542	0	0	0	0
Estimated outlays	0	264	81	76	56	45
Total estimated outlays	0	272	77	73	55	45

[1] CBO cannot estimate the amount of additional spending.

SUMMARY OF FEDERAL COSTS

The table above summarizes the costs of H.R. 5750 to the federal government. The estimate assumes enactment of the bill before September 30, 1992 and subsequent appropriation of the authorized amounts. The direct spending in the bill falls in budget functions 150, International Affairs, and 600, Income Security and is described in the International Monetary Fund and immigration segments below. The largest item, the proposed 1992 appropriation for an increase in the U.S. quota of the IMF, does not affect outlays.

AID TO THE FORMER SOVIET UNION

This legislation and the Administration's proposal apply to 12 republics of the former Soviet Union. The seven major industrial democracies (G–7), the IMF, and the World Bank are developing multilateral assistance programs for the republics. In April, the United States and the other G–7 countries announced a $24 billion program of assistance to Russia. The plan includes balance-of-payments lending from international financial institutions, a currency stabilization fund, rescheduling of official and commercial debt, and bilateral assistance. All these areas are discussed in this section; however, only the bilateral programs have a direct effect on the federal budget.

Bilateral Programs

Economic and Technical Assistance Programs. Section 201 authorizes the appropriation of $417 million in fiscal year 1993 for bilateral economic and technical assistance programs. The objectives of the assistance include the following: addressing emergency and humanitarian needs, developing democratic institutions, supporting the creation of a free market system and private enterprise, expanding trade and investment relations with United States businesses, converting defense-related industry to civilian production, enhancing the human and natural environment, and improving food distribution, food production, education, energy production, transportation and telecommunications sectors of the economy. Estimated outlays from these authorizations of appropriations were based on details of the President's requested program.

Nonproliferation and Disarmament Activities. Title V authorizes the President to provide assistance to dismantle or destroy nuclear, biological, and chemical weapons, to halt the proliferation of these weapons and weapon technology, to establish science and technology centers in the former Soviet Union, and to convert military technologies and industries to civilian uses. For these purposes, the President is authorized to use $100 million of security assistance funds otherwise available in 1993. There is no existing authorization to fund these activities, therefore, this provision could add $100 million to spending over the 1993–1997 period. Nonetheless, it may not result in additional spending if the conference agreement on the foreign aid authorization bill is enacted and appropriations are provided in full.

The bill authorizes the appropriation of $40 million in 1993 for the Department of Defense to cooperate in international efforts to control the proliferation of nuclear weapons. To offset the spending, the bill reduces the authorization for procurement by the Defense Agencies by $40 million. The bill also increases the ceiling on Department of Defense funds that may be spent in 1993 on the destruction of Soviet nuclear weapons by $250 million. Defense outlays were estimated using historical spend-out rates for the affected accounts.

Section 504 directs the Director of the National Science Foundation to establish a nongovernmental foundation. The foundation would (1) promote and support joint research and development projects for peaceful purposes between scientists and engineers in the United States and the republics of the former Soviet Union, and (2) establish joint non-defense industrial research and development activities through private sector linkages. Funding for the new foundation would be derived through a transfer of funds authorized for such purpose in the National Defense Authorization Act for Fiscal Year 1993, contributions by participating republics of the former Soviet Union, funds from nongovernmental entities, and income on the foundation's investments. No additional cost to the federal government is estimated from enactment of this section.

Agricultural Credit Programs. The largest single source of bilateral assistance for the former Soviet Union is in the form of export credits for agricultural commodities. Section 702 would make changes in the way various agricultural export programs are administered. None of these changes are estimated to increase outlays relative to the budget resolution baseline.

Section 702 expands the current authority of the Secretary of Agriculture to provide

technical assistance to emerging democracies. In order to receive assistance under this section, the new republics must meet the same eligibility criteria for other assistance authorized by this legislation. CBO expects that the change would not add to the technical assistance already in the baseline.

Subsection 702(a) waives the tonnage ceiling on commodities that may be shipped from the stocks of the Commodity Credit Corporation under the Food For Progress program. Nevertheless, the cap on handling and transportation costs of $30 million remains in place and will constrain costs to baseline levels.

Subsections 702 (k) and (l) specify minimum percentages of export credit guarantees and export enhancement subsidies that must be used to support exports of processed and high-value products to the former Soviet republics. These requirements hold only to the extent that processed and high-value products account for less than 25 percent of total export credit guarantees and 15 percent of total export enhancement subsidies. These overall thresholds are the same as the percentages of processed and high-value products assumed in the budget resolution baseline. Therefore, relative to that baseline, these provisions would have no effect.

Salaries and Expenses. Title III authorizes the appropriation in 1993 of $18.5 million for operating expenses for new embassies and consulates in the former Soviet Union and $6.8 million for United States Information Agency (USIA) programs. Outlays were estimated using historical spend-out rates for these programs.

Lending by International Financial Institutions. Russia and the other former Soviet republics have petitioned to join the IMF, the European Bank for Reconstruction and Development, and the World Bank. The IMF and the two international banks are expected to accept Russia this summer. As the republics are accepted and agree upon a program of economic policy reforms and performance targets, they will be eligible to borrow from these institutions. Lending by these institutions will be from their own resources and will not directly affect the U.S. budget.

Section 403 authorizes the U.S. Governor of the International Finance Corporation (IFC) to vote for an increase in the capital stock of the corporation. The IFC is an equity investment department of the World Bank. The additional stock would be sold to Russia and other new members as they join the IFC. Enactment of this section would not affect the U.S. budget.

Currency Stabilization Fund. Section 402 expresses Congressional support for a U.S. contribution of up to $3 billion to a currency stabilization fund. The announced package for Russia includes a $6 billion fund for Russia, of which the U.S. share is $1.5 billion. The IMF is to administer the stabilization fund using the General Arrangements to Borrow (GAB).

The GAB were established in 1962 by 10 industrial countries as a means of supplementing the resources of the IMF when needed to forestall or cope with an impairment of the international monetary system caused by participating countries. The United States appropriated 4.25 billion in Special Drawing Rights (SDR), or $5.95 billion, to finance drawings from the IMF under the GAB. In 1983, GAB participants agreed to permit the IMF to activate the GAB for financing to non-participants when the fund's resources were inadequate to meet exceptional situations associated with balance-of-payments problems of a character or aggregate size that could threaten the stability of the international monetary system. The GAB have never been used to finance drawings by non-participating countries.

Loans to the IMF under the GAB are treated as exchanges of monetary assets in the same manner as other transactions with the IMF (see discussion below). No budget authority or outlays are estimated for the use of the GAB.

Debt Rescheduling. After Russia concludes an agreement with the IMF, representatives of the republics comprising the former Soviet Union will meet with creditor governments in Paris to reschedule outstanding official debt. Rescheduling loans owed to the U.S. government is a loan modification covered by credit reform. If the rescheduling results in a loss of present value, the Credit Reform Act requires the appropriation of the additional cost to the U.S. government. The Administration claims it has the authority to reschedule loans owed the United States by countries that are in imminent default. If a country cannot service its debt, the Administration argues, there is no cost to deferring payments.

INTERNATIONAL MONETARY FUND QUOTA INCREASE

The IMF quota increase provided in Section 401 is not directly connected to the assistance to the former Soviet Union. The quota increase was negotiated in June 1990 and the Senate passed a bill authorizing the increase in July 1991. The authorization is contained in this bill to assure that the fund has adequate resources to meet the needs of the new members and other commitments worldwide.

Section 401 would authorize and appropriate the dollar equivalent of 8,608.5 million Special Drawing Rights (SDR) for an increase in the United States quota in the International Monetary Fund. The estimated value of the quota increase is $12,314 million. (The SDR is an international monetary unit whose value is a weighted average of a basket of currencies composed of the U.S. dollar, the German mark, the Japanese yen, the British pound, and the French franc. The value of the basket fluctuates daily.)

Transactions between the United States Treasury and the IMF are, by definition, monetary exchanges through which the United States receives an international reserve asset comparable to a convertible foreign currency. These monetary exchanges are not budgetary receipts or expenditures. Therefore, the estimate contains no outlays for the quota increase.

OTHER PROVISIONS

Office of Space Commerce. Title VI authorizes the Department of Commerce's Office of Space Commerce to conduct trade missions to the republics of the former Soviet Union to familiarize the United States aerospace industry with space hardware, technologies, and services available within the new republics. Such trade missions would cost approximately $0.1 million assuming the appropriation of the necessary amounts.

Immigration Provisions. Section 704(a)(1) extends through 1994 a special category for establishing refugee status under the Immigration and Nationality Act for certain aliens from the former Soviet Union, Vietnam, Cambodia, and Laos.[1] These persons can apply for refugee status on the basis of being members of traditionally persecuted groups rather than meeting the worldwide standard. The special category does not confer status itself. Refugee status is determined by the U.S. Immigration and Naturalization Service, which then provides for admittance of refugees based on regional ceilings that are set by a Presidential determination each year. Because this subsection does not affect the ceiling for all refugees (132,000 for fiscal year 1992), it has no direct effect on the number of refugees entering the United States. CBO estimates no cost for this extension.

Section 701(a)(2) extends through 1994 the ability of parolees from the former Soviet Union, Vietnam, Laos, and Cambodia to receive permanent residence status after living in the United States for one year without having to meet the general standards for adjustment.[2] This extension could potentially affect direct spending because, once adjusted to permanent resident status, these persons could be eligible for and receive government assistance. Nevertheless, because neither the number of these parolees who would qualify for adjustment under normal standards, nor the number who would use public assistance once they are permanent residents can be predicted, CBO cannot estimate the costs of this subsection.

6. Pay-as-you-go considerations: The Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA) sets up pay-as-you-go procedures for legislation affecting outlays or receipts through 1995. Section 401 of this bill, concerning the International Monetary Fund, would create budget authority in 1992, which is direct spending under section 252 of BBEDCA. Therefore, pay-as-you-go procedures would apply to the section. Transactions between the United States Treasury and the IMF are, by definition, monetary exchanges through which the United States receives an international reserve asset comparable to a convertible foreign currency. Nonetheless, these monetary exchanges are neither budgetary receipts nor expenditures. As a result, the estimate contains no outlays for the IMF quota increase.

The immigration provisions of the bill would have the following pay-as-you-go impact:

[By fiscal years, in millions of dollars]

	1992	1993	1994	1995
Outlays	0	(1)	(1)	(1)
Receipts	.....	(2)	(2)	(2)

[1] CBO cannot estimate the amount of additional spending.
[2] Not applicable.

7. Estimated cost to State and local governments: None.

8. Estimate comparison: None.

9. Previous CBO cost estimate: On June 17, 1992 and July 1, 1992, CBO prepared estimates for H.R. 4547 as ordered reported by the House Committee on Foreign Affairs and the House Committee on Armed Services, respectively. In addition, CBO prepared an estimate for the Senate companion bill, S. 2532, on June 1, 1992. That bill would provide the President with broad discretion to use various government programs and authorized the appropriation of such funds as necessary for the purposes of the bill.

10. Estimate prepared by: Joseph Whitehill, Eileen Manfredi, David Hull, Mark Grabowicz, John Webb, Joshua Leichter, Kent Christensen.

[1] Ex-Soviets considered under this provision are Jews, Evangelical Christians, Ukrainian Catholics, and Ukrainian Orthodox. Vietnamese, Laotians, and Cambodians must be members of certain categories determined by the Attorney General of the United States.

[2] Grounds for adjustment from parolee to permanent resident include having an employer-sponsor, marrying a U.S. citizen or permanent resident, or being a relative of a U.S. citizen.

11. Estimate approved by: C.G. Nuckols, Assistant Director for Budget Analysis.

CONGRESSIONAL BUDGET OFFICE ESTIMATE[1]

The applicable cost estimate of this Act for all purposes of sections 252 and 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 shall be as follows:

[By fiscal years, in millions of dollars]

	1992	1993	1994	1995
Change in outlays	0	(1)	(1)	(1)
Change in receipts	.....	(2)	(2)	(2)

[1] CBO cannot estimate the amount of additional spending.
[2] Not applicable.

Mr. BROOMFIELD. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, I join Chairman FASCELL in supporting this bill to provide technical assistance to the former Soviet Republics. This is the most important foreign policy issue we will address this year.

The Freedom Support Act is not a handout. It is an investment in the peace and prosperity of future generations—a once in a lifetime opportunity to make our Nation's greatest adversary become a partner in democracy and trade.

History has presented us with the opportunity to end the cold war once and for all. To achieve this end will surely require an effort on the part of the United States and our allies. But while other nations are willing to join us to shoulder the burden, only the United States can lead this effort.

In my lifetime, and in my career in the House, I have seen many dark days throughout the course of the cold war, including Winston Churchill's Iron Curtain speech, the Berlin blockade, the Korean war, the launch of sputnik, the Bay of Pigs, the Berlin Wall, the Cuban missile crisis, the Vietnam war, and Communist insurgencies in every corner of the world.

Even if our Nation had the spirit, I am not certain that we have the ability to endure these trials again.

In the past year I have seen Mikhail Gorbachev make his own speech in Fulton, MO, declaring the end of the cold war. I have seen Boris Yeltsin—a freely elected President of Russia—agree to dismantle his nation's nuclear arsenal. The Soviet Union will never again be mentioned without the preface "former."

It is with great satisfaction that I support this bill as one of the last major initiatives of my 36 years in Congress.

DANTE, as everyone here knows, you and I will be retiring at the end of this session. We have worked together across four decades on the Committee on Foreign Affairs—the last 8 years side-by-side as chairman and ranking member of the committee.

Together you and I have had the privilege to witness and participate in the foreign policymaking process of the United States. As a Member of the House a member of the Foreign Affairs Committee, a Republican, and a friend, I can say without fear of contradiction that no one could have better deserved our Nation's trust or better served its interests throughout these years than DANTE FASCELL.

DANTE, it has been a real pleasure to serve with you. You have always been fair, honest and open to the views of the minority. You leave this institution with a record to be proud of, and a reputation for bipartisanship and compromise that should and will be remembered by those who succeed you.

As you and Jeanne-Marie begin your life after Congress, I hope you take a moment to savor your accomplishments. Our careers in this institution may, at most, be a small footnote in the Nation's history. However, those of us who have had the opportunity to know and work with you will not forget your personal integrity, your persistent efforts, and your friendly manner.

DANTE, my congratulations on a job well done.

History will remember President Harry S. Truman, Gen. George C. Marshall, Senator Arthur Vandenberg and the rest of the U.S. Congress for the foresight and political courage in enacting the Marshall plan in 1948. Can we rise to meet the same challenge in 1992?

The stakes for future generations are simply for this measure too great to be lost in the politics of the moment. We must pass this legislation—it is in our interest to do so.

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

Mr. BROOMFIELD. I am happy to yield to the gentleman from Florida.

Mr. FASCELL. You caught me completely by surprise, BILL. I am very grateful for your gracious remarks. Let me simply say it has been a pleasure to work with you as the ranking member. I have considered you as cochairman constantly throughout this effort. It has been a real pleasure for me to work with you.

Mr. Chairman, the gentleman from Michigan [Mr. BROOMFIELD] has described my philosophy exactly. I believe the democratic process does call for compromise in order to make progress. I am willing to fight anybody at any time, if that is what it takes, but I would just as soon find some other decent way to work it out and make progress for our country and the American people.

In that process it has been my great privilege since I have been chairman of the Committee on Foreign Affairs to serve side by side with the gentleman from Michigan [Mr. BROOMFIELD], and I want you to know how grateful I am for the kind of support you have given. I wish you and Jane all the best in your future days. I know you and I will not vegetate. We have other things to do and we will always be interested. But I do want to express my appreciation for your thoughtfulness.

Mr. Chairman, for the better part of four decades BILL BROOMFIELD and I have proudly served the Committee on Foreign Affairs. For the last 8 years, we have cooperatively served together as chairman and ranking member.

While we have not always seen eye to eye on every matter, I can honestly say that we have been able to work cooperatively and successfully on many important pieces of foreign policy legislation.

We have been impartial in our deliberations on most of our foreign policy initiatives and programs—particularly in the area of arms control and nonproliferation. Of this I believe we can both be justly proud.

I would like to tell my colleagues here today that it has not only been an honor but a pleasure of the highest order to serve with you, BILL. And as we prepare to take our leave of this august body later this year, Jeanne Marie and I wish to extend our best wishes to you and Jane as you embark on your new career. You both deserve the best—and our prayers for a long and happy life go with you.

Mr. HAMILTON. Mr. Chairman, I yield 4½ minutes to the distinguished majority whip, the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, it has been more than 4 months since the President made his announcement about a comprehensive plan, the emergency aid package. That was the point at which so many of us literally hit the roof in this institution.

America's recession was 2 months old. But did the President come forward with a plan for this country, for the literally 17 million Americans who could not find full-time employment, a plan to create jobs here, to revitalize our economy? No; he came forward with a comprehensive plan to revitalize the Russian economy.

□ 1500

Well, my question to the President was simple. Why should Russian people cut ahead of the line in front of Americans? Did not the people in this country need help as well?

At that point, the gentleman from West Virginia [Mr. WISE] and I circulated a letter, and which over 100 of our colleagues signed, and we said in our letter to the President, jobs for Americans must come first. We were not saying "no" to Russian aid or support. We were saying, let us take care of the problem here at home.

We asked for two things: First, extended unemployment benefits; second,

[1] An estimate of H.R. 5750, the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992, as introduced on August 3, 1992. This estimate was transmitted by the Congressional Budget Office on August 5, 1992.

accelerate a jobs package. We waited for months. There was no word from the White House. Nothing from the administration.

From my point of view what we were doing was handing the administration and those who are interested in this legislation a great opportunity. Not only would they get aid to Russia, they would also get credit for helping Americans that they were elected to serve. But months went by with no progress at all.

Finally, as we all remember last month, the unemployment rate jumped 3/10 of 1 percent, up to 7.8 percent. And then we got attention.

The extended unemployment compensation benefits with some permanency in them were signed into law by the President. That was a start.

What about creating jobs here at home? Local communities in all of our districts are ready to build and rebuild and resurface and do all the things that are necessary to make this a better place to live and to put people to work. But they see no help from Washington. Americans are still waiting for those jobs.

Now, let me make something very clear. My grandparents came from villages in the Ukraine. I am sympathetic to the problems there and in Russia and the other Commonwealth States. But some of the arguments I heard during this debate were unbelievable.

Members told us that if we did not pass the bill right away there would be riots in Moscow. There were not riots in Moscow. What we saw were disturbances in Los Angeles and other cities around this great country of ours, not in Moscow.

We were told that if we did not act, Russia would have between 3 and 5 million people out of work, ignoring the fact that we have 17 million people in this country who cannot get a job.

Let me conclude by saying that I and the gentleman from Missouri [Mr. GEPHARDT], the gentlewoman from California [Ms. WATERS], and others have been talking to the administration, the Speaker has implored the President to act on an extended jobs benefit program as well as on a guaranteed loan for our cities, for our cities so they can rebuild and put people to work.

I believe we have come close to an agreement. We have reached an agreement on extending jobs for people making roads and bridges and highways at the tune of about $1 billion a year. We are that close, and I believe we will expand the Guaranteed Loan Program to our cities.

I see that as a commitment from the administration, an important commitment.

So I say to my colleagues today, I am going to vote for this bill, but I want to make it perfectly clear that if they renege, if they renege on these two important provisions to put Americans to work, the half a billion dollars for jobs to build our roads and bridges that will get out before October, and the guaranteed loan program for our cities, then when this bill comes back from conference or when any other foreign policy bill that matters to the administration comes back, they will not only not have my support but my active opposition.

Mr. HAMILTON. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Iowa [Mr. NAGLE], who has done such marvelous work on this bill.

Mr. NAGLE. Mr. Chairman, today we have the opportunity to stand up and be counted on the question of whether the United States will continue to lead the global effort to assist the emerging democracies of the former Soviet Union.

The Freedom Support Act provides for a partnership between our Government and our private sector to build upon the new political and economic realities of the post-cold-war period.

The bill is not a blank check for any country. Among a number of conditions, each new state must demonstrate by good faith conduct that it respects human rights, promotes economic reforms, and supports nonproliferation of nuclear weapons.

The aim of these conditions is to discourage government actions contrary to principles we honor in the United States, such as Azerbaijan's 4-year-long blockade to deny the essentials of life—food, medicine, and fuel—to the peoples of Nagorno-Karabakh and Armenia.

These emerging democracies must make sacrifices and take risks, but we can and should help them succeed through passage of this act.

Mr. BROOMFIELD. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I would not vote a dime for this bill if I did not think it was in our national interest. I want Yeltsin to succeed, not to fail. That is in our national interest.

I want a monolithic Communist state to become a free market democracy. That is in our national interest.

We have almost won the cold war, and it cost us billions of dollars. But not yet. We have not yet crossed the finish line. And as in the Olympic marathon, a marathon that has gone on for 45 years, we have not crossed the finish line.

There are ethnic, there are nationalistic, there are religious hatreds over there seething within the territorial limits of what was once the Soviet Union.

There are 27,000 nuclear-tipped warheads in the Soviet Union. It is in our national interest to neutralize all of these. But most of all, I want to create from within the former Soviet Union 300 million new customers for our economy.

It is not an us-against-them. It is not taking care of the Russians and forget us at home. This is a world economy, and if we can create a democratic free market state or help create one out of the former Soviet Union, it will be a marvelous boon for our own economy and world peace.

The peace of the world, the prosperity of the world depends on our exercise of enlightened self-interest.

Yes, the Russian troops have got to come out of the Baltics and they have got to go home, but I believe the economic problems of Russia are obstacles to this essential disarmament. And if her economy can be strengthened and stabilized, I have no doubt the Baltic States will be freed.

If we do not see this through and the former Soviet Union reconstitutes itself as a totalitarian state, future generations can look at us and say, "You were miserable failures."

The CHAIRMAN. The Chair would advise the Committee that both the majority and minority sides on the Committee on Foreign Affairs may reserve time for closing. The Chair will insist that all other committees recognized under the rule consume their time in order once we are into the individual committees.

Mr. BROOMFIELD. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I rise in opposition to this bill. All of us want to do what we can to help the Russians democratize. That stands for the other countries that were part of the former Soviet Union as well.

Unfortunately, I do not think that this bill is the right way to do it. This is not really an effort to help the Russians democratize as much as it is an effort to refurbish funding for the International Monetary Fund in the amount of $12 billion as the commitment from the United States.

For about 5 years now there has been an attempt to get this additional $12 billion to the IMF through this Congress. Finally, there is an excuse to do it, and it is under the rubric of aid to the Russians.

The problem is that, according to the Congressional Research Service [CRS], the Russians are not going to get all of this money. As a matter of fact, the Russians are not going to get half of this money.

If we add all of the countries in the former Soviet Union, the commitment to them, their quota is set at $6.1 billion, or about half.

The Russians are slated to get $4 billion. In other words, one-third of the total.

So my colleagues, let us understand that this $12 billion to the IMF is not all for Russian aid. No more than one-third of it is going to Russia.

Second, $31 billion of the total of $1.26 billion reserve that is currently available in the IMF for lending, would meet the maximum demands of all the

former Soviet Union. So according to what the IMF currently has, there is adequate money to support funding for Russia and the other countries of the former Soviet Union. That is according to the Secretary of the Treasury.

Finally, the Senate Budget Committee staff projects that only $600 million of the $12 billion will actually reach Russia, for a variety of reasons. So I would say, Mr. Chairman, let us be careful about assuming that simply because we agree to guarantee $12 billion to the IMF, that, therefore, somehow or other we are lending or supporting the Russians in the amount of $12 billion. It simply is not true.

□ 1510

The second reason I believe we should be careful about supporting this legislation is that it is without the expression of conditions that many in this body had wanted to express by way of amendments that we were not allowed to offer as a result of the closed rule. Many of us wanted to suggest to the Russians that they at least ought to commit to a timetable to get their troops out of the Baltic States; that they at least ought to be willing to agree to abide by arms control agreements; that they at least ought to forego giving aid to countries like Cuba and North Korea and North Vietnam. Those are not unreasonable conditions.

I believe most of my constituents would be willing to consider doing what they could to assist the countries of the former Soviet Union, as long as the leaders of those countries understood what we felt was important. We believe these leaders are committed to these actions, but need support at home if they are going to be able to continue to make progress in these areas.

It does not hurt Yeltsin to impose some of these conditions, it helps Yeltsin to impose some of these conditions. There are many within Russia who do not want to remove the troops from the Baltic States, for example. By indicating to them that one of the conditions for this assistance is a plan to remove those troops, we strengthen Yeltsin's hand. He then is able to say to his comrades in Russia, "In order for us to get this kind of assistance, we are going to have to meet a plan to remove the troops from the Baltic States."

I urge my colleagues to vote against this program, because of the fact that we were not able to condition it in a reasonable way.

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

The CHAIRMAN. Under the rule, the gentlewoman from Ohio [Ms. OAKAR] will be recognized for 15 minutes, and the gentleman from Iowa [Mr. LEACH] will be recognized for 15 minutes.

The Chair recognizes the gentlewoman from Ohio [Ms. OAKAR].

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

Mr. Chairman, as I noted in the debate on the rule, I was very disappointed with the contents of the so-called Russian package legislation. The basis for the disappointment is our familiarity with the circumstances surrounding the legislation, particularly the IMF quota increase of $12.2 billion, which the Committee on Banking, Finance and Urban Affairs has exclusive jurisdiction over, and the omission of what we feel, the members of this committee, are essential instructions to IMF and other provisions.

IMF affects not just Russia, but 165 countries, and is the stabilizing force economically for the world economy in many, many ways.

Mr. Chairman, I think the IMF quota part is just as important as the Russian package part, and maybe more important in terms of the world economy. Therefore, we transmitted our work relative to this quota increase and included appropriate instructions to accompany this subscription.

I do not have disagreement with the objectives of the Russian freedom support effort or with the provisions as far as they go, but the bill does not go far enough. I think it would be irresponsible to have this $12.2 billion IMF quota increase without a number of specific policy recommendations that do not cost any money.

For example, we felt that it was very important to include management procedures to strengthen the bank's efforts to alleviate poverty. We felt very strongly, our committee, that several initiatives to protect the environment, so that the moneys were used properly, were included to support reduction and restructuring of developing countries' debt; to promote child survival; human and worker rights; to discourage, and this is especially important, to discourage excessive weapons expenditures. We have no guarantee if we do not put it in a policy statement that the portion of the IMF that they want to give to the Russians will not be used for more weapons expenditures. They do not need that, and it is important to have instructions relative to the IMF portion.

Additionally, there is a requirement for publications of the major economic reports, and a call for closer cooperation with other international financial institutions.

Mr. BURTON of Indiana. Mr. Chairman, will the gentlewoman yield on that point? I have something I would like to add that verifies what she says.

Ms. OAKAR. I yield 30 seconds to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, let me just say, in the Russian newspaper yesterday, and this is the Nezavisimaya Gazeta, it shows that the Russian Central Bank just pumped 1 trillion rubles or $6.6 billion into their military-industrial complex, and that verifies what the gentlewoman is saying.

Ms. OAKAR. Mr. Chairman, I thank the gentleman from Indiana [Mr. BURTON] for that point.

Additionally, there is a requirement for the publications, and to have closer cooperation between the IMF and the World Bank and other multilateral institutions. The Members have to understand that they are not just voting exclusively on a Russian aid package. They are voting on the IMF quota increase, on which we have not had an increase for 9 years.

While it is not part of the budget, it does not add to the deficit. The fact is, if we are going to contribute $12.2 billion, we had better make sure that we have guidelines that assist in terms of what we want our individuals who are on the board to vote for.

Let me at this point in time say that I am extraordinarily disappointed that somehow title I of the work that we did, which does not even relate specifically to this Russian aid package, could not even be included. I think it is a slap in the face for the work that the Committee on Banking, Finance and Urban Affairs members did, and for what I think is important policy for the American people who do make substantial contributions to the global economy.

That is why I do not support this bill in its present form.

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

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

Mr. Chairman, few issues are more important to our long-term national interest then the future of democracy and free enterprise in the former Soviet Union and former Soviet bloc.

While the greatest unfought war in history may be won, peace remains elusive. Failure of the West to engage in helping alleviate the socioeconomic and political problems stemming from Soviet communism's demise carries as many liabilities today as failure to contain communist expansionism would have 40 years ago.

The immediate challenge for America is to craft techniques that nurture democratic values and retard the prospect of regression to police-state controls and aggressive foreign policies on the Eurasian land mass. Winning peace is generally less costly than waging war, but it is not cheap; nor in some instances is it easy to justify to political constituencies.

From a historical perspective, the three most momentous events of the century are World War I, World War II, and the cold war. As historians well understand, little is more worrisome than the model of punitive intransigence the victors of World War I applied to Germany. Clearly, organized retribution against the Kaiser helped precipitate the rise of Hitlerite Fascism. Likewise, little in retrospect appears more successfully enlightened

than the generous approach taken toward the loses of World War II when enemies becomes allies. The lesson of history as well as individual life is that charitable understanding is a more practical and moral approach than calculated indifference.

In the long run free enterprise and trade are the most efficacious answers to the enormous economic plight behind the fallen Iron Curtain; in the short run, the modest amount of humanitarian technical and international financial assistance authorized in the Freedom Support Act to the former Soviet Republics may be the cheapest national security insurance policy the United States can consider taking out. Direct U.S. aid ought to emphasize exchange programs, humanitarian assistance—principally food and medicine—and help in the dismantlement of nuclear weapons systems. For economic development and financial assistance, the West should rely on three relevant multilateral institutions; the World Bank, the International Monetary Fund, and the newly created European Bank for Reconstruction and Development.

Here it should be stressed that in substantive as well as dollar terms, the centerpiece of the Freedom Support Act is the technical and financial assistance that will be provided to the former Soviet Union through the International Monetary Fund (IMF).

While there is understandable skepticism about primary reliance on international financial institutions in this circumstance two advantages stand out: First, funding provided is of a loan not grant nature; second, other countries, especially Western Europe and Japan will be obligated to comparable liabilities, in this case matching America's on a 4-to-1 basis.

One of the least understood aspects of this approach is that the United States is one of the few countries that requires legislative approved for quota increases to the IMF's capital reserves. Because most other governments look at the IMF in part as a profitable institution, decisions on replenishment in other countries are generally made on a timely and supportive basis.

Half of our allies simply won't agree to support the IMF until we do, although they are prepared to match on a 4-to-1 basis every dollar we obligate immediately after our commitment is made. In other words, by failing to support the IMF quota increase, the Congress would be holding up $48 billion in contributions from others to the Fund. We would, in effect, be blocking IMF contributions from Germany and Japan that help advance America's national interests in the former Soviet Union.

The other half want to support the IMF without us, in order to lay claim to the trade deals attendant to IMF lending and in order to eliminate forever the U.S. veto of IMF policies which goes with us and only us because of our current near 20-percent participation in the Fund. In other words, our commercial as well as leadership interests are at stake with the decision before us.

The estimated value of the U.S. share of the quota increase is $12.3 billion. The U.S. contribution to the Fund will require an appropriation of budget authority, even though there is no net budgetary outlay. The reason for this is that our IMF quota is a monetary asset. When the United States provides its quota increase in Treasury reserves in exchange for our quota subscription, these reserve assets can be used by the United States at any time. In budgetary terms, therefore, despite an appropriation of budget authority, the quota increase has no effect on the U.S. budget deficit. In fact, the United States has earned an average of $600 million annually through participation in IMF loans over the last decade.

There is no guarantee, of course, that these gains will recur on IMF transactions once it begins lending to Russia; in fact, it would be naive not to suspect some losses. On the other hand, the possibility exists that, if sufficient free-market restructuring takes place behind the resource-rich former Iron Curtain, actual profit could accrue on the credit extended. To the degree any losses accumulate, they would be shared on a 4-to-1 basis with others.

A unique aspect of providing assistance through an international financial institution is that principles as well as dollars can be leveraged. While individual donor states have little leverage in influencing the economic policies of other states, the IMF has a proven track record of conditioning aid on free market reforms. Particularly in recent years, IMF adjustment programs have promoted less government and more private enterprise through reductions in bloated government spending, privatization of state enterprises, price and financial liberalization, as well as free trade. Key United States trading partners—Mexico, Argentina, and Brazil—in our fastest growing export market, Latin America, have IMF programs in place that support privatization, sound monetary policy, open trade regimes, and economic growth.

While Americans may differ on the role and composition of foreign aid, consensus should be obtainable on the notion that progressive change can most likely be institutionalized through expanded trade and investment ties. Aid without trade is a prescription for dependency, not self-sufficiency. Likewise aid without the development of a free enterprise psychology and legal infrastructure will be of fleeting significance. Unless laws are developed that protect property and provide incentives for entrepreneurship, all of the newly established states of the former Soviet Union and erstwhile Soviet bloc will likely stagnate for decades with per capita GNP wallowing at the level of less developed countries. What the former socialist states need is a cultural reordering of attitudes toward the relation of the state and individual. This can only occur through the widest possible contact with the West, particularly America.

Hence, I would stress the provision in this bill of a commitment to commence one of the largest exchange programs in the history of not only this country but any country. Based on legislation the distinguished Senator from New Jersey [Mr. BRADLEY] introduced in the other body and that which the distinguished gentleman from New York [Mr. MCHUGH] and I introduced in the House, this exchange program is designed to bring our countries together by building individual contact and sharing individual values. It is based on the assumption that at issue is generational not episodic change. I am personally convinced this exchange program will in the end prove more consequential than any of its capital providing features.

What the West must do is conjoin political and economic principles, emphasizing that democracy and free enterprise go hand in hand and that those states that move the most progressively are likely to be recipients of most public assistance as well as, by implication, private investment. In this regard, the non-Russian republics of the former Soviet Union should be singled out for sympathetic concern, with the new leaders of the Kremlin put on frank notice that efforts to thwart independence movements, whether in the Baltics, Ukraine, or Georgia, will be looked on with political disfavor carrying negative trade and investment implications. Here, it must be stressed the intent of Congress is to apply the resources contained in this act to all of the former Republics of the Soviet Union, not just Russia.

Social dislocation too often leads to scapegoats and simplistic solutions, to a search for a strong man, a Ukrainian Mussolini or a Russian Milosevic. Likewise the pace of reform itself may lead to disillusionment, like that expressed by the Russian nihilist Dimitri Pisarev, who suggested in the mid-19th century that a pair of boots is worth more than all the plays of Shakespeare. If communism is not simply to give way to nihilism, hope must be provided in democracy, market economics and trade.

Should the Congress fail to support IMF assistance to the former Soviet Union, America risks an unraveling not only of the G–7 aid package but a disastrous rending of the reform movement and hence social fabric in the soviet successor states.

If the nascent experiments in democracy and free enterprise collapse for

want of timely Western support in the former Soviet Union, the potential ramifications for the national interests of the United States—in terms of threats to United States security, escalating defense budgets, and lost markets for trade and investment—could be staggering.

The challenge of our time is to grasp the opportunity created by the end of the cold war. If America leads wisely, new wells of creative energy can be opened up and mankind's untapped productive potential released. The world can be enriched with a renaissance of the human spirit. If, on the other hand, America fails to secure the peace so many citizens have sacrificed so much to achieve, the mantle of 21st century leadership will pass to other less charitable societies and less liberal philosophies.

The weight of historical judgment is on our shoulders. It is time for Congress to share with the Executive the burden of leadership of the free world. The Freedom Support Act deserves our support.

There is no guarantee if we go forward with this approach that it is going to work. But it is close to a surety that if we fail to go ahead, global instability will emanate.

□ 1520

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

Ms. OAKAR. Mr. Chairman, I yield 2 minutes and 10 seconds to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I rise in opposition to the legislation. I do not begrudge any country that has the leverage, the clout, or the power to come to our Government and get money and get resources. But I do insist that this Government must focus some attention on our cities, our towns, and even our rural communities that are in desperate shape.

On May 28, my city went up in flames. A lot of politicians and people from the private sector stepped forward, and they talked about what they were going to do. They said they were ashamed of the homelessness and the despair, and that they understood the joblessness.

To date, very little has happened. The people who have been poised, waiting for some assistance, have gotten little or nothing. The urban package that we passed out of this House is a joke. Now it is hung up over on the Senate side, and the $14 billion in tax incentives has grown to $31 billion, and still there is 2.5 billion measly dollars supposedly to be spread around this country.

The unemployment rates went up today, not only in my district, but all over America. Little towns, Appalachia, the delta, the Midwest, the west coast, everybody is suffering in America from 12 years of neglect.

I cannot go home and explain to my people why we can give taxpayer dollars to Russia and we cannot do anything for the cities.

Let me tell Members what we have done for Russia. Aid to the former Soviet Union has been very generous, $4.8 billion in loan guarantees for surplus products, $100 million in transportation assistance for donated food commodities, $210 million in Food for Progress assistance and Desert Storm surplus assistance; $650 million from this year's defense bill for weapons dismantlement; $610 million this year in traditional foreign assistance; and finally, a $12 billion increase in IMF capital.

I do not know how we can do this for Russia or anybody else and continue to ignore our cities.

Mr. LEACH. Mr. Chairman, I yield 2 minutes to the gentleman from Missouri [Mr. HANCOCK].

Mr. HANCOCK. Mr. Chairman, today we are considering legislation which just a few years ago would have been unthinkable—the United States Congress sending money to the former Soviet Union to help it convert to a market economy and Western democracy. I do support these goals in principle.

However, in practice, sooner or later we have to realize that the solution to all of the world's problems is not the U.S. Treasury. If the people of Russia haven't yet mastered a free-market economy, then turn American industry and workers loose on them so they might learn. But sending our tax dollars before Russia fully embraces capitalism ensures our money will be squandered.

At a time when our Nation desperately needs to keep money here at home, it seems we are headed in the opposite direction. This legislation contains a $12 billion IMF quota increase, which I fought against in committee because, frankly, we simply can't afford it.

We must start looking after America first, or else we won't be able to continue in our generosity either at home or abroad.

We can and should assist the people of the former Soviet Union to ensure that the days of the cold war are truly over. But, if the legacy for our winning the cold war is constant demands for increased foreign aid, it will be a hollow victory for American taxpayers indeed.

Therefore, I must oppose this legislation and I urge my colleagues to do likewise.

Mr. LEACH. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I want Boris Yeltsin to succeed, and I want to do everything I can to assist him in that endeavor because we have been enemies with the Soviet Union for a long, long time, and peace has broken out, and we want to see that succeed.

However, I have a question to ask my colleagues. Why not extract a quid pro quo from the Soviet Union? Why not get something for these loans? Why not enter into a contractual agreement with them to guarantee that we will get our money back, that this money is not going down a sinkhole that the American taxpayer is paying for. Why not get that kind of contractual agreement?

Let me tell the Members what kind of contractual agreement I am talking about. The Soviet Union has $31 billion in vanadium resources; $62 billion in nickel resources; $204 billion in manganese; $7 billion in silver; $103 billion in gold; $60 billion in platinum. Their diamond resources are incalculable. In natural gas, they have 1,600 trillion cubic feet, which is estimated to be worth $2.720 trillion, and they have 57 billion barrels of oil worth $1.140 trillion.

Why not enter into a contractual agreement saying we will give you this aid, we will give you these loans, but we want to guarantee that we are going to get this back in resources? That is good, solid business. Do not waste American taxpayer dollars on foreign aid and send this down a sinkhole. Let us get something back for our money. Let us get a guarantee that they are going to live up to the commitments that they have made, and the only way to do that is to enter into a contractual agreement with the Soviet Union, all of the new Soviet States, all of the former Soviet Union. That can be done, and we should have debated that under an open rule. We did not, so I say to my colleagues, let us defeat this and go back to the drawing board and get an agreement that we can live with.

Ms. OAKAR. Mr. Chairman, I yield such time as he may consume to the gentleman from Virginia [Mr. OLIN].

Mr. OLIN. Mr. Chairman, I rise in strong support of the Freedom Support Act.

Mr. Chairman, 2 weeks ago I had the opportunity on two occasions to hear and question the United States Ambassador to Russia, Robert Strauss. At a hearing of the full Agriculture Committee, and later at a joint meeting of Senators and Representatives interested in international affairs, I heard him give his appraisal of the situation and prospects of Russia and the former Soviet Republics.

The Ambassador is in Washington to encourage the Congress to pass the Freedom Support Act, to assist the former Soviet Republics with credit guarantees, critically needed food, and appropriate technical assistance.

His message was clear and compelling. He said the United States fought communism for 70 years, and now that it is gone we have a

chance to help those Republics establish a democratic, free-market system. He said that the situation there is very volatile. Food is scarce, inflation is running wild, unemployment is rising. Help is needed to stabilize the situation and bring hope and confidence. It is in the highest interest of the United States to provide needed help along with the other major nations of the world. It is in the highest interest of our security, and it represents a huge economic opportunity. It would be unthinkable that we would reject this opportunity.

I want my constituents, particularly those who say they are opposed to all foreign aid, to know that this foreign aid makes sense. It will provide jobs in the United States and it will help to protect the peace.

I want to give you a little of the flavor of Ambassador Robert Strauss' observations about the current situation in Russia, the Ukraine, and the other former Soviet Republics.

He said that Russian President Boris Yeltsin hates communism. Yeltsin is very strong and effective. His 35-year-old Prime Minister, Yegor Gaydar, is first rate. Both are working hard to move toward a more democratic market economy. But there are many, many problems. It is slow going, and they are constantly heckled by groups of hard liners who want to get back into power.

Strauss does not think communism will ever return. But some form of dictatorship could develop if the people get too discouraged.

There are gigantic problems. Industrial production is down 13 percent and will go much lower. They need to shut down the plants that are producing things there is no market for. Thousands of factories must be converted to produce the things they need. There is massive unemployment in a country where for generations everyone had a job.

I asked Strauss whether the Russians were able to receive technical help, to understand it and put it to practice. He said the understanding of American methods was almost nonexistent. Learning is very slow. He said that just sending money won't do the job. It's going to take time and patience.

Strauss says he thinks the Russians will make it. But they will continue to need our help. They need food and other support in order to survive as they try to build a free economy starting from almost nothing. They need to know that we are with them in what they are trying to accomplish.

There is little else that is so important to the United States than to achieve economic health in all the former Soviet Republics. I urge all Members to vote for the Freedom Support Act.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, I thank the gentleman for yielding me the time. I would like to engage in a colloquy with the gentleman from Indiana [Mr. HAMILTON] to clarify the use of the new section 201, which explicitly provides for the use of authorized funds to encourage United States private sector participation in the development of a free market economy in the former Soviet States.

A similar problem has arisen. Access to the help of these U.S. professional services, accounting, law firms, investment banking and the like by CIS entities is limited by a lack of money and by the cumbersome procedures that are in place for many of our aid programs. It is important to clarify that the purpose of section 201 is to encourage private sector participation in the CIS, and that as a priority this should include the means by which U.S. service firms can take part in an efficient and timely way in the development of new free markets in the CIS.

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

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

□ 1530

Mr. HAMILTON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I agree with his comments and support them fully.

Mr. LEACH. Mr. Chairman, I yield myself 10 seconds simply to respond very quickly to the gentleman from Indiana.

The reasons the Government does not enter into the kinds of contracts he advocates is the IMF is already a primary creditor. The theory is to leave mineral resources, it is for the private sector to tie up this collateral.

Mr. Chairman, I yield 1 minute to the distinguished gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, my colleagues, this vote has implications far beyond the details. Decades from today what will be remembered are not the details of this legislation but whether this House stood on the side of those struggling for freedom and democracy in Russia or stood against them.

Russia is on the path toward democracy and free markets today primarily for two reasons, first, the courage of its people and of its leader, Boris Yeltsin, but, second, because of the policy steadfastly pursued by the American people and our leaders going back to Truman and Eisenhower, stretching on through Reagan and Bush.

Let us not risk undoing the gains of those policies pursued for so many years to success. Let us not risk undoing those gains by voting no on this bill. Resist that temptation. Stand on the side of freedom and democracy in Russia; stand on the side of a secure peace for America.

Mr. LEACH. Mr. Chairman, I yield 5 minutes to the gentleman from Nebraska [Mr. BEREUTER], who has been one of the great leaders in the Congress on an assortment of issues, most particularly this one.

Mr. BEREUTER. Mr. Chairman, this Member rises in the strongest possible support for H.R. 4547, the Freedom Support Act of 1992.

I would remind my colleagues again, without hyperbole, that the vote on H.R. 4547 is truly, quite probably, the most historic and important vote that you will ever cast as a Member of the House of Representatives. Supporters of the Freedom Support Act will be able to look back upon this vote with pride; those who vote against it will eventually have a lot to explain, and their excuses will ring hollow. For in the Freedom Support Act, we have the opportunity to move back from the precipice of nuclear war that we have faced since Joseph Stalin's Soviet Union exploded the first nuclear device.

Mr. Speaker, the Soviet Union is no more. In its place we find a loose confederation of newly independent states. It is too soon to tell whether Russia, Ukraine, and the rest will become benign or constructive forces in world politics; or whether they will revert into reactionary, antidemocratic forces. This body, by its action today, has the ability to have a significant impact upon that evolutionary process—for the better. We can have a big role today in assuring that the latter does not happen.

Over the years, this body has appropriated literally tens of trillions of dollars for defense expenditures to contain and combat the aggressive initiatives of the Soviet Union. Indeed, the IRS recently estimated that between 1947 and 1990, the direct price of defending U.S. interests in the cold war cost the average American family approximately $80,000 in tax revenue. Now we have an opportunity to reverse this continued massive defense spending, and bring home the ultimate peace dividend for domestic priorities. That is how the needs of our Nation's biggest and most troubled cities like Los Angeles, Baltimore, and East St. Louis and their citizens can be then addressed. That is how the needs of rural and small communities can be met.

Does a threat still exist? Unfortunately, the answer is yes. The massive Red army that has threatened the West for so long did not simply fade away when the Soviet Union disintegrated. It has become the Russian Army. And while it is true the force and orientation of the Russian Army has become less ominous, it is still a very potent force. This is the force that has targeted many thousands of strategic nuclear weapons upon every State, and every major city, and every congressional district in the United States—and on the heads of more than half of the American people. Though agreements have been negotiated for dismantling many of these terrible weapons, most of those weapons still remain. In addition, Russia continues to storehouse thousands of tons of chemical munitions, and a vast arsenal of biological agents of mass destruction. We need to work with the Russians and the others to continue the dismantling of these weapons of mass destruction—to eliminate as many as possible and pull

back permanently as friends from the provocative confrontation that would prompt their use.

I would remind my colleagues that the former Soviet Union was the only nation that possessed the ability to put an end to the United States. And Boris Yeltsin has inherited that nuclear capability. Now, under Yeltsin's leadership, Russia is more than willing to cooperate in the collection and dismantling of these terrible weapons, but it is an effort that even under the best of circumstances will take years to accomplish.

This Member would urge his colleagues to think through what is being proposed. Boris Yeltsin and his associates seek to work within a system of democratic world order. They now seek to be a friend and good neighbor rather than an adversary. Russia and the other former Soviet Republics are working with the West on stemming international terrorism—which the Soviet Union has long sponsored with such lethal effect and political damage. They are working to deny rogue nations such as Iran, Iraq, and Libya access to black market weapons and to Soviet scientific expertise. They want to work with the West to clean up environmental disasters, some of which are so severe as to threaten all of mankind.

The former Soviet Republics are not looking for a bailout. Rather, they are looking for a helping hand. They understand, at least in part, that the path they have chosen to democracy, pluralism, and market-oriented economics will be difficult. They also know that they will surely fail if the West does not help.

This Member will repeat what others in this body have already said. The dollar are very, very modest, particularly in comparison to the unprecedented dividends. In real outlays the Freedom Support Act primarily provides technical assistance. It is not a bailout. And the United States is not carrying the entire load. Indeed in comparison to the combined commitments of EC and other donor participants, our contribution is quite modest. The Freedom Support Act will make us part—an essential part—of a coordinated international freedom support and assistance effort.

Mr. Chairman, I say to my colleagues that this is no time to play politics, for excuses, or for faint hearts. Occasionally, rarely, in our careers as legislators, we are asked to cast a vote that has truly momentous implications. This is such a vote.

I would say to my colleagues that if you care about world peace and stability, this is quite probably the most important vote you will ever cast. If you want to put a permanent end to the cold war and assure it does not end in a worldwide nuclear holocaust, then you need to support the legislation. If you sincerely care about dismantling the tens of thousands of nuclear weapons—nuclear weapons that are targeted at your own constituency, then you must support the Freedom Support Act.

Mr. Chairman, America's fundamental economic and national security interests demand that we pass the Freedom Support Act.

Ms. OAKAR. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland [Mr. MFUME].

Mr. MFUME. Mr. Chairman, let the record clearly reflect that this bill is good for the people of Russia, but it does not show to be as good for the people of the United States of America.

Let me say to my colleagues, and remind myself, I do not stand in opposition to this bill because I am opposed to the people of Russia. It is because I am for the people of the United States, our workers, our farmers, our students, our cities, our working families, our Nation's children.

Yesterday the Committee on Rules would not permit an amendment that would address the needs of our cities and of our country by allowing loan guarantees to be placed into this bill or American workers and American families. Today unemployment claims rose by 69,000 in just one week, the largest jump in recent history.

So why can we not find the time and the dispatch and the passion to argue also forcefully for the needs of people in this country?

Mr. Chairman, few people will remember what we say here today, but many will remember what we do. If we are serious about helping fledgling democracies, let us start with the ones that we know best. They are called the United States of America, and they are in desperate need of attention and great dispatch and eloquent speeches and help from this body.

Ms. OAKAR. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. KANJORSKI].

Mr. KANJORSKI. Mr. Chairman, my colleague on the Committee on Banking, Finance and Urban Affairs, the gentleman from Maryland [Mr. MFUME], I think, said it all.

I listened to some of the debate here today. For some reason we do not trust our own system.

Obviously the President, the leadership of the other side of the aisle, the leadership of this side of the aisle have to fashion this in the dark of night, have to pass this through. We do not trust the fact that there are some of us who will support foreign aid. We will support foreign aid for the Republics of the former Soviet Union.

□ 1540

The only thing we want to do is have another look at the whole system and how it is done.

Finally, I realize what our problem is. We just do not trust ourselves.

I think the answer to the question of the gentleman from Maryland [Mr. MFUME], what do we do for American States, is very simple. We just qualify them as a lender from the IMF, because some have made the argument that this does not affect the budget in any way, it does not cause any further deficit or debt.

Well, excellent. Let us not give them $12.2 billion. Let us give them $24.4 billion and qualify the State of California and the city of Los Angeles as a lender from the IMF.

It is getting so ridiculous, Mr. Chairman, that last night I sat in the Rules Committee meeting and one of the Members testifying said, "This is a great proposition because for every dollar we make available, $2.57 comes back."

And like lightening out of the sky, I realized that is the solution to our recession in the United States. Our problem is we are not giving enough. We should give $100 billion or $200 billion or $1 trillion and cure the American recession.

Mr. Speaker, let us defeat this bill, not with the idea of defeating foreign aid or helping the Soviet Union or not meeting our time of destiny, but to correct the system of how it is done, and let us be fair to the States of the United States as well.

Mr. LEACH of Iowa. Mr. Chairman, I yield myself the balance of the time.

The challenge of our time is to address the opportunity created by the end of the cold war. If America leads wisely, new wells of creative energy can be opened up and mankind's untapped productive potential released. The world can be enriched with a renaissance of the human spirit.

If on the other hand our country fails to secure the peace so many citizens have sacrificed so much to achieve, the mantle of 21st century leadership will pass to less charitable philosophies and less liberal societies.

Mr. Speaker, it is the obligation of this Congress to be mindful of our heritage and farsightful about our future. In this context, I do not think we have any option whatsoever but to support the approach before us.

Mr. Chairman, I urge a strong bipartisan vote for the President's initiative.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. BLACKWELL].

Mr. BLACKWELL. Mr. Chairman, I am a Korean war veteran. My father served in the First World War. My brother served in the Second World War, and after we won the war, we lost the peace.

There is no unemployment in Japan. There is no unemployment in Germany. Korea is thriving, but here in this country we have wretched unemployment, and we would stand on this floor after defeating communism and

say after sacrificing, we should sacrifice once again to rebuild their economy while ours is going to pot.

Mr. Chairman, there is something wrong with this place. The American people will answer at the next election.

Vote for Russia, vote against America and bring about your own defeat.

Mr. Chairman, I rise today to express my opposition to the so-called Freedom Support Act.

No one can deny the fact that the changes that have occurred in the former Soviet Union are truly remarkable. The people of Russia and the 11 other Republics are now free from the iron shackles of Communist oppression.

But there are a countless number of Americans who are not free, who are imprisoned right here in the land of opportunity.

They are not free to walk into a hospital and receive medical care that they so desperately need.

They are not free to enter the workplace each day, and earn a decent living.

And in too many cases, Mr. Chairman, they are not free to provide the basis necessities, like food or a decent home for their families or themselves.

So before we decide to send billions of dollars overseas, I urge my colleagues to consider the implications of such a message, a message that tells the disenfranchised and ignored citizens of this country that you come second, you just do not count.

Well, Mr. Chairman, the time has come to put the welfare of the American people as our No. 1 priority.

I firmly believe that we must take every measure to dismantle the obscene war machine that was constructed by the United States and the Soviet Union during the cold war.

But over the course of the last 12 years, as more and more money was bled from the hard-working taxpayers of this Nation, to quench the thirst of war mongering leaders, who really paid the price?

Yes, we must achieve world peace. And yes, a strong Russia means a strong United States.

But before we can help the rest of the world, we must be strong enough, and smart enough to help our own.

Mr. Chairman, I know that many of my colleagues feel that the concept of restricting foreign aid to help Americans here at home represents an antiquated, close-minded ideology.

The sad reality however, is that we are still pouring funds into defense spending, when the only wars that this Nation should be preparing to fight are the many wars that are waged every day here on our own soil.

The war against hunger. The war to improve health care. The war to restore the American economy, and American jobs. The war to improve education.

In short, the war to save this great Nation of ours.

So before we send billions of dollars to the former Soviet Union, maybe it is time to end this blatant hypocrisy.

Until then, please do not disgrace the word "freedom" by tacking it onto a piece of legislation that will deny millions of Americans even their most basic rights. We have won the war, now let us win the peace for all Americans.

Ms. OAKAR. Mr. Chairman, I yield 1 minute to the gentleman from Chicago, Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Chairman, I rise today to speak in opposition to H.R. 4547, the Freedom Support Act. While the idea is cliché, I oppose this legislation because I am a firm believer that charity starts at home and then spreads abroad. Before focusing our attention on Russia and other foreign nations, we need to pay close attention to what has happened in our country. There are critical issues such as high unemployment, health care reform, economic and educational reform which should be addressed before allowing precious time on the House floor for a so-called Freedom Support Act.

Our urban centers, which are decaying at an alarming rate, are in need of a Freedom Support Act. How can we begin to provide aid to other nations when our own country is in desperate need of aid itself? I strongly believe that we should address domestic issues at home before we even think of helping others abroad. We should at a minimum attach an amendment to this bill which provides loan guarantees for urban centers. However, when my colleague from California, Ms. WATERS, offered an amendment for consideration that would have addressed the needs of our cities, it was rejected by the Rules Committee.

Mr. Chairman, Congress should take a leadership role in addressing the crisis in our cities. We now know that the Bush administration has no real plan to assist our urban centers and extend democracy to those suffering in our country. The citizens of this country are crying out for a revitalization which addresses real issues for real people. This disregard for U.S. citizens must stop, and it must stop now. Urban dwellers have heard nothing but constant rhetoric from politicians and have seen no action. It is time to cease useless rhetoric and provide real funds to rebuild and revitalize our cities. I cannot in good conscious support this legislation when our cities are in dire straits.

Ms. OAKAR. Mr. Chairman, I yield myself the balance of the time.

Mr. Chairman, I know there is an awful lot of feeling about this bill pro and con. To me, it is important to support Russia at this time so that it can continue its quest for freedom and stabilize the world; but one of the stabilizers of the world economy is the International Monetary Fund.

Nine years ago we gave about half the contribution that we are asking our country to give now. It is $12.2 billion.

I think it is a fatal error to give $12.2 billion as a contribution to the International Monetary Fund without instructions, without any strings attached, without any guidance in terms of policy.

We are the key policymaker of that Monetary Fund. I think it is extraordinarily irresponsible not to have the various instructions that our committee on both sides of the aisle made that would not in any way inhibit this Fund, but indeed enhance it.

Do you want this Fund to be used in the quest for military weapons? Do you want this Fund not to be used to stabilize the economy or poverty? That is the whole idea of the Fund.

When we as the most powerful country do not give any instructions to our Members, I think it is a tragic flaw. That is why I am saying today that we ought to go back to that Rules Committee and insist that at least title I of what the Banking Committee's work was is put in this bill. Therefore, Mr. Chairman, I oppose the legislation as it is written today.

The CHAIRMAN. The time of the gentlewoman from Ohio [Ms. OAKAR] has expired.

The next 20 minutes allotted under the rule will be divided between the chairman and the ranking minority member representing the Committee on Agriculture.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Chairman, I yield myself 3 minutes. Mr. Chairman, I rise to express my support for the Freedom Support Act.

This legislation includes a bipartisan series of amendments approved by voice vote in the House Agriculture Committee last month. Our amendments, contained in section 702, will provide the Secretary of Agriculture greater flexibility to use our Nation's agricultural trade programs to assist the newly independent states at no increased cost.

The Agriculture Committee's amendments will do essentially three things:

Allow greater latitude in using the Food for Progress Program to provide agricultural commodities to meet food needs in these countries;

Allow the Secretary of Agriculture to pay for the cost for technical assistance to develop more efficient food and rural business systems in emerging democracies; and

Encourage the increased export of high-value agricultural products processed here in the United States.

Mr. Chairman, there are many Americans who ask why—at a time of deep economic problems here at home and a $400 billion deficit—we should help Russia or any of the other emerging democracies.

As chairman of the Committee on Agriculture, I could point out how delegation after delegation from the Russian Federation and the other newly independent states have come to our country to learn about our agricultural system. They realize that one of the key elements to a successful market economy is providing consumers with

an abundant and affordable food supply.

But probably the best rationale I heard for supporting this legislation came from our Ambassador to the Russian Federation, the Honorable Robert Strauss, when he appeared before the House Agriculture Committee 2 weeks ago.

Ambassador Strauss said we have a historic window of opportunity to help solidify democracy in the Russian Federation. He said and I quote:

This bill represents far more than the money that it spends. It represents a signal to the rest of the world that the West and particularly the United States is not going to turn its back on the Russians as they attempt to get rid of communism and put in its place democracy.

Ambassador Strauss argued that we here in Congress must look at this bill not so much as a foreign aid bill but as a bill vital to our domestic interest, our national security, and our economic future.

I agree with Ambassador Strauss. We must take advantage of this historic opportunity to help the newly independent states through this difficult transition to a market economy.

Mr. Chairman, the Freedom Support Act will also benefit the American agricultural economy, and it will create jobs here at home. Through this bill's provisions we can lay the foundation for long-term export markets for American agricultural and nonagricultural exports. Finally, this bill will help us take a gigantic step to achieving a more lasting world peace.

Mr. Chairman, like Bob Strauss, I do not want it said one day that I contributed to the loss of the democratic movement in the former Soviet Union. We have too much invested in this effort. We have waited 70 years to see the demise of communism. Now is our very short window of opportunity, and we should not let it pass us by.

I urge my colleagues to join me in supporting the Freedom Support Act.

□ 1550

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

Mr. COLEMAN of Missouri. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 4547 for many of the same reasons which the chairman has enunciated. We have an opportunity to make sure that this world is a safer world. It is in our national security interest that we promote assistance to the former Soviet Union and those republics, to help reduce tension in the world, to reduce nuclear weapons and to open up trade opportunities.

One of the things that I put in this bill in the Committee on Agriculture is to help increase jobs here at home by increasing our value-added share of the world market to the former Soviet Union in sales of agricultural products.

Every time we sell $1 billion increase of value-added products, we add 20,000 people to work in this country. It is going to help our farmers, it is going to help our workers, but more importantly it will help world peace.

The chairman mentioned our ambassador, Mr. Strauss, who did testify before our committee the other day. Mr. Strauss very candidly said that we are in a position of losing our world market to a potential customer of the size of Russia and the former Soviet Union republics if we do not do something now dramatically. I think the use of the value-added product by our administration will help that.

We are in there competing now with the Europeans especially, and if we do not assist the Soviets coming out of this economy that they are in and try to stabilize them, move them to democracy, when they do get on their feet financially they are going to be doing business with the Europeans, not with the Americans. And again we will be put back into the residual supplier situation.

So I think there are some good points for American jobs, for American opportunities in this bill. I stand here in support.

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

Mr. DE LA GARZA. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. I thank the gentleman for yielding to me.

Mr. Chairman, every day when I drive to work, to this Capitol Building, I see people sleeping on the streets, right here in the Nation's Capital today.

Mr. Chairman, we have 10 million people out of work, 25 million people on food stamps, 40 million people without health care, a President who promised us 30 million new jobs—and I thought he meant jobs in this country. We have 2.4 million people declared bankruptcy and 841,000 new jobs. We had 3 to 1 more people declare bankruptcy in this country than creating new jobs.

Mr. Chairman, I stood in Lithuania, I stood there in the snow and watched candles burning in the snow where innocent people were gunned down by Soviet soldiers. Today those tanks and those soldiers are still there. And I challenge President Yeltsin to tell those soldiers to put their arms down, disarm the tanks and bring the missiles home.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman and Members, has anybody forgotten what this country is all about, where we have been and where we are going? The very room we are standing in today was built when? By Abraham Lincoln during the height of the Civil War. This country was not more than recovering from the recession when we decided to go to World War II because we had to save the world and to stop Hitler. Here we stand and listen to rhetoric that says if every single problem at home is not solved, by God, we cannot do anything to end the cold war.

What am I hearing on the floor of the House of Representatives? The average American family of four has spent $85,000 of their income in taxes to the Federal Government as their part of a cold war.

Mr. Chairman, that is over, that is over. If we allow the independent states to succeed, that is. We now have that chance.

Do you know what? If you add up every penny in aid, not just in this bill but every penny in aid that we are providing from the U.S. Government to the Soviet Union, you are talking about something like $5.5 billion. Do we forget that in 1990, as we saw the beginning of the end of the cold war, we cut defense $100 billion? The budget now working its way through Congress is going to cut defense another $80 billion.

My God, we are going to invest $5 billion to save $180 billion, so that we can spend it on domestic programs? Mr. Chairman, have we forgotten our soul? Have we forgotten who we are? Have we forgot that this is the chance to end the cold war, to truly make sure we have changed the world so that Democrats and Republicans alike can now change America? And we can invest in our cities, and in education, and in health care.

Mr. Chairman, if we do not do this now, when will we ever do it?

Support this bill.

Mr. DE LA GARZA. Mr. Chairman, I yield 1½ minutes to our colleague, the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Chairman, this bill is one of the most important pieces of legislation that Congress will consider this year. The United States has a historic opportunity to assist in the birth, growth and development of democracy in a country that we have spent trillions of dollars trying to isolate and defeat.

The former Soviet Union is making tremendous strides toward a free market economy and implementing democratic reforms. It is critical that the United States not only verbalize support but back these words up with concrete action to show we will walk with the newly democratized republics on this journey.

I am particularly supportive of a provision which earmarks 25 percent of EEP and 35 percent of GSM credits for exports of value-added agricultural products to Russia and the other new republics. Exports of value-added products not only meets the short-term nu-

tritional needs of the former Soviet Union but could in the long-term develop markets for U.S. grown and processed agricultural commodities.

Russian and the newly formed republics have not been perfect in their attempts to move toward a market economy and democracy but they have made great strides with little or no resources or expertise. The United States needs to challenge these new nations to reach their full potential but this will not happen without U.S. technical assistance and resources.

I am not willing to return to cold war days and out-of-control military spending. Send a message of support to the fledgling nations of the former Soviet Union. Vote "yes" on the Freedom Support Act.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. I thank the gentleman for yielding time.

Mr. Chairman, I rise to express my strong support for H.R. 5750, the Freedom Support Act of 1993, and I commend President Bush, and the distinguished chairman of our Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL], the distinguished ranking Republican member of the committee, the gentleman from Michigan [Mr. BROOMFIELD], as well as the distinguished chairman of the Subcommittee on Europe and the Middle East, the gentleman from Indiana [Mr. HAMILTON], for their carefully crafted, bipartisan efforts.

No longer do we live in a world where rhetoric pits communism against capitalism, no longer do we live in a destructive world of us against them.

This is an historic opportunity to help consolidate democracy and free markets in the former Soviet Union. As President Bush recently noted:

> We have the chance not only to help the peoples of Russia and the new Independent States escape the nightmare of communism, but also to secure for us and our children a future that is infinitely safer and more prosperous.

We failed to win the peace after World War I. We failed because of our isolationist policies: We did not recognize that isolationism and security, and protectionism and prosperity cannot be reconciled. Let us learn from our past mistakes.

This measure promotes three of our Nation's critical policy objectives:

First, the promotion of democratic institutions in the States;

Second, the destruction of the former Soviet nuclear capability; and

Third, the movement toward a free market economy.

H.R. 5750 authorizes a total of $442.3 million in spending—$417 million for assistance programs, and $25.3 million for operating expenses of the Department of State and the U.S. Information Agency.

The measure also contains the authorization and appropriation for an approximately $12 billion increase in the U.S. share of the International Monetary Fund. This increase combined with those agreed to by the other 160 plus members of the IMF, maintains the U.S. share at 20 percent of the total Fund.

The IMF is, in essence, a policing agency for sound economic policy. Member countries which seek assistance first agree to meet economic reform goals, usually painful, and then qualify for loans and technical assistance. Borrowers repay the IMF loans with interest, usually on a very short timetable.

Because it is a conservative lender, the IMF maintains a positive cash inflow on its loans—interest paid exceeds losses. Thus, while the United States has appropriated funds to back the IMF loans, the money has not actually been spent. Rather, it serves as a reserve to be drawn upon and replenished as the IMF sees fit.

The most pressing reason for this IMF quota increase is to provide the agency with sufficient resources to design and support economic reform programs in the newly democratizing States of Eastern and Central Europe. The needs of these countries far exceeds the current capabilities of the IMF or any single foreign assistance donor.

Mr. Chairman, I commend the President, as well as our Republican and Democrat leadership for crafting an appropriate response to the crisis in the former Soviet Union.

Mr. Chairman, permit me to read a paragraph from a joint letter from former Presidents Reagan, Carter, Ford, and Nixon with regard to their support of this measure:

> We now have the opportunity, so fervently pursued for generations, to guarantee a peaceful transition to democracy. America must respond to this challenge, as we have so many times before, through leadership of an international coalition to secure the success of reform in Russia and the other states of the former Soviet Union.

Mr. Chairman, the Soviet Union, as an entity, exists no more. Those who oppose this measure, those who believe we must stay at home and only worry about ourselves fail to recognize that we live in an increasingly interdependent world, and we—the United States of America—are its leader.

It is essential that we support this measure. It is a vote for hope and peace. It is a vote for an end to the cold war. It is a vote for the security of future generations. I strongly urge its adoption.

□ 1600

Mr. DE LA GARZA. Mr. Chairman, I yield 1½ minutes to our distinguished colleague, the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, having spent trillions of dollars to win the cold war during the last four decades, the challenge of this decade is securing the peace. This bill will help us do that. Its commitment is minimal to the amount spent in the past, but it is an investment with far-reaching payoffs.

Not only is its passage vital to the forces of liberalization and democratization in the Commonwealth of Independent States, it is vital to reinvigorating our own economy. Unless we secure the peace of the cold war, we will not be able to redirect the dollars it has drained from our economy into new investments here at home in infrastructure, health care, job training, education, and making our economy competitive and strong for the next century. This legislation is not just an investment in the former Soviet Union, it opens the way for investment in a new U.S. economy freed of the demands of the cold war.

One of the direct beneficiaries of the legislation, and one of the reasons I intend to support, it will be our agricultural economy. America's farmers and our agricultural export programs are literally feeding the historic transformation taking place throughout the Commonwealth. They are making up for the short falls in Russia's grain harvests, the inefficiencies in its food production and marketing system, and training Russian farmers in methods that have made American agriculture the most productive in the world. This legislation will enable U.S. farmers to continue to take advantage of the opportunities this market represents, which is of critical importance to the health of today's weakened farm economy and the threats American farmers face from the unfair trading practices of their competitors.

The importance of American agriculture to the Commonwealth was underscored when President Yeltsin, during his visit here earlier this summer, took a day to come to Kansas to tour not a car plant, steel mill, or computer factory, but a meat processing company and Kansas wheat farm. They are the sources of the food his government so badly needs and which will be financed under the programs contained in this legislation.

I had the distinct privilege of accompanying President Yeltsin on his trip to Kansas. He told me that for his reforms to succeed, he will need our help to continue purchasing American farm goods, the offer of help this bill extends.

He has a historic opportunity, and we have an equally historic opportunity to transform the face of the world in a way none of us dreamed of just a few years ago. This bill is that opportunity, we must have the wisdom to seize it; it is the doorway to a world safe from the awful threat of nuclear war, we must have the courage to walk through it.

Mr. Chairman, I urge my colleagues to join me in support of it.

Mr. DE LA GARZA. Mr. Chairman, I yield 30 seconds to our distinguished colleague, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, the Freedom Support Act will reduce military threats to the United States. More directly, the Freedom Support Act contains authority to assist in the dismantlement of nuclear weapons of the former Soviet Union and the conversion of the defense industries. We have been told, on the destruction of these weapons, that most of that money in this bill will go to Americans who will lead the destruction of these nuclear weapons.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. LEWIS].

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague, the gentleman from Missouri [Mr. COLEMAN], yielding this time to me, and I want to congratulate the chairman and others who provided leadership in this very, important time, regarding this very important issue.

Mr. Chairman and my colleagues, I cannot recall when we may have had a more important vote in the House of Representatives. It is my own personal feeling that this may be one of the most important votes cast by any of us during our entire career. The hope for peace and freedom could very well weight in the balance. It is in our Nation's long-term interest to see that the cold war is ended forever. America's security is much easier to maintain in a world with a stable, democratic Russia.

Just think of it. Our economy is in the most difficult straits it has been in my memory. The challenge to meet the problems that face our people here at home are very, very real. Our public has turned its own sight inside our borders, and our constituents want us to solve problems here at home. They do not want us looking overseas.

But, having said that, there is absolutely no question that one of the fundamental responsibilities of those of us who would choose to be leaders in the National Congress is to recognize our responsibility to play a role in the world. That involves peace and freedom. Just think of what happens if we decide to ignore that portion of our responsibility and withdraw.

What happens if, as a result of that, for example, the Yeltsin administration does not succeed? Think of the would-be despots who are wandering around in those new countries that have broken off from what was the former Soviet Union. Think of what happens if there is an approval giving new opportunity to those would-be autocrats.

It is absolutely critical that we play whatever role we can to see that democracy in the former Soviet Union survives. Indeed, my colleagues, the time to lead is now. We must ensure the end of the cold war forever.

Mr. DE LA GARZA. Mr. Chairman, I yield such time as he may consume to our distinguished colleague, the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Chairman, I rise in support of the bipartisan vision and courage embodied in this historic legislation.

Mr. Chairman, I commend the chairman and the ranking member for their courage and vision in bringing this significant piece of legislation before us.

The reconstruction of the economic and political structure of the former Soviet Republics provides the United States with, as one prominent observer has noted, "one of the historic opportunities of this century." Providing the technical assistance laid out in this legislation will help foster this reconstruction by promoting democracy and free-market economics.

I am grateful to the chairman for recognizing that a key element of the economic restructuring of the new states will be their ability to measure their own economic progress. Earlier this year, I introduced legislation which provides a mechanism to help the newly independent states compile and analyze data on their changing economies. Without the statistical ability to gauge their economic development, these states cannot be expected to make a full transition from a centrally planned economy to one based on the free market. Moreover, without these measurements, it will be difficult to assess the effectiveness of our own Government's aid to those same states.

As an example, the chief Ukrainian statistician came to the United States earlier this year with a list of 140 economic indicators that his country does not know how to measure, but needs to learn. These are indicators we take for granted, such as measures of inflation, inventory of durable goods, retail sales, and housing starts.

These fundamental measures of market activity, which we so regularly use to judge our own economy's performance, are simply not available to the new states. We must teach them how to develop key economic indicators if we and they are to monitor their progress toward a market economy.

Once we have assisted the former Soviet Republics in how to collect, analyze and effectively use accurate economic data, governments will not be the only beneficiaries from such an achievement. Dependable economic data will also be a valuable guide and resource for U.S. businesses as they expand into new and unfamiliar markets. Given that the success of this legislation will hinge upon the markets created for our workers' products, we must do all that is in our power to facilitate knowledgeable decisionmaking by American business.

As American Government agencies have a statistical gathering and analysis capability second to none, we are in a unique position to provide the type of technical assistance the new states are seeking. Given the importance of what is at stake, we cannot afford to deny them this assistance.

Clearly, this is one of the historic opportunities of this century. I am confident that we will rise to this occasion by meeting the real economic needs of the newly independent states of the former Soviet Union.

Mr. COLEMAN of Missouri. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I hope it has not been so soon that we have forgotten all of the expenditures and all the problems that the cold war brought, and I hope that we can today visualize what people who will be reading history 50 years from now might be reading. If we fail in this, fail to attempt to democratize the Soviet Union, if we fail to reach out and bring them into the community of nations, if anything we do here today fails to do that, we will have a burden on our shoulders of failure that the historians will write about for many, many years.

We have a chance today. We have a very constructive bill. It not only helps those people overseas, but it helps ourselves at the same time with real job creation. I think those amendments offered by the Committee on Agriculture strengthened this bill, and I hope they will continue throughout this process until the President signs it.

Mr. Chairman, I again ask for bipartisan support for a proposal that I think will bring more peace to the world, and, as the gentleman from California [Mr. LEWIS] said, it is one of the most important votes that we will make in this Congress.

I rise in support of H.R. 5750, the Freedom Support Act of 1992. I believe that it represents an investment in the future. Having Russia and the Independent States of the former Soviet Union as trading partners and buyers of our agricultural products will help them and will provide additional markets for agricultural producers in the United States.

The security of the United States is improved when the former Soviet Union turns to a free enterprise, market oriented system. The economic future of the American farmer is improved by opening markets around the world.

Our action must be consistent with addressing the many needs we have here at home, none of which is greater than the need to create jobs. Increased trade opportunities, especially in processed and high value agricultural products, can provide help to the people of the former Soviet Union while providing new markets for American farmers.

Incorporated in the Freedom Support Act is an amendment that I offered in the Agriculture Committee that will require more aggressive use of export credits and the Export Enhancement Program for processed and high value agricultural products. Other countries should be put on notice that we intend to seize the initiative in developing markets in the former Soviet Union for superior quality American products.

Last month the Ambassador to the Russian Federation, Robert Strauss,

testified before our committee. Ambassador Strauss stated that Russia is the largest potential market in the world for United States agriculture and that we should be worried about losing our share of that market to other countries—especially the Europeans. He specifically emphasized the need for trade in value-added products.

My amendment requires the Secretary of Agriculture, to the extent practicable, to use the Export Enhancement Program and the Export Credit Guarantee Program to sell processed and high value agriculture products. I remind my colleagues that a principal purpose of H.R. 5750 is to create trade opportunities with the Independent States of the former Soviet Union and generate jobs and economic benefits for the United States. My amendment, which is a part of the bill, meets those objectives.

The key to prosperity in agriculture is to increase the U.S. share of the world market in value-added farm goods. The Economic Research Service of USDA says increasing our share of the entire world market for high value products to 15 percent could create 1½ million new jobs.

This provision is good for American farmers; good for American jobs; and, good for the former Soviet Union. It is time that our policies promote what we can do better than anyone else in the world: provide food and fiber that are processed, packaged, shipped, and marketed at reasonable prices throughout the globe.

In recent years a small portion of the export enhancement funds, about 5 percent in 1992, has supported the exports of value-added products. Almost all of these funds have been devoted to the export of bulk grains. As long as we have the export enhancement program, bulk grains must receive a large share of available funds because the income from these exports goes directly to American producers. But we cannot ignore the growth opportunities in value-added goods, or the markets for our bulk products that value-added products represent. A bushel of wheat is exported whether it goes as a bulk grain or as wheat flour.

I believe that a fair share of the export credit guarantee and export enhancement funds must be devoted to processed and high value goods such as beef, pork, wheat flour, and other processed and packaged goods. The benefits to our producers and our economy from expanded exports of these products demand that we do more to promote their export.

It is better for all Americans if we can increase our exports of value-added agricultural goods because these exports create not only a market for our products, but also create jobs in the processing, packaging, and livestock industries. In fact, every billion dollars in new exports means 20,000 new American jobs.

The Freedom Support Act demonstrates clearly that domestic and foreign affairs are not an either/or situation. Its purpose is to support freedom and open markets in the independent States of the former Soviet Union.

The Freedom Support Act will allow us to improve the standard of living so that U.S. interests, including those of agriculture and trade, are emphasized. In the long term we can provide technical help and know-how that will improve the food distribution systems of the former Soviet Union to make them our trading partners.

As events unfold in the Soviet Union at unprecedented speed, the challenges facing its people are numerous and formidable. To assist them with the most immediate challenges American agriculture must be prepared to provide the food and technical assistance necessary to get them started on the road to free and open market.

Since January 1991 USDA has made $4.5 billion in export credit guarantees available to encourage the purchase of U.S. agricultural products. Additionally, over $300 million has been allocated to meet the humanitarian food and medical needs within the former Soviet Union. Technical assistance in the form of model farm projects, development of wholesale markets and extension service projects are under way.

It is in the American interest to provide this assistance; the security of the United States is improved when the independent States of the former Soviet Union turn to democratic, free enterprise, market oriented systems. Empty stomachs make for desperate people who may embrace any despot who can promise them food. Americans want to encourage the former Soviet people in their struggle toward a free and open society because they know that a peaceful country is key to a peaceful and stable world.

Our strategy then must take into account our budgetary constraints and must recognize that we do not have the resources for another Marshall plan. America will take a strong leadership role and do its share; but what we do must be in cooperation with other developed nations, many of whom created or modernized their postwar economies with our Marshall plan assistance. And the strategy must be consistent with addressing the many needs we have here at home.

I urge support for H.R. 5750, the Freedom Support Act of 1992.

PARLIAMENTARY INQUIRY

Mr. DE LA GARZA. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DE LA GARZA. Mr. Chairman, the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL], is not prepared to be yielded to at this point. By unanimous consent, Mr. Chairman, may we facilitate the distinguished chairman by allowing him to utilize the time later?

The CHAIRMAN. It would be permissible to ask unanimous consent to do that.

Mr. DE LA GARZA. Mr. Chairman, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] be permitted to utilize the balance of my time, which I will yield to him, later in the debate.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. KANJORSKI. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DE LA GARZA. Mr. Chairman, I yield 2½ minutes to the gentleman from Oklahoma [Mr. MCCURDY], and then I yield the balance of my time to the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, I yield ½ minute to the gentleman from Oklahoma [Mr. MCCURDY].

The CHAIRMAN. The gentleman from Oklahoma [Mr. MCCURDY] is recognized for 3 minutes.

□ 1610

Mr. MCCURDY. Mr. Chairman, the transition from a Communist dictatorship in the Soviet Union to a democratic government in a series of republics, including the principal Republic of Russia, is not going to be easy. The reforms that we encouraged Russia and the former Soviet Union to undertake will be painful. There will be serious repercussions throughout that country, and we are asking their citizens to pay a very high price.

Recently, the Central Bank in Russia agreed to extend credit to the state industries. This in my opinion poses possible problems for President Yeltsin in his reform efforts. It would be fruitless to extend credit alone without fostering democratic reforms as exhibited in the Democracy Corps provision which the distinguished chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL], and the ranking Republican member and my good friend and colleague, the gentleman from Illinois [Mr. HYDE], have supported and embraced in this legislation.

The Democracy Corps assists with development of democratic values. Without such a program this money I do not believe will be as usefully used as it should be. The end goal here is the promotion of democratic values throughout the world. It is crucial for America to develop a substantive policy for a post-Communist world. What we need is a bipartisan policy to support the real democracies as they carry on what is likely to be the work of generations, by giving them the time and incentive to create democratic programs and make them work.

The Democracy Corps provision does not depend on bureaucrats or high-level meetings in Switzerland. It depends on dedicated Americans, private citizens with hands-on experience, who know how to make the rubber meet the road, whether it be in the development of city councils, a department of motor vehicles, or an effective parent-teachers organization in the local schools.

I appreciate the efforts of our colleagues in making the Democracy Corps a key tenet of the Freedom Support Act as we seek to foster the development of democratic values in the CIS, in the former Soviet Union.

Mr. Chairman, there has been much debate on this floor about this act. Foreign aid is not a popular provision for anyone. Mr. Chairman, as I said earlier today, I believe this is a historic opportunity, not only to assist in a peaceful transition. The cold war did not end with a battle, it did not end with the doomsday predictions that dominated our discussions and our policy for over 45 years. It ended peacefully. But for us to allow this transition to take root and to succeed, I believe this package today is essential, and we need to pass it.

Mr. CHAIRMAN. Under the rule, the next 20 minutes is allotted to the Committee on Armed Services, to be controlled equally by the chairman, the gentleman from Wisconsin [Mr. ASPIN], and the ranking member, the gentleman from South Carolina [Mr. SPENCE].

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield myself 3 minutes

Mr. Chairman, a year ago this month we were stunned by the profound changes going on in what was then the Soviet Union. We saw a group of hardliners attempt to turn back the clock on reform with an ill-considered coup. The coup failed and its failure accelerated the reforms.

At that time, a number of us asked our colleagues to take an unusual step. After two generations of antagonism and rivalry with the Soviet Union, we sought to assist its turn to democracy and a market economy. We offered funds from the defense budget to promote a peaceful, democratic Soviet Union, one in which there were far fewer nuclear weapons. We reasoned that this was defense by other means, but defense nevertheless.

That fall, Robert Strauss, U.S. Ambassador to Russia, put it this way before the Committee on Armed Services:

"This is not philanthropy," he said. "It is not at all altruistic. And it isn't charity. * * * It saves lives, it saves money, it builds democracy and it builds a world we can all look forward to."

The Congress agreed and we passed legislation to help begin the process of destroying the needless thousands of nuclear weapons in the possession of the former Soviet Union.

Today, this House considers legislation to further these broad goals with the Freedom Support Act. I rise in support of this legisation.

As before, it is not charity. As before, it is clearly in the American national interest. It is clearly in our interest to reduce U.S. defense spending and reinvest those resources in growth at home. It is clearly in our interest to forestall chaos in a land with 30,000 nuclear weapons. It is clearly in our interest to welcome a new, cooperative democracy to the family of nations.

It is clearly in our interest to develop new markets for American goods and services. It is clearly in our interests to have Americans involved financially and substantively in the recovery efforts in the former Soviet Union. It is clearly in our interest to support Russian President Boris Yeltsin, a true reformer.

The Freedom Support Act supports all these goals and I ask Members to support it now.

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

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

Mr. Chairman, H.R. 4547, the Freedom Support Act of 1992, was referred to the Committee on Armed Services as a result of changes made by the Committee on Foreign Affairs to title V of the bill.

Specifically, defense funds provided for the dismantlement of the nuclear weapons of the former Soviet Union would, under title V of H.R. 4547, be made available for the much broader purposes of international dismantlement and international nonproliferation activities, as well as for converting the military capabilities, technologies, and defense industries of the Independent States of the former Soviet Union into nonmilitary, civilian activities.

The Committee on Armed Services strongly opposed these changes, and on July 1, 1992, adopted an amendment to H.R. 4547 that would assure the use of the defense funds provided in that title for the more narrow purposes approved by the House in H.R. 5006, the National Defense Authorization Act for Fiscal Year 1993. These funds, therefore, would be available for the destruction of the nuclear, chemical, biological, and other weapons of the former Soviet Union, but not for the broader purposes of international disarmament or defense conversion.

There was strong, bipartisan opposition in our committee for using DOD funds for some ill-conceived and unworkable global disarmament effort; likewise, there was little, if any, support for using DOD funds for equally ill-defined plans for defense conversion activities in the former Soviet Union. I should add that the Secretary of Defense also strongly opposes the use of DOD funds for these purposes.

Mr. Chairman, I am pleased to confirm that the Committee on Foreign Affairs, in drafting a clean bill—H.R. 5750—for consideration by the House, has faithfully incorporated our committee's recommended changes to H.R. 4547. The Armed Services Committee-recommended changes, I believe, improve the bill substantially and may, in fact, increase its chances for passage by this body.

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

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I rise in support of this legislation. In our careers here in Congress we have opportunities at times to rise above our individual best interests for the best interests of our country and of mankind.

We did not ask the circumstance of today to be exactly like it was. I am reminded of 50 years ago in Luzon, when I was leading a patrol and I realized when I came to an ambush that it would be better if I had more machine guns with me to handle the situation that was there. But I had to make the decision as to what to do, and I went forward, we all went forward, and we were successful.

Today there are people on the floor of the House who feel imperiled in their elections because foreign aid is not that popular. But this is not just foreign aid. This is a historic opportunity which comes to us at this particular time.

Mr. Chairman, as Members look back on their lives in Congress, I am sure this is going to be one of the most important votes ever cast. As I said when I myself voted against the Desert Storm war, I feel like it is important that we do what we think is best for our country and for the world, not what is best for us individually politically.

So that is the kind of vote we have here today. I urge all the Members of this Congress to vote for this legislation because I think it is in the best interest of our country and I think it is in the best interests of mankind.

□ 1620

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, there appear to be two main arguments for this bill. First of all, that $12 billion in aid will help Russia and, second, if we do not pass the bill, we will embarrass President Yeltsin.

I realize the arguments are more eloquent, but that is what they boil down to.

As to the first, according to the Senate Budget Committee staff, only about $600 million, not $12 billion, will

actually reach Russia. And according to the Congressional Research Service, Russia's quota is $4 billion out of the $12 billion, and the total Republics' quota is $6 billion out of the total of $12 billion. So I think we should be careful in assuming that all $12 billion of infusion of American funds to the IMF is slated for countries of the former Soviet Union. Only half of it is, and only one-third of it would actually go to Russia.

I think, Mr. Chairman, it is important for us to realize that this is really less about fostering democracy in Russia and more about pumping up the IMF funds. For 5 years now there has been an effort to try to infuse the IMF with more money, and this is the latest excuse for doing so.

I believe that we deceive ourselves if we believe that this act is going to actually save Russia. There may be some parts of it that acutally assist Russia, parts of it which I have previously voted for and which are already law, including the denuclearization funds about which we have already been to Russia to work with them.

But the bottom line is that this $12 billion from the IMF is not about aid to Russia. Only $4 billion of that could ever be loaned to them.

As to the second point, I think we would do worse than embarrass President Yeltsin if we passed this act without certain conditions, including, for example, a requirement that the Russians commit to a plan to remove their troops from the Baltic States. What signal do we send to the people of those countries if there is no limitation and the Russian troops remain on Baltic soil where they are clearly not welcomed.

According to an article by a London columnist, Gwynne Dyer, Mr. Rutskoi, the Vice President of Russia, has been claiming that it is necessary to maintain these Russian troops in defense of Russians in those countries and he notes that already Mr. Yeltsin is having to take more nationalist positions in order to guard his flank against these people.

This columnist writes, and I quote, that "The best way to help Mr. Yeltsin avert this threat is to get Russian troops back on Russian territory as soon as possible." And he concludes his column of July 9, 1992, by saying, "Nobody should worry about embarrassing Mr. Yeltsin by pressing hard on this issue. He knows what must be done, but he needs foreign pressure as an excuse for doing it."

So, my colleagues, to support this legislation without the kind of conditions that would actually assist Mr. Yeltsin in pressing his colleagues on the desirability, indeed, the necessity—as a condition for our assistance—of getting these troops out of the Baltic States and meeting the other conditions which some of us would have imposed in amendments that we sought for this legislation is not to help Mr. Yeltsin but to hurt Mr. Yeltsin.

Everyone desires to help Mr. Yeltsin. Everyone desires to help the Russians achieve democratization. But we also have to be cognizant of the needs of the people of the Baltic States and, frankly, of the needs of the Russian people themselves.

Mr. Chairman, I want to conclude with this point: It is a mistake for us to believe that we are going to democratize Russian by infusing $12 billion of capital into the IMF, most of which it is not going to Russia, and to believe that the reason we must support this legislation is because otherwise Mr. Yeltsin will be embarrassed.

He may well be embarrassed by an imperfect bill. He would not be embarrassed if we sent him this assistance, coupled with a request that he have a plan to commit to remove the Russian troops from the Baltic States and to achieve the other conditions that were spoken of earlier on this floor. That would provide assistance to Mr. Yeltsin. It would not be hurtful to him. It would help him make the case to the military people in Russia that they need to back him in his march toward democratization and support of freedom for the people of the Baltic States.

Mr. ASPIN. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. LEVINE].

Mr. LEVINE of California. Mr. Chairman, this legislation before us is indeed one of the most important bills that we be asked to consider in this Congress and, frankly, I believe in any Congress. And while there are any number of important reasons to support this bill, and it can be framed in the context of what is important to Russia, what is important to the former Soviet Union, what is important to Europe, what is important in various parts of the world, the reason this bill is vital is because it is vital to America.

It is vital to the United States of America to provide and ensure this type of stability and the type of resources and the type of support that this legislation will provide.

We have been nearly bankrupted by the cold war over the course of the last generation. The legacy of the cold war has left us a deficit that is causing our economy to be strained in ways that we could have never contemplated. We have been on the precipice of international conflict for a generation because of the cold war.

The events that we have seen causing the collapse of the Soviet Union, the events that we have seen opening up democracy, opening up freedom, opening up market economies, are events that nobody could have contemplated several years ago. If we allow these dramatic changes to be imperiled, the losers more than anybody else will be the citizens of the United States of America.

It is clear, Mr. Chairman, that we do have urgent domestic problems, urgent economic problems, urgent social problems, and they obviously need to be attended to. But nothing would be more tragic than to allow the opportunity for the dramatic changes that have occurred in the former Soviet Union to coalesce, to yank that opportunity away, not only from the peoples of Russia and Eastern Europe and the former Soviet Republic but to yank that opportunity for peace, for stability, for improved competitiveness and economic vitality out from under the people of the United States of America.

So while this is a vital bill for people around the world, while this is a vital bill for a range of people around the globe, there is nobody for whom this is more vital than the people of the United States of America.

I want to commend the leadership for pulling this together in the way that they have, and I strongly urge Members on both sides of the aisle to allow us to get beyond the cold war permanently, to pass the legislation which is so critical to the United States.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, this vote is a vote for us of extreme self-interest. For the last 10 years or so we have asked the American people to spend a large amount of taxpayer money to build systems that would offset the nuclear tipped warheads that the Soviet Union has built and targeted on strategic areas. One of those strategic areas in my military bases in Imperial and San Diego County.

Today we have an opportunity to vote for a bill that will provide funds to dismantle those nuclear weapons that are targeted at American communities. This is a vote for self-interest. It is a vote that will allow us to dismantle those weapons, to provide moneys for transportation, for dismantlement and for storage of those particular systems.

This is a vote in America's interest. Also Secretary Eagleburger has given me and others assurances that some of this money is going to go to pursue the American POW-MIA question that stretches back to World War II, Korea, and the Vietnam era.

This is a vote in America's interest. Vote "aye."

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I rise in strong support of this important legislation. As a Member who has served on the Committee on Appropriations Subcommittee on Defense, I am well aware of the staggering amounts of our Treasury that we have expended on defense and national security issues. I,

too, agree that this investment in the Soviet Union and in the former Soviet Union and Russia and in the emerging Republics is clearly in our national security interest. And we are not doing this by ourselves. We are doing it with a host of other countries.

□ 1630

Much as we provided leadership after World War II with the Marshall plan, again, we need to work with a consortium of countries to provide leadership on this issue.

Mr. Chairman, I would like to ask the distinguished chairman of the Committee on Armed Services and the gentleman from Indiana [Mr. HAMILTON] of the Committee on Foreign Affairs about an issue that I have been deeply concerned about, nuclear reactor safety within the former Soviet Union and even in Eastern Europe.

This is an issue which I think has been addressed in this legislation, so that some of this money could be used for dealing with the terrible problem of unsafe reactors, and also trying to deal with the question of energy efficiency, which might help to reduce the demand for these reactors.

I would ask the gentleman, is that in fact accurate?

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

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

Mr. HAMILTON. Mr. Chairman, I commend the gentleman for his statement. He has an accurate perception of the bill. It does deal with energy efficiency and it does promote nuclear reactor safety.

Mr. DICKS. I have been concerned about this ever since Chernobyl, Mr. Chairman. I visited it with Secretary Cheney and the gentleman from Oregon [Mr. AUCOIN]. It is an issue which I think is important to the entire world.

I know that the chairman of the Committee on Armed Services has included a provision in the defense authorization bill with this. We have provided $50 million in the defense appropriations bill to give support to the Lisbon agreement on the question of reactor safety.

I appreciate the gentleman yielding me the time.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Chairman, this is not an easy vote in not an easy time. Many of us are deeply concerned with the deficit. Many of us came here to make tough decisions and choices, and this is indeed one of those times. The easy vote is definitely "no." The tough vote is definitely "yes."

Mr. Chairman, many of us have applauded the changes in the world and the end of the cold war. Peace through strength has worked, and now is indeed the time to plan and to plow those defense savings that this country has and to put them to reduce the deficit.

Foreign aid is never an easy vote, and I have often voted to cut foreign aid. However, this issue, this vote to provide aid along with the other nations in G–7, is so important. The passage of this bill helps assure us that our savings can be used to focus on our domestic priorities.

This bill is preventive medicine; insurance, if you will. It is like going to the doctor, or the dentist, or the automobile mechanic, and we do those things to prevent major problems or catastrophes along the road.

Mr. Chairman, we cannot turn our back on those around the world that embrace democratic reforms that were once our enemy. If we turn down this bill and the reforms are later reversed, we will indeed be blamed. Mr. Chairman, this is not a blank check, it is instead a series of checks and balances governed by the IMF, and I urge my colleagues to support this bill.

Mr. ASPIN. Mr. Chairman, I would say to the Members that if this legislation passes there is one person I think who deserves a great deal of credit, and that is the gentleman who is our Ambassador now to Russia, Mr. Bob Strauss. I know from trying to pass the issue of Soviet aid in the House before he got involved what heavy lifting that really is. I also know now, trying to work the issue with his support, how very, very valuable that support is.

The gentleman from Texas, Mr. Strauss, was consistent, was persistent, and was very, very vocal and strong in that support. We and history owe him a great debt of gratitude.

Mr. Chairman, I yield the remaining minute to the gentleman from Florida [Mr. SMITH].

Mr. SMITH of Florida. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, let me just recount in the 1 minute I have, very simply. In 1948, the United States was winding down from a war of epic proportions. There were an awful lot of people losing their jobs in this country. This Congress passed the Marshall plan, sending millions and millions and billions—which in those years were worth a lot more than they are now—to Europe to rebuild.

People said, "Why, when in this country people need jobs? People are out of work." Because this Congress understood that if we were going to create jobs in America, we needed to create jobs in the places where Americans would work to build products that could be sold.

We need to build up the Soviet Union, put people to work so their economy will be able to afford to buy our products. We need jobs in this country, and it is a tough choice where to put the money, but the ultimate test is where will the long-range benefits inure? They will inure to this country, because putting the money in the Soviet Union with its resources will develop millions of jobs in this country. People in America will be able to work for a long time on the small amount of money that we put into the Soviet Union, and that is what is good for America. That is why this bill should pass.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, we have invested trillions of dollars of U.S. taxpayers' treasure to win the cold war. This is a small insurance policy to ensure peace in the cold war period.

Let me say that this bill represents an investment opportunity for Americans. The Soviet Union is the most resource-rich nation in the world, yet one of the most undeveloped. Countless opportunities exist for American jobs via our oil and energy industry, our mining and our minerals industry, our manufacturing and technology industries. We can develop the kind of relationships that can enhance the wealth and well-being of American workers and American citizens, and to those who say that this is somehow contradictory to our need to build up the cities, I say that we need to build American wealth and we need to create new American wealth, so that we can go into our cities and do the job.

This bill can help to stimulate the creation of new American industries, new American wealth, and new American jobs.

The CHAIRMAN. All time allotted to the Committee on Armed Services has expired.

Under the rule, the next 20 minutes is allotted to the Committee on Science, Space, and Technology. The gentleman from California [Mr. BROWN] will be recognized for 10 minutes, and the gentleman from Pennsylvania [Mr. WALKER] will be recognized for 10 minutes.

The Chair recognizes the gentleman from California [Mr. BROWN].

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

Mr. Chairman, I rise in support of H.R. 4547, a bill to support democracy and the development of a free-market economy in the Republics of the former Soviet Union.

I want to commend Chairman FASCELL for his leadership and foresight on this measure.

As my colleagues know, I have long had an interest in improving relations between the United States and what are now the Republics of the former Soviet Union. Today, we are at a crossroads, poised to enter a new international paradigm. This bill represents a potential high point in our relations, trying to develop friendship and mutual trust with nations that were once a part of the so-called evil empire. The United States has an unprecedented op-

portunity to assist the evolution of the newly independent states into stable democracies based on free-market economies.

There is universal recognition that a strong science and technology base is fundamental to the strength of an industrial economy. Today, fully one-quarter of the scientific workers on the planet reside in the Republics of the former Soviet Union, and more than half the world's engineers work there. Fore over 40 years, the Soviet Union matched the United States stride-for-stride in many scientific achievements in such areas as space, nuclear fusion, and metallurgy. It is inevitable that engineers and scientists in the newly independent states will play a key role in determining the success of the transition to an open and market-driven society. We cannot ignore these important resources if we truly wish to help the new republics become productive and self-sufficient members of the world community.

Therefore, I am particularly pleased that the Freedom Support Act includes provisions based on H.R. 4550, the AmeRus Research and Development Act, to restablish a nongovernmental foundation which would promote and support joint research and development projects to aid defense and economic conversion.

Joint scientific and technological cooperation can accomplish a number of goals: First: Provide a mechanism for scientists, engineers, and entrepreneurs in the former Soviet Union to develop an understanding of commercial business practices by establishing linkages to United States scientists, engineers, and businesses. These activities will assist the new states in applying their technological capabilities to the task of economic growth, which in turn will improve political stability.

Second: Advance defense conversion by funding civilian collaborative research and development projects between engineers and scientists in the United States and in the newly independent states.

Third: Allow United States researchers access to the many novel and commercially viable technologies that have been developed in former Soviet laboratories. Researchers from Japan, Germany, Korea, and other countries, with the support of their governments are aggressively searching out commercial targets.

Fourth: Provide productive research and development opportunities within the independent states that offer scientists and engineers alternatives to emigration. Emigration of ex-Soviet talent could spread weapons and commercial technologies to our military adversaries and economic competitors and rob the new democracies of their most valuable resources.

The dissolution of the Soviet Union gives us the hope for an era of international peace unmatched in modern times. Yet the current situation in the former Soviet Union threatens this new world order. This bill before us is the first step to initiate a foreign policy program which will help ensure the world peace of which we now only have a glimpse. I strongly urge my colleagues to support this bill.

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

Mr. Chairman, I'd like to point out one provision in particular. This bill would create an endowment to support joint United States-Soviet R&D. In 1993, the first Federal installment for the endowment is suggested to be funded by the Department of Defense, which may be a violation of the firewalls in the budget agreement. Regardless of how that issue is resolved between the administration and Congress, there remains the legitimate concern over how much of this activity, if any, is a genuine defense function vs. international or domestic. Section 504(d)(1)(B) of this bill attempts to address this concern by at least limiting outyear DOD funding of this joint R&D to no more than 50 percent of the total Federal appropriation. This way, the foreign aid or domestic discretionary budget will have to fund at least half, if not the majority or all of this program in the future. If no nondefense appropriations are made available, no defense funds shall be spent for this purpose. I would like to ask the chairman of the Science Committee, notwithstanding the language that has been added to section 504(d)(1)(B) which reads "or otherwise used in carrying out this section," that this is his intention and clear understanding?

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

Mr. WALKER. I am glad to yield to the gentleman from California.

Mr. BROWN. Mr. Chairman, in response to the gentleman's question, the answer is yes, it is my understanding.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his response.

I am also pleased that the bill contains as title VI, language developed by the Science Committee giving the Office of Space Commerce, in the Department of Commerce, the authority to lead trade missions to the former Soviet Union so that United States companies can investigate for themselves the availability of Soviet space technology and its potenital application in the United States private sector space industry.

This type of effort is already underway, and I am confident that the private sector will make sound decisions on the feasibility of acquiring Soviet technology.

□ 1640

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

Mr. BROWN. Mr. Chairman, I am pleased to yield 2 minutes to the distinguished gentleman from New York [Mr. ENGEL].

Mr. ENGEL. Mr. Chairman, as many of the speakers before me have forcefully stated, the Freedom Support Act is an extremely important piece of legislation. If we want to have any chance of aiding the growth of democracy in the Republics of the former Soviet Union we must act now to offer assistance.

This is an extremely limited package we are offering. It amounts to less than one-tenth of 1 percent of the total Federal budget and is dwarfed by the efforts of other, smaller nations, such as Germany. This is, quite literally, the least we can do.

This bill, however, is not simply a humanitarian endeavor. The Freedom Support Act is an attempt to protect long-term American interests. We have an enormous stake in what happens in what was the Soviet Union. There are hundreds of nuclear weapons in the ex-Soviet Union, thousands of tanks, and huge stockpiles of military equipment. These weapons, in and of themselves, pose a tremendous threat to United States security either in the hands of their current owners or in the hands of Middle Eastern terrorist countries.

The nations of the ex-Soviet Union are desperate for hard currency. The temptation to sell these weapons to oil rich purchasers will be absolutely irresistible if we do not help to ameliorate the severe economic situation in the former Soviet Union. In my mind, this bill is an investment in our own security and our children's future. We do not want them to be forced to spend trillions more fighting another cold war or waste more lives halting the aggression of dictators in the Middle East armed with excess Soviet weapons.

I appeal of my colleagues to look at the broader picture. The Freedom Support Act is not a waste of money, it is an opportunity to help protect our American way of life for generations to come. My hope is that 40 years from now, people will look back and say, "Congress did the right thing by aiding our old enemies in the former Soviet Union," just as we look back to the Marshall plan and applaud President Truman's courageous decision to aid our recent enemy, Germany. Democracy is alive and well in Germany today, let us hope we can say the same thing about democracy in Russia and Ukraine 40 years from now.

Mr. WALKER. Mr. Chairman, I yield such time as he may consume to the gentleman from New York [Mr. FISH].

Mr. FISH. Mr. Chairman, I rise in support of H.R. 4547, and particularly wish to emphasize the importance of the Democracy Corps.

Mr. Chairman, the idea of a "Democracy Corps" established in this legislation is most important. We need to see that these newly independent States are give vital assistance in establishing democratic institutions.

I rise to support the legislation and, specifically, to emphasize that in the implementation of the provisions of H.R. 4547 the United States take advantage of what has already been accomplished. Dedicated Americans and nongovernmental American organizations have been extremely active in pursuing these very goals within the former Soviet Union and they should be supported.

The report that accompanies H.R. 4547 says on page 16 that:

In the promotion of the active involvement of the U.S. private sector, every effort should be made to take advantage of on-going efforts by U.S. citizens, organizations, and foundations to pursue the objectives of this act as evidenced by the establishment by such entities of programs in one or more of the independent states that involve local reformers in the process of establishing democratic and free market systems.

This report language is important and, I believe, should be emphasized. The legislation should be used to provide assistance to efforts already underway. American organizations have established American centers in republics of the former Soviet Union designed to accomplish the very objectives sought by this legislation, and are already operating. We should take advantage of these efforts and build upon them.

One example of which I am aware is the center established in Kiev, Ukraine, by the United States-Ukraine Foundation. The United States-Ukraine Foundation was established to assist the democratic movement in Ukraine in its peaceful transition to individual and national freedom, democracy, pluralism, and a market economy, as well as to strengthen ties between the United States and the Ukraine. During these last 2 years, the people involved in the foundation have work closely with Ukraine's Government and democratic leaders, they have had staff in Kiev for over a year, and have significant in-country experience.

They are Americans. The vice-president of the foundation, Kathy Chumachenko, a former congressional staffer of the Joint Economic Committee is in Kiev now coordinating programs and assistance for Ukrainians and for United States entities interested in Ukraine. The president, a friend of mine, Nadia McConnell, is leaving for Kiev in another week-and-a-half to coordinate the visit to this country of the head of the Ukrainian Parliament.

Mr. Chairman, I want the RECORD to show that the intent of the report language I referred to is to take advantage of on-going efforts like those of the United States-Ukraine Foundation and other organizations that already are in operation in-country, advancing the ideals of democracy and the rule of law.

Mr. WALKER. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of this legislation. It is not an easy vote—politically. But, my colleagues, it is the right vote—not just for Boris Yeltsin, not just for Russia, but for the United States.

I have often voted against foreign aid. I strongly believe that our foreign policy—and foreign aid—should be only for what is in the U.S. national interest. This bill is in our interest. We have invested trillions of dollars in containing Soviet communism—so accurately described by President Ronald Reagan as the evil empire. Thousands of lives have been sacrificed in this effort also. It is in our interest that Russia—still armed with ICBM's—go forward with democracy, not lapse back into totalitarianism with all that implies.

Mr. Chairman, I am the chairman of the International Republican Institute, an NED core grantee. We have conducted democracy training programs in the former Soviet Union—as has the National Democratic Institute. Therefore, I strongly support the Democracy Corps provisions in the bill—so as to assist democracy.

At the end of our democracy conference last September in Moscow, our Institute was presented with one of the only three Russian—not Soviet—flags that flew over the Russian White House in August when and where President Boris Yeltsin courageously stood on a tank to—as it turned out—successfully stop the coup. Needless to say, that flag will always be valued.

Many of us have been heavily involved in the MIA/POW issue for years. The answer to the questions as to what happened to MIA's from Vietnam, cold war, Korea, and World War II lie in Moscow, perhaps in military and KGB files. I am absolutely convinced that we will have a better chance of obtaining the answer and of finding any live Americans by furthering democracy. We help do that by passing this legislation.

My colleagues, no one knows if passage of this legislation will save democracy in Russia. No one knows if failure to pass this legislation will doom democracy and free enterprise in the former Soviet Union. But, my friends, you can be absolutely sure failure would not help, and that the enemies of democracy in Russia would use our failure to act positively on it as arguments to return to the past.

The vote we cast not so long ago on the use of force against Saddam Hussein was for many of us the toughest vote we ever made in our congressional careers. The vote our predecessors made on the Marshall plan after World War II was equally tough—and important.

So is this vote my colleagues. Do what you know is the right thing—vote "yes".

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Chairman, I rise in strong opposition to the bill.

I have heard all the arguments in favor of this bill. Such as "we cannot allow Boris Yeltsin to fail, for if he does we risk a new cold war" and that Russia now stands at an historic cross roads of history and our assistance may help make or break these new nations.

Well sometimes we just cannot see the forest for the trees. Forget the Russian economy. Today, it is more important to ensure that America does not fail. Even under the best of conditions, I'm no fan of foreign aid, but right now it is imperative we get Americans back to work and we need to get our own economy back on the move again.

Mr. Chairman, the unemployment rate in Oklahoma rose from 5.8 to 6.6 percent in June. That means more than 100,000 Oklahomans are out of work right now. In Oklahoma City, the unemployment rate grew from 4.8 to 5.5 percent, with more than 27,000 people without jobs. And Members here on the floor are fighting to provide more than $1 billion to help Russia, not to mention the $12 billion for our share of the International Monetary Fund's replenishment.

I want to point to one specific section in this bill which I find especially concerning. It is entitled "energy efficiency and production." It states that our goals—paid for by American taxpayers—are to promote market-based policies and to transfer technologies which promote the efficient production of oil and gas.

An article in last week's "Daily Oklahoman" newspaper states that the number of oil and gas rigs operating in the United States has decreased from 831 a year ago to 690 today. That is 141 fewer oil rigs producing domestic oil. Only 2 months ago, Oklahoma reached a 20-year low in oil rig activity. I can tell you our consumption has not been reduced, which can only mean one thing: our reliance on foreign oil is increasing.

And we want to help Russia and Kazakhstan develop their petroleum and gas industries so they can better produce oil? So they, too, can begin exporting more oil to the United States and put more American workers out of work?

Meanwhile serious legislation to improve our domestic energy industry has not been passed. Legislation which invigorates our domestic energy industry should be signed by the President before we enact laws which help Russia's oil industry.

No doubt democracy is struggling in Russia. Times are tough there—but times are tough here too. Now is the wrong time to be worrying about the problems of Russia and time to start addressing economic problems here at home.

I urge a no vote on Russian aid.

I reserve the balance of my time.

Mr. BROWN. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Los Angeles, CA, Ms. WATERS, and I regret that I cannot yield her more.

Ms. WATERS. Mr. Chairman, with all due respect to those who represent all of the new jobs that they are going to be creating for Americans because of this aid to Russia, I would like to point out that we have exported thousands of jobs to Third World countries for cheap labor, that our jobs have gone to Taiwan, they have gone to Mexico, they have gone everywhere. I suppose we are finding one more place where we can

manufacture goods cheaply and rob Americans of more jobs.

I would like to ask the Members who are worried about Yeltsin, who had such a good time with him when he visited America, to visit some of your own American cities. Come to California and go to some places in New York, go to some places in this country and understand that the people are indeed without jobs. And the promise of jobs that we have been hearing about, all the jobs that were supposedly created in the last 10 years are not there. I guarantee there will not be more jobs as represented on this floor today. But perhaps there will be another place where we can export some more jobs and get some cheap labor and cause this economy to fall further and further down.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Chairman, if I may be permitted, I would like to engage in a colloquy with the chairman of the Subcommittee on Europe and the Middle East.

Mr. Chairman, there is a program currently under development which would use telecommunications technology to provide educational and instructional programming to the former Soviet Union. Grant recipients under the Star Schools Program Assistance Act would produce programming which would be broadcast to the former Soviet Union. Such technologies and programs have been put to great use in the United States, especially in States in the Northwest. For example, the Educational Service District 101 in Spokane, WA, is not only doing great work in Washington, Oregon, Idaho, Alaska, and Montana; it has recently signed an agreement with the Russian Ministry of Education and Telecommunications to begin the planning of an effort to offer educational and other programming to Russia. Mr. Chairman, it is my understanding that this bill would authorize funds which could be used for such programs. Is that correct?

Mr. HAMILTON. If the gentleman will yield, Mr. Chairman, yes, the gentleman is correct. This bill authorizes both bilateral assistance for educational and telecommunications purposes. Grant recipients under the Star Schools Program Assistance Act could certainly be one such program, and would be a worthy program.

Mr. MILLER of Washington. I thank the subcommittee chairman. Using telecommunications technology for educational purposes will allow us to reach many in the former Soviet Union where we could not reach them ordinarily.

Mr. BROWN. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Florida [Mr. JOHNSTON].

Mr. JOHNSTON of Florida. Mr. Chairman, I rise to strongly support the Freedom Support Act.

You asked the question why is this legislation so critical to the United States' interest. To appreciate the significance of this bill, it is useful to step back and reflect upon the current international landscape. It is a landscape that offers the historic opportunity to build a new, cooperative, a more peaceful world.

The great enemy, the Soviet Union, has dissolved. Not since 1919, after the aftermath of World War I, have we had a chance to create a fundamentally cooperative international arena. The United States failed then. This Nation opted out of the League of Nations. Let us do better now. We now have a chance to integrate Russia into the community of nations. This would mean Russian cooperation in future U.N. collective security operations.

□ 1650

Mr. Chairman, this would also mean Russia's cooperation in the new international relations agenda, terrorism, drug trafficking, and the environment.

In addition to the big picture, there are substantial bottom line advantages for the American taxpayer. No. 1 is the peace dividend. No. 2 is that traditionally over 50 percent of the defense budget, still over $270 billion, was dedicated to the former Soviet Union. The record shows that democracies do not go to war with democracies.

As Russian democracy evolves, the old threat can essentially vanish, yielding this country enormous savings in defense spending. But the savings are dependent on events in Russia.

A successful Russian transformation means a multibillion-dollar peace dividend for the American taxpayer. American businesses will stand to prosper from the development of this new market-oriented nation.

In the telecommunications industry, AT&T estimates that in the year 2000 Russia and other states will offer a market of $25 billion. That potentially means thousands of new American jobs, contrary to my previous speaker.

In the oil industry, United States companies are exploring investments in Russian, Kazakh, and Azeri fields that contain up to 10 billion barrels in proven reserves.

Ambassador Robert Strauss told a small group of us that this is the decisive moment for U.S. foreign policy. In his words, ladies and gentlemen, this is the big casino. He is right.

We won the cold war. If we are going to win the peace, to give purpose to all of our sacrifices, this House must pass this bill.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. CLINGER].

Mr. CLINGER. Mr. Chairman, I support the Freedom Support Act. It will provide sorely needed aid to the former Soviet States to help these newly independent and democratic societies cope with decades of neglect and mismanagement by their former governments.

I have visited the Soviet Union on several occasions before its dissolution, and once since the newly independent states were formed. They have an unbelievably monumental task ahead of them if they are to preserve and foster the promise of democracy and open markets.

The idea of a market economy is new to most of its citizens. But if it is to succeed, one of the first orders of business for their respective governments is to improve their transportation systems. I speak from personal experience when I tell you that their roads are in horrendous shape.

Without good roads, crops cannot be delivered from farms to market. That fact has already been proven several times over as their societies annually confront huge losses from fruits and vegetables rotting in the fields for lack of good road and rail services. The bottom line is that their food supply is imperiled, and we've all seen evening newscasts showing empty store shelves. It's not for lack of domestic farm production; they simply can't get their products into the cities.

The same problem imperils their industrial sector. Parts, raw goods, and other supplies, are not able to be delivered efficiently.

The Freedom Support Act enumerates several new authorities that our Government can offer to the newly independent states, and I thank the chairman and ranking member of the Foreign Affairs Committee for their attentiveness to the role of transportation infrastructure.

I would also like to remind Members that in addition to financial aid, our Government stands ready to deliver technical expertise on the institutional, structural, and management skills necessary to develop and implement an integrated transportation network. Within the U.S. Department of Transportation are its modal agencies regulating highways, aviation, rail, and maritime activities.

With respect to highways, Members should be aware that the United States is unique in the manner in which it has developed a Federal/State partnership over its highway system. No other country in the world has instituted a similar model, where the Federal Government is the principle source of capital and design and construction standards, but gives States the discretion to designate highway alignments and to manage construction and maintenance of its roads. Our shared system of highway construction and maintenance has produced one of the most advanced, safest, and efficient roadway systems in the world.

It is my hope the administration, specifically the Department of State, will recognize the tremendous tech-

nical expertise that resides at the Department of Transportation as it begins to carry out the authorities provided by this legislation. It is absolutely essential that the newly independent states begin to upgrade their transportation systems quickly. Otherwise their ability to become self-sustaining will be seriously jeopardized.

Mr. BROWN. Mr. Chairman, I yield 3 minutes, the remainder of my time, to the distinguished gentleman from Indiana [Mr. HAMILTON].

Mr. HAMILTON. Mr. Chairman, I rise in strong support of H.R. 5750, to authorize supplemental assistance for Russia and the other newly independent states of the former Soviet Union.

Let me address three issues.

I. THE SETTING BEFORE US

First, the setting in which we are considering this piece of legislation is extraordinary.

A great historical struggle is taking place in the former Soviet Union today. It is a struggle about the future of democracy, and the future of free market reform.

It is a great historical drama. The outcome is important for the world and for the United States. We do not know how the story will end.

THE ROLE OF PRESIDENT YELTSIN

President Yeltsin of Russia has taken several remarkable, difficult decisions. He has done things that were thought impossible just a year ago.

He put his life on the line to stop a coup;

He has destroyed the Communist Party;

He has thrown open the doors of Russia;

He has made extraordinary concessions to cut nuclear arms;

He has stopped aid to Cuba;

He has vowed to find the truth about all POW's;

He has freed prices, made the ruble convertible internally, and begun the wrenching process of creating a market economy.

U.S. STAKES IN THE SUCCESS OF REFORM

On key issues of importance to the United States, President Yeltsin has made progress. He has fulfilled some commitments, and we want him to fulfill those that remain. We have an enormous stake in his success.

Yeltsin and his reform program today are on the precipice. His economic reforms are causing great pain. Many voices are urging him to slow down and to stop. The backlash against reform is in full swing. Yeltsin's critics say that he is doing what the West asks, but that he is getting nothing in return.

Passage of this bill today will give Yeltsin an important boost. It will show that we stand with him. It will show that the United States is committed to help democracy and economic reform.

We cannot guarantee the success of reform. Only the Russian people and the peoples of the new independent States and their leaders can. They are the ones who have to do all the hard work.

But our help can make a difference. In the close race between reform and collapse, our help can buy time for Yeltsin—time for reform to work.

THE CONSEQUENCES OF FAILURE

What if the bill today is defeated?

Defeat of this bill will mean a stinging rebuke of our President.

Defeat will mean a stinging rebuke of President Yeltsin and all that he stands for. It will give aid and comfort to those hard-liners working to reverse his reforms.

Defeat will mean that the United States is dropping out, that the United States does not want to lead. It will mean that the United States doesn't care about democracy and freedom. It will mean that we are walking away from everything we believe in.

II. WHY THIS BILL IS IN THE U.S. NATIONAL INTEREST

Second, I want to spell out in detail why this bill is in the U.S. national interest.

This bill will improve our security.

The success of reform in the former Soviet Union will mean:

Less defense spending than would be the case if Russia remained our adversary;

A reduced nuclear threat and a more peaceful world;

Reduced arms exports, and less proliferation;

Better nuclear power plant safety, and less risk of environmental disaster; and

The conversion to peaceful uses of defense industries.

This bill will benefit the U.S. economy. The success of reform will:

Reduce the defense burden for taxpayers;

Help American farmers;

Open new markets to American business;

Open up vast natural resources to peaceful commerce;

Increase energy supplies and lower prices;

Redirect enormous human talent to peaceful pursuits; and

Boost world economic growth and American exports.

This bill will promote American values. The success of reform will mean:

A society based on the rule of law;

Governments accountable to the governed;

The protection of individual and minority rights; and

Democracies that not only share but help promote our values: in freedom, free markets, and the peaceful resolution of disputes.

This bill will also serve humanitarian objectives and help those in need. Easing the pain of reform will buy time for reform to work.

People are not starving in Russia or the other republics, but they are in dire need of medical supplies and humanitarian assistance. It is in the American tradition to give a helping hand.

As you add up each of the reasons to vote for this bill, the case is an overwhelming one. This bill represents an extraordinary opportunity:

To help consolidate democracy and free markets;

To turn former enemies into permanent friends; and

To secure a safer and more prosperous future.

III. THE ISSUE IS NOT HELPING US VERSUS HELPING THEM

Third, the issue is not helping us versus helping them. There are those who say that the choice before us today is helping those at home or helping those in Russia. That is a false choice. That is not the debate here.

This bill helps Americans as much as it helps Russians. We do not live in a safe little corner of the world. What happens in Europe, what happens in Russia and the other republics makes an enormous difference to us and our security and our well-being. That was true in the World Wars I and II, the cold war, and it is still true today.

We cannot live safe, prosperous and free if there is turmoil and upheaval in a vast land that possesses some 30,000 nuclear warheads. When we work for democracy and economic reform in the former Soviet Union, we work to help Americans and to make all Americans more prosperous, more free and more safe.

IV. WHY A CLOSED RULE

Mr. Chairman, many colleagues have raised questions about the closed rule for consideration of this bill.

The bill before us is not perfect. We have tried to accommodate the concerns of many Members. I know that we have not accommodated all.

Many Members have worthy and meritorious ideas for amendments, and I know that they are frustrated that they will not be able to offer them today.

I would like to say to my colleagues that this closed rule is an extraordinary rule, for an extraordinary piece of legislation at a critical moment for American foreign policy.

This bill is not the end of a process, it is a beginning. There will be a need for adjustment as we go along. There will be ample opportunity to offer amendments in the normal foreign aid authorization and appropriation process.

There are plenty of excuses not to vote for this bill. I have heard many of my colleagues worry about voting for this bill before the November election. I worry about it, too.

But I also hear from my colleagues saying: "This bill is the right thing to do."

This bill is a summons to leadership.

I appeal to you to give public voice today to your private judgment. This bill is the right thing to do.

V. CONCLUSIONS

Mr. Chairman, I want to close with a few observations.

First, the toughest work on democratic and economic reform has to be done by the people and leaders in the former Soviet Union themselves. We can—and should—help them, but we cannot do it for them.

Second, we are not alone. Every Western government is playing a role and providing support for reform. Some are providing more than we are. All that we are being asked to do today is to do our fair share—no more, and no less. American leadership is needed if we are to get others to share the burden.

Third, the former Soviet Republics are moving in the direction we want them to go. They are not there yet. Some have only started. But if their reforms fail or are derailed, we will be worse off. The costs and risk of going ahead with assistance are less than the risk of not trying.

Finally, we will face no more important vote on foreign policy during our time in the Congress. How we respond today will help determine the shape of the world for the next century.

Turning Germany and Japan into democratic allies and prosperous trading partners was the challenge of a previous generation.

The future of the former Soviet Republics is our challenge and opportunity.

But this opportunity will not last forever. The hour is already late. Yeltsin and reformers now face a great test. They need our help.

Whether we seize this opportunity to help them—and help ourselves—is the great question before us.

I urge my colleagues to support this bill.

Mr. WALKER. Mr. Chairman, I yield 1 minute to the gentlewoman from Florida [Ms. ROS-LEHTINEN].

Ms. ROS-LEHTINEN. Mr. Chairman, I rise in opposition to this bill.

I wanted to put an amendment in to condition United States assistance to the independent states of the former Soviet Union upon those Republics terminating all assistance to Cuba, terminating all intelligence bases in Cuba, such as the facility at Lourdes, withdrawing military personnel from Cuba, and terminating all assistance in the construction of nuclear reactors in Cuba.

These conditions are need for the liberation of the Cuban people from the tyranny of the Castro regime, and are also in the best United States interests.

We need to remember that Cuba today, which is only 90 miles away, continues to pose a serious threat to the U.S. by being within striking distance of most of the Eastern United States, and by maintaining several major military installations. Also, unconditioned United States assistance in this bill would work against other United States efforts such as the Cuban embargo which are already in effect to further isolate and bring down Castro's brutal dictatorship.

I urge a "no" vote on passage.

□ 1700

Mr. WALKER. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. EARLY].

Mr. EARLY. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in opposition to this bill.

Mr. Chairman, everyone welcomes the dramatic changes in Eastern Europe and the former Soviet Union and the close of the cold war. Everyone hopes for continued progress toward a free and open society in these countries.

In general, the purpose of the legislation before us, H.R. 4547, the Freedom Support Act is admirable. The legislation has a number of provisions which I support. And I would like to be able to support H.R. 4547. However, I cannot do so at this time.

Mr. Chairman, we have spent much time this year discussing how to address the deficit and the $3.7 trillion national debt this Nation faces; whether or not we are in a recession, and how to get our economy moving again; and the many unmet and pressing needs here at home.

Earlier today, we had a lengthy and vigorous debate on the Family Preservation/Childhood Hunger Relief Act. A good deal of the debate centered on whether or not we could afford it. Too many children in this country need our assistance, and too many of them go to bed hungry.

The dean of the House, the distinguished chairman of the Appropriations Committee, and the distinguished gentleman from Kentucky, my chairman, just finished sheparding our 10 domestic appropriations bills through this house. How many times this year, Mr. Chairman, did we hear the words "fiscal constraints"—we do not have the resources to do it.

A little more than 2 weeks ago, we debated the fiscal 1993 Labor/HHS/Education appropriations bill. I don't think that too many Members of this House were satisfied with this—the people's bill. Funds for many social programs had to be cut. And there were not enough funds to address the needs of our children and families and senior citizens the way we should. There were not enough funds to provide the increases needed in health, education, research, job training, and the fuel assistance programs.

LIHEAP, the Low-Income Energy Assistance Program, is one which was not adequately funded, either in the budget request or the bill. The President's budget provided only $266.2 million, which would be available at the beginning of the cold weather season. In this bill, we increased that amount to $891 million, still inadequate when compared to the $1.5 billion we provided for fiscal 1992, of which $1.1 billion was available immediately. Fewer and fewer families are receiving assistance, and the amount of assistance is being reduced.

Approximately 38 million Americans lack health insurance. We cannot agree on what we can afford to do.

Some 17 million Americans are unemployed. Yet, how many times did we debate whether we could afford to extend unemployment benefits to the working men and women of our Nation who, through no fault of their own, lost their jobs and have been struggling to keep a roof over their family and food on the table.

When we considered the VA/HUD appropriations bill, we heard again and again that we did not have the resources to better address our housing needs, and the needs of our veterans, and our environmental problems. As we all know, the list goes on.

Too many times this year, we have heard that we cannot afford to do more—for our children, our families, our senior citizens, our working men and women, our cities and towns—our Nation.

Mr. WALKER. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. BILIRAKIS].

Mr. BILIRAKIS. Mr. Chairman, I rise today in opposition to this bill and in support of the Kyl amendment that the Rules Committee precluded from being considered today on the floor. I do so because I believe Members of this Congress should have the opportunity to get some answers to, what are to me, very important questions.

Supporters of this legislation maintain that the aid is necessary to stabilize conditions across the former Soviet Union and solidify President Boris Yeltsin's position in order to reduce the possibility of another hard-line Communist faction coming to power.

While this may sound credible, given Mr. Yeltsin's apparent democratic ideas and willingness to open his country to United States investment and trade possibilities, disturbing reports emerging from Russia must, I believe, be thoroughly explained before any assistance for Russia is considered further.

For instance, the newly independent Republic of Latvia, which had been forcibly annexed by the Soviet Union during World War II, has asked for United Nations monitors to investigate what could be a grave violation by Russia of U.N.-imposed sanctions against arms transfers to Libya, sanctions with which Russia voted to comply.

Latvian officials claim that—unknown to them—a submarine Libya had purchased from Russia was undergoing work in a Russian-controlled factory in a Russian-occupied zone of Latvia. According to the Washington Post, the Russians used the same port factory last year to train the crew of an Iraqi missile boat, despite the fact that Russia was at the time officially participating in the coalition of forces against Iraq, and may now be using it again to outfit another submarine—this one for Iran.

Mr. Chairman, questions that need to be answered by Russian authorities are whether or not the new Russia is practicing in secret the

foreign polices of the old Russia while claiming otherwise. In this instance, was Latvia being set up as a fall guy through Russia's activity on Latvian soil?

Furthermore, does Mr. Yeltsin support these actions? If so, why is he telling the world the opposite, and if not, is he, in fact, in control of the Russian military as he claims?

This last point is particularly disturbing in light of a recent accusation by a senior Yeltsin aide that the Soviet Communist Party had been supplying international terrorist organizations with funds and weapons for attacks against Western targets while the Communists were still in power.

If, in fact, the Latvian incident had been ongoing without Mr. Yeltsin's knowledge, who is to say that support of such international terrorist groups is not likewise continuing?

When former Soviet President Mikhail Gorbachev visited the United States Congress, I signed a letter to him seeking answers to a number of questions:

First, how much money did the Communist Party of the Soviet Union donate to the American Communist Party?

Second, what was the fate of United States POW's from World War II, Korea, and Vietnam that were held in Soviet prisons?

Third, who were the top spies in the KGB and what actions did they take against the United States and her interests?

Fourth, what was the true fate of Korean Airlines flight 007 that was destroyed by Soviet Air Force jets in September 1983?

These questions and those regarding the Latvian allegations should be presented to Mr. Yeltsin, and any aid package for Russia should, at the very least, be contingent upon the United States receiving thorough and satisfactory answers.

Furthermore, the gentleman from Arizona [Mr. KYL] has brought to the attention of this House other points that, likewise, should be addressed before this legislation is considered. A measure of freedom may have come to the Baltic nations of Latvia, Lithuania, and Estonia, but they will not be truly free until all of the troops of their former occupier have been removed. Two years seems a reasonable timeframe for the withdrawal of these troops, and I fully support the gentleman from Arizona in this proposition.

Providing Russia with United States-taxpayer-supplied assistance should be out of the question until these questions are addressed fully.

I oppose open-ended aid; blank checks for any foreign nation should be out of the question. Any and all assistance must be in the best interest of our country, and I maintain that this cannot be clearly divined until we get our answers.

It is, in fact, Mr. Chairman, not a contradiction that any and all foreign aid bills should start and end with the interests of the United States.

Mr. WALKER. Mr. Chairman, I yield the balance of my time to the gentleman from Georgia [Mr. GINGRICH].

The CHAIRMAN. The gentleman from Georgia is recognized for 5 minutes.

Mr. GINGRICH. Mr. Chairman, I thank my friend, the gentleman from Pennsylvania, for yielding me this time.

I believe that this may well be as important a vote as any of us will ever cast. I think it is a vote which in many ways equals the vote on Desert Storm. I think it is a vote which frankly harkens back to the Marshall plan, to President Truman's historic moment when the United States Congress decided to help democracy survive in Western Europe.

I was very emotionally moved, and I think almost every Member of the House was, when President Boris Yeltsin came here and stood and spoke. I thought it was a remarkable performance, a remarkable speech. It made all of us a little more in touch with the nobility and the romance of democracy and freedom.

I would say to all my colleagues who are thinking about voting no, harken back to how you felt when you stood that day on the floor and applauded. Harken back to how your heart went out to this man who had so much courage, and ask yourselves, if he had the courage last August to stand on a tank, to risk his life to challenge the entire might of the old Soviet Empire, because he was willing to risk his life for freedom, should we not be willing to take a much smaller risk to help freedom today?

There is no guarantee that this help will be decisive, but if we vote no and if this fails and if in the process the forces of democracy in Russia lose morale and lose momentum, and if we are someday faced in the near future with a dictatorship, and it is very possible, this Congress will spend far more rebuilding our national defense against a renewed Russian dictator, far more than is involved in this bill.

This may be the wisest national security vote any of us have ever been able to cast, because if in fact Russia continues the process of democratization, if in fact we are able to reach out a helping hand and the Russian people continue on their road to private property, and free enterprise, and the rule of law and free elections, and if we can in fact for the rest of our lives live in peace with the Russian people, we will have done more to defend America and protect America than the next 3,000 nuclear warheads or the next 500 military aircraft, and we will have done it by reaching out in a peaceful way to help peace.

I used to teach history. I have often wondered about the late 1920's when Weimar Germany was trying to be a democracy and we in America were not as helpful as we could have been, and you look back at that period and you ask yourselves, if we had been a little more concerned, if we had been a little more willing to help, could the world have avoided Adolf Hitler? Could we have avoided the Third Reich? Could we have avoided the concentration camps? Could we have avoided the loss of American men and women who died in World War II?

So I would say to all my colleagues, if you vote no today, be very sure in your hearts that you could stand and explain to Boris Yeltsin why you applaud his courage, but you are not willing to support it. If you vote no today, be sure in your hearts that you understand the burden that you are taking, because you are willing to risk the collapse of democracy in Russia and stand to one side and do nothing about it.

Mr. Chairman, I would urge every one of my colleagues to search their hearts deeply. I believe this is a vote for America. This is a vote for American jobs, trading with a prosperous Russia. This is a vote for American budgets to be smaller to save money because we do not have to worry about a militarized dictatorial Russia. This is a vote for a peaceful world and a free world for our children and our grandchildren.

I would far rather vote yes and tell them I tried than to vote no and have it collapse and tell them I have lacked the courage to stand for Boris Yeltsin on behalf of freedom.

Mr. FASCELL. Mr. Chairman, I yield such time as he may consume to the gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, my vote against this bill sending more than $1 billion to the former Soviet Union is not a vote against the Russian people, it is a vote for the American people.

There are thousands of unemployed timber workers and their families in my State of Oregon who would love some assistance from their Government. Our people need better schools, expanded access to health care, and more affordable housing. Many of them are lacking the basics—things like home heating in the winter, adequate food for their families, decent job opportunities.

And in case our leaders haven't noticed, the Federal Government is going broke.

Instead, Congress and the President are proposing to send more than $1 billion to the remnants of a corrupt oligarchy presiding over the remains of one of history's most inefficient and incompetent bureaucracies.

We should be investing in the people of this Nation, not pouring our money into the black hole of the Soviet Union's failed economic experiment.

I urge my colleagues to oppose this bill and support efforts to revitalize this Nation and its people.

The CHAIRMAN. The time allotted to the Committee on Science, Space, and Technology has expired.

There is now the time reserved for the Committee on Foreign Affairs.

The gentleman from Florida [Mr. FASCELL] has 7½ minutes remaining, and the gentleman from Michigan [Mr. BROOMFIELD] has 6 minutes remaining.

PARLIAMENTARY INQUIRY

MR. KANJORSKI. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. KANJORSKI. Mr. Chairman, I thought I had made an objection on the record to the reservation of any time. I cannot understand how there is any reservation of time remaining.

The CHAIRMAN. The reservation to the Committee on Foreign Affairs was ordered at the time that they had at the beginning of general debate as the primary committee. That was ordered by the Chair at that time, in the Chair's discretion.

Mr. SERRANO. Mr. Chairman, before considering providing assistance toward the establishment of a new world order, we must get our own house in order. My constituents in the Bronx are in dire need and would gladly welcome any technical, humanitarian, and democracy-building assistance we are discussing here today.

We have a prior, pressing duty to meet our domestic obligations. Housing, health, education, and employment for Americans are our neglected and long-overdue priorities.

Mr. Speaker, the facts are sobering. The American people are suffering. Unemployment is at an alltime high of 7.8 percent; over 5 million children go to sleep at night hungry; in New York City alone, there are 90,000 homeless people, many of whom are families. Close to 8 million Americans are uninsured or lack basic health care.

As a member of the Education and Labor Committee, I am disheartened that fiscal constraints have prevented increases in any of the education programs, especially the exemplary chapter 1 program which has won universal approval. The maximum Pell award will be reduced to $2,300 for fiscal year 1993 and the shortfall of $1.4 billion will be forward funded.

Education is the key to escape from poverty, and making education accessible and affordable to all Americans is a priority for this Congressman who represents one of the poorest districts in the Nation.

Mr. Chairman, until we have met these obligations, I cannot in good conscience justify to my constituents voting to send $1.2 billion in aid abroad.

Mr. HOUGHTON. Mr. Chairman, the question that so often arises is why don't we take care of ourselves first? Why help others like the Russians who have been our enemy since 1917 when we have so much to do all the way from Watts to Washington?

It's a good question. It deserves an answer—as a matter of fact, several answers. First—let us not forget that $1 trillion goes to our entitlement programs. This out of a $1.5 trillion budget. Of the other $500 billion, $486 billion is pushed toward other projects in this country. Fourteen billion goes to help others in other Nations including starving people, who have no other source of support, other than to reach out to the richest country on Earth.

Second, $12 billion has been bandied about as the aid figure for Russia. That is 40 times too high. The $12 billion is primarily for the International Monetary Fund—which we make money. It is possible, if you can believe it, to be out not one red cent for our Russian aid. Why?—because of the income we receive from the IMF.

Third—this is a good investment. After spending $4 trillion since 1945 to defend against Russia, a small effort now to keep democracy afloat is not too bad an idea. I support this bill.

Mr. DORGAN of North Dakota. Mr. Chairman, after considerable thought, I have concluded that I must oppose the pending bill providing a variety of United States aid to the former Republics of the Soviet Union. At a time that we should be investing in America as priority No. 1, we must weigh critically what foreign assistance makes sense.

This is a close call and both sides on this debate have offered some very persuasive arguments. I agree with proponents that we must seize the opportunity to encourage Russian democracy and to prevent a return to totalitarianism and militarism. I am also persuaded that this bill affords a flawed means to achieve that goal.

Let me underscore that I favor the right kinds of aid to Russia and other former Soviet Republics. As chairman of the Hunger Committee's International Task Force, I have convened hearings on the humanitarian plight of the many people in these Republics. As a result of those hearings I have endorsed and voted for humanitarian aid and supported expanded agricultural credits. This aid will prevent needless suffering and help to stabilize fragile governments en route to democracy. Food aid and sales will also benefit American farmers, since Russia has been one of their biggest customers.

Further, I support transferring defense dollars to aid Russian demilitarization and compliance with arms control and nonproliferation. I favor creative efforts to prevent the brain drain of Russian scientists to other countries bent on terrorism or the production of weapons of mass destruction. Again, I have voted for such spending as part of the defense authorization and foreign aid bills this year.

On the other hand, we must husband our investments for our own economy. We simply must get America back on the economic track. With gigantic deficits, we don't have the luxury of approving another $12 billion in foreign aid as this bill does. We could do so if we tapped the riches of Russia and other Republics and if we insisted on further military concessions by Russia's leaders—such as the certain withdrawal of Russian troops from independent Baltic Nations.

One thing that troubles me about the present bill is its approval of $12 billion of United States funds for the International Monetary Fund, of which only $3 billion will be used to aid Russia and other Republics. The IMF has not established a solid track record in promoting humane recovery and balanced development in other nations; I don't know why it will now do so in Russia.

I also fail to understand why we can't tap some of the estimated $1.4 trillion in strategic minerals and resources owned by Russia. This is a country rich in resources, if poor in economic output. Unfortunately, the rule for this bill did not permit amendments to barter some of the Russian wealth for aid that is needed.

I am also puzzled that we could not require a specific timetable for the withdrawal of Russian troops from the Baltic States. I understand the lack of housing in Russia limits troop withdrawals, but we could at least demand a certain schedule and guarantees for achieving that goal.

Some aid proponents have posed a troubling dichotomy: Either support this bill or no aid will go forth. Provide aid or assume responsibility for the failure of Russian democracy. It's a false dichotomy. This is not the Marshall plan. Russia is not a vanquished nation like Germany or Japan after World War II.

Even without this bill, we will provide aid—via the defense and foreign aid bills and with existing agricultural credit programs. Beyond that, the decisions of Russian leaders more than aid from the IMF will determine the future course of democracy.

So the question is not whether we provide aid, but whether we provide the right kind of aid under the right circumstances. We have a responsibility to measure whether the aid in this bill genuinely serves our national interest. I conclude that some would, but some would not. Without recourse to amendment, I am compelled to oppose the bill.

Mr. SMITH of New Jersey. Mr. Chairman, the consideration of this bill, the Freedom for Russian and Emerging Eurasian Democracies and Open Markets [FREEDOM] Support Act, by the House demarcates this Age of Democracy from the dominating cold war era. Until the revolutions of 1989 and the ensuing pursuance of individual freedoms, human rights and representative government, the objectives of the Soviet Republics were diametrically opposed to the ideals of the United States.

The United States and mature representative democracies in Europe and the West truly have a historic opportunity to nurture these new, changing markets, markets that offer promise for U.S. exports. Furthermore, we are blazing an unchartered course as we help ensure these centrally controlled economies become market-based economies, as we foster democratic governments of the people rather than fight and condemn communist governments against the people, and as we support the dismantling and destruction of weapons of mass destruction rather than spend trillions to defend ourselves against the threat of nuclear war. I believe this unchartered course cries out for innovative, flexible initiatives which build on the private sector expertise in this country and cultivate the private sector among the emerging democracies.

I urge my colleagues to join me in supporting the Freedom Support Act which stipulates that the assistance granted through any government entity is predicated on significant progress by these emerging democracies toward economic and political reform, a guarantee of human rights and respect for the rule of law, and adherence to weapons and arms control agreements. The bill clearly prohibits at this time assistance, other than funds for the disarmament and nonproliferation of weapons, to Azerbaijan due to the continued hostilities against Armenia and Nagorno-Karabakh. I fully support these stipulations.

Furthermore, Mr. Chairman, the bill outlines Congress' continued concern that former Soviet military forces remain deployed in the independent Baltic States. While President Boris Yeltsin made a public commitment to that effect when in Munich last month, the

United States must continue its pressure on the Russian Government and insist that the tens of thousands of ex-Soviet military personnel be removed.

Building on the framework of expanded trade and business opportunities for U.S. entrepreneurs which Presidents Bush and Yeltsin agreed upon recently, this bill would help facilitate ventures within the private sector. Technical assistance will emphasize practical problem-solving techniques fundamental to management and marketing within the private enterprise system. Through the establishment of business assistance centers, American businesses, especially small and medium-sized businesses, will be better equipped to penetrate these new markets.

The Freedom Support Act also authorizes an increase in the United States contribution to the International Monetary Fund [IMF], essentially increasing the pool of resources and capital available for loans. In exchange for the value of the contribution, the United States receives and increase in Treasury reserve assets which remain available for use by the United States at any time. With the replenishment provided by the United States, other countries such as Japan, Germany, and other Western European countries are obligated to increase their share of the quota. These resources are needed to allow the IMF to respond to the borrowing needs of the emerging democracies in East Europe and the former Soviet Union.

With the dissolution of the monolithic, centrally controlled Soviet economy, the economies of these emerging democracies are in shambles. With the closing of the cold war, the seething nationalistic and ethnic conflicts which threaten political and social stability have been uncovered. And, the extensive military arsenals exacerbate the uncertainty which persists between the newly independent countries. I agree with the President's analysis suggesting that "if we do not act now, we collectively will have failed to live up to the challenges and the strategic opportunity—perhaps the greatest this century—that this new relationship gives us."

Mr. MCMILLAN of North Carolina. Mr. Chairman, I rise in support of this landmark legislation. After years of sacrifice during the cold war, we have won a tenuous victory. We need to be careful, however, that economic hardship in the former Soviet Union does not undermine our efforts over the last four decades.

Boris Yeltsin has pushed through far-reaching economic reforms, and announced plans to cut the military in half. It is imperative for us to support both of these efforts, and do what we can to ensure their success.

The bill before us today is a balanced measure. It emphasizes arms control—providing money for nonproliferation and dismantlement efforts—humanitarian assistance, and includes aid to encourage the export of U.S. agriculture products.

The nuclear containment provisions are particularly important, and makes up the largest portion of the aid package. We have spent hundreds of billions of dollars in an arduous effort to counter the buildup of the Soviet arsenal. Surely, it behooves us to spend a fraction of our former outlays to do what all our former expenditures never could: Eliminate weapons from the Soviet arsenal. I would also note that the legislation targets funds for nuclear reactor safety measures, to avoid future Chernobyls.

While this aid may not save the independent Republics, we have to try. Economic collapse would reverberate through Western Europe, and ultimately have an adverse impact on the international economy. Much of the credits authorized under the bill are aimed at currency stabilization, which is the key step toward real reform and integration into the family of nations.

Let us be clear, this aid is not free. There are terms and conditions placed on the aid. The bill lays out specific steps to facilitate the peaceful resolution of ethnic disputes, and it ties aid to strides made on human rights, democracy, the rule of law, and market-oriented economic reform.

The newly established Republics are moving in the right direction. It is imperative for us to seize this opportunity, and fight to win the peace just as arduously as we fought to win the cold war.

Mr. REED. Mr. Chairman, although I rise in opposition to the Freedom Support Act, H.R. 4547, I do not rise in opposition to the idea of aiding the former Republics of the Soviet Union.

Like many Members, I joined with Mr. BONIOR and Mr. WISE in urging the President to sign an additional extension of benefits as well as an accelerated jobs bill before we would consider the Freedom Support Act.

When unemployment shot up in June, the President finally decided that he had to respond and signed an extended unemployment benefits bill into law. However, despite my State's unemployment rate of 9.4 percent, Rhode Island does not seem to merit a special or extraordinary response like the jobs plan before us today. There is aid for Soviet defense workers, but there are no jobs for the thousands laid off at the Electric Boat plant.

Our basic message has been—Mr. President what about a special plan for the United States? It appears his vision for the American people has yet to arrive.

Today I ask again, what about America? Our distinguished majority whip has stated that the President has said he will work on an accelerated jobs bill. But we need jobs now not just promises. I need to see a concrete proposal for job creation, not a capital gains tax break for the rich, but jobs for hard-working men and women here at home.

Turmoil in the former Republics of the Soviet Union should be avoided. But, the fundamental threat to world peace is not linked just to the Soviet Union's future, it is tied to the failure of our economy. So long as America is a strong and productive country, we will have the capacity and determination to support peace. An economically weak America cannot serve its people at home or defend its ideals of peace and progress abroad.

Moreover, I am concerned by another missing element in this legislation. It is a simple provision that has been included in the Senate's version. I am speaking about ensuring that all of America's food producers are included in the food aid sent to the Soviets.

Section 702 of this bill mentions many specific agricultural products from vegetable oil to tobacco, but again there is something missing—underutilized species of fish. It appears that aid to the Independent States will mean work and jobs in the Midwest, but not for the fishermen who make their living deep at sea. These fishermen are threatened by the loss of their livelihood because the stocks of groundfish are shrinking, just as many American farmers are threatened by drought. However, there is another option—there are other fish in the sea, like mackerel, skate, and dogfish. Simply stated, I would like to see language in this bill that says underutilized species of fish should be part of our aid package for the independent states.

Mr. Chairman, I repeat again, I am not opposed to the concept of aiding the Soviets and creating a special plan to address their particular needs. What I cannot vote for is placing the needs of the former Soviet Union above the needs of America.

I have suggested two specific ideas that would make my support for this bill more likely. First, an accelerated jobs bill. And, second, putting fish on equal footing with other agricultural products. Mr. Chairman, when these two basic concerns are addressed, I will reconsider meeting the needs of the Independent States.

Mr. PALLONE. Mr. Chairman, I rise to commend the chairman and the members of the Foreign Affairs Committee for the excellent job they have done in putting together H.R. 4547, the Freedom Support Act. I feel the bill strikes the right balance between judicious investment in the emerging democracies of the former Soviet Union and the fiscal realities of our economic situation here at home. After 74 years of Communist rule and human rights abuses in the Soviet Union, these Republics have formed a Commonwealth of Independent States committed to ensuring a peaceful world order and to allowing each of its citizens a voice in their government. I am proud to support this bill and I urge my colleagues to do likewise.

I do want to mention one reservation I have about the Freedom Support Act. The legislation which this body will vote on today urges Russia to begin the process of removing the troops currently occupying the Baltic States. Of course, as a sovereign nation, Russia can choose to heed our urging or to ignore it. I believe that the United States should take a stronger position. As a cosponsor of the bill introduced by Representative DURBIN, which explicitly conditioned all aid to Russia on removal of this occupying army, I feel the Freedom Support Act does not go far enough.

A year and a half ago, the United States went to war in the Persian Gulf because Iraq illegally occupied that small nation. Now, we are faced with a situation where we are giving aid to Russia, a country which maintains an occupying force in the small States of Latvia, Lithuania, and Estonia. We have tremendous leverage available to us to influence Russian policy on this issue. We should use aid to pressure Russia to withdraw these troops. If not that, then we should at least demand that no replacements are sent to the Baltics for Russian soldiers who return home.

The Freedom Support Act laudably refuses aid to the Republic of Azerbaijan for all activities except nuclear nonproliferation until the President has informed Congress that Azer-

baijan is clearly trying to end blockades against Armenia and Nagorno-Karabakh. This provision against Azerbaijan aid sends a clear message that human rights abuses and suppression of a people's right to self-determination is intolerable to the people of the United States.

It should also be emphasized that this tremendous piece of legislation comes at little cost to the weary American taxpayer. The $12 billion increase in the U.S. quota contribution to the International Monetary Fund is a credit and would not result in another burden on our already beleaguered budget.

When I entered the House of Representatives 4 years ago, it seemed a remote dream that one day my colleagues and I might help ensure a democratic government in the former Soviet Republics. But today, my friends, that dream is a reality. The Senate acted wisely in passing this bill. Again, I urge my colleagues on both sides of the aisle to vote to pass the Freedom Support Act.

Mr. HALL of Ohio. Mr. Chairman, I rise today to urge passage of H.R. 4547 which provides humanitarian assistance to the children of the former Soviet Union. New freedoms and opportunities are emerging, but not for many of the children of these Republics.

At a hearing convened by the Select Committee on Hunger earlier this year, we investigated humanitarian conditions in the republics. UNICEF has stated that children in the former Soviet Union face a series of health and nutrition problems that are escalating in severity. The incidence of infectious diseases is increasing, the nutrition status is declining, and infant mortality is rising.

The Russian Ministry of Health reports that children up to 2 years of age are receiving only 11 percent of the protein they need, only 20 percent of the fruit and vegetables, and only 43 percent of the cereals. Milk is in short supply. The milk that is available is expensive and has a shelf life of only a few days.

To date, we have done little to meet the special needs of these children. During the markup of this bill, an amendment was adopted in the Foreign Affairs Committee that directs AID to address the nutritional needs of infants in any of its humanitarian assistance programs. This is a crucial and important addition to the bill.

We must act now. I urge my colleagues to pass H.R. 4547.

Mr. EWING. Mr. Chairman, the Freedom Support Act is a good bill for America. It's not often that we get a chance to vote on a bill that will both provide American jobs at home and increase American security abroad. But that's what this bill does.

This bill is not a handout. On the contrary, it is an investment that will provide an excellent rate of return. By opening the doors to additional export credit guarantees for agricultural products, we will be doing much more than providing U.S. farmers the opportunity for sales for 1 year. We will be establishing ourselves as reliable suppliers that can be counted on for years to come. Additionally, by requiring that USDA export programs be used to promote value-added products, we will be increasing American competitiveness in one of the fastest growing areas of agricultural trade.

By some estimates, we've spent over $4 trillion during the cold war to get to where we are today. The $440 million that this bill provides is a small fraction of that amount to get the rest of the way—to free and democratic Republics in the former Soviet Union. In fact, if we do not invest in the Republics, we could see the area degenerate into chaos and civil war like we now see in the former Yugoslavia. That could wind up costing us a lot more in the long run. Our investment in those fledgling democracies can ensure that they survive, and I think that's a pretty wise investment.

I'd caution my colleagues not to view this as a cost—it is a loan that we all hope and expect to see returned. In fact, the Russians have been excellent creditors in the past. There is no reason to believe that they will renege on these guarantees.

Mr. Chairman, for the sake of both American security and American trade interests, I urge my colleagues to support this bill.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise in strong opposition to the Freedom Support Act which provides aid to Russia and the other former Soviet States. I cannot support this legislation because it comes at a time when this country needs to concentrate its efforts on the enormous crises facing its own cities. If ever there were a time for addressing the needs of our cities it is now. We cannot afford the luxury of ignoring them.

The recession that grips our country has wreaked havoc in the usually middle-class suburbs in my district, places like Oak Park and Maywood, which are not normally so adversely affected are littered with closed businesses. In the urban communities of Lawndale, Austin, and sections of the 37th and 28th wards of Chicago, many of the citizens are facing absolute destitution.

How can I go back to my district and tell my constituents that I felt it more necessary to give funds to Latvia than to try to help them correct their abysmal economic situation. In all good conscience I cannot. I will vote to defeat this bill and I urge my colleagues to do the same.

Mr. LEWIS of Florida. Mr. Chairman, I rise in reluctant opposition to this legislation aimed at assisting the Republics of the former Soviet Union.

To begin, I would like to state that I believe there is no doubt that a secure and stable Russia is in the United States' best interest. The lessening of our defense budget and the business opportunities presented will certainly help our economy.

However, today, we are not voting on the philosophy of whether or not we should help the Russians. We are voting on a very specific piece of legislation which will be the law of the land.

In short, I do not believe this legislation takes the wisest approach to the problem.

First, the bill does not adequately condition aid on continued reforms. For example, it allows Russian troops to remain in the Baltic States of Estonia, Latvia, and Lithuania. In addition, it does not address the problem of continued military spending. I cannot in good conscience support legislation which could result in United States taxpayers subsidizing military activities in the Baltics or further military spending.

Second, this bill does not call for any repayment or collateral, even though there is over 2½ trillion dollar's worth of verified natural resources in the former USSR. I could have supported this legislation had the Kanjorski-McCollum amendment been attached. This amendment would have allowed the Republics to convert their resources into cash by pledging natural resources, the right to develop them, or revenues from them, as collateral for developmental assistance.

These simple commitments are not meant as a punitive action. Instead, it is a simple commonsense approach that allows for the protection of the American taxpayer, while allowing the Independent States to receive their assistance. This approach has the added benefit of putting Russian workers to work, and easing their transition into the free market.

To conclude, Mr. Chairman, I do not stand here today in reckless opposition to the idea of helping the brave citizens of Russia and the other Republics who endured nearly three-quarters of a century of brutal Communist control.

I simply do not believe the legislation before the House today is the wisest approach to solving the problems presented by the end of the cold war. Should legislation be considered with more specific conditions, and a more appropriate funding mechanism, I will be proud to lend my support.

Mr. RICHARDSON. Mr. Chairman, I rise in support of this legislation to assist the newly independent States of the former Soviet Union in their transition to a free-market democracy.

For the past 45 years, the United States invested billions of dollars to contain communism. The American people carried that burden because the United States has always been a Nation defined by its dedication to freedom and democracy. Because of the vision of America's post-World-War II leaders, the United States won the cold war.

Today, America has a once-in-a-lifetime opportunity to advance our historic dedication to freedom and democracy in the newly independent States of the former Soviet Union.

This aid package is not a panacea for the problems facing Russia and the former Republics. This bill is not, as some have characterized in the debate, an economic recovery plan for the former Soviet Union. The new leadership in Russia and the independent States will have to embark on a massive restructuring of their economy if they are to provide a better future for its people.

America's task today, however, is to provide these newly independent States with the tools and resources to accelerate the dramatic changes underway that are being advanced by Russian President Boris Yeltsin and other leaders of the former Republics. Our role in the world community is to join with the other G–7 industrial countries to help the former Soviet Union in its transition to a free market democracy. We can do that by passing this bill.

The dramatic changes in the world should force us to think anew about our challenges both at home and abroad. As we renew our commitment to freedom and democracy abroad, we must also reinvigorate our efforts here at home to fight for those same principles. Sadly, too many Americans are seeing our values of democracy, individual freedom, and collective prosperity erode here in the United States.

So as we fight for a better life for people in emerging democracies, the Federal Government must also fight to give America's cities, rural communities, and citizens the tools and resources to make life better and more prosperous at home.

Mrs. LOWEY of New York. Mr. Chairman, I rise in support of H.R. 4547, the Freedom Support Act.

Approval of this aid package to the successor States of the former Soviet Union is extremely important. It is important because we have a tremendous stake in the success of the struggle for democracy in the Republics. The continued success of the transformation from communism to democracy in these nations makes it possible for a dramatic reconfiguration of world politics. This reconfiguration offers hope for greater international security. It also offers us the opportunity to make further reductions in our own defense budget. We must act responsibly to ensure that this transformation is not interrupted.

That means that we must ensure that conditions do not persist which would prove to be breeding grounds for dictators. It is no secret that massive economic problems and the deprivation and hunger that result give those who would destroy freedoms an opportunity to seize power.

It is also a well-documented historical fact that during times of instability, religious and ethnic minorities end up suffering the most. In those circumstances, people are angry and looking for scapegoats to blame for the hard times. Ultranationalism breeds bigotry and intolerance. In the former Soviet Union, economic hardship has meant persecution of Jews, Evangelical Christians, Ukrainian Catholics, and those of the Ukrainian orthodox faith in the past.

The Freedom Support Act will help to alleviate some of the conditions that have led to the persecution of these individuals. In addition, in recognition of the fact that persecution is already occurring, this bill extends important provisions of U.S. law that grant these individuals automatic refugee status for the purposes of admission to the United States. This status will enable them to escape dangerous situations that may arise by coming to the United States.

By approving this legislation, we will continue our important leadership in the quest for freedom and democracy around the world. I urge my colleagues to join me in approving the Freedom Support Act.

Mr. KLECZKA. Mr. Chairman, I rise in opposition to the Freedom Support Act (H.R. 4547).

In addition to providing $1.2 billion in aid to the Russian and other former Soviet Republics, the bill would increase the United States quota contribution to the International Monetary Fund by $12.2 billion.

My colleagues should note that this $12.2 billion IMF quota increase could best be characterized as a blank check. There are many conditions which should accompany such a quota increase. Conditions on international development assistance were, in fact, added by the House Banking Committee, a panel on which I serve, only to be stripped from the bill.

Let me describe some of the provisions which the Banking Committee included in its version of an international development bill which this bill eliminates.

H.R. 4547 does not include the Banking Committee sections on debt restructuring, fair labor practices, promotion of human rights activity in the Horn of Africa and elsewhere, and environmental and consumer health and safety requirements.

It fails to include provisions to promote energy efficiency, or to address the question of excessive weapons expenditures by borrowing nations.

While the bill before us today does include Export-Import Bank language, it does not include an amendment I offered at the Banking Committee, and which was part of the Banking Committee international development bill, which restricts the financing of sales of military equipment by the Export-Import Bank. The bill also deletes an amendment I offered to require a GAO study on past sales of defense material by the Export-Import Bank to determine whether such weapons may have fallen into the wrong hands, or been used to violate human rights.

These provisions were somehow considered inappropriate, and deemed necessary to strip from the bill.

That was a mistake. The House Banking Committee worked long and hard to ensure that international development assistance include the appropriate strings—strings which the American people demand.

The failure of this measure to address legitimate taxpayer concerns makes clear that there are more pressing priorities, both foreign and domestic.

I urge a "no" vote on the Freedom Support Act.

Mr. OWENS of Utah. Mr. Chairman, I rise today in strong support of H.R. 4547, the Freedom Support Act of 1992. This measure is good for American business and it will create jobs here in the United States. At the same time, I am hopeful it will assist the newly independent republics of the former Soviet Union to turn their economics around, institute democratic and free market reforms, and change forever the face of that land.

I especially want to point out the provision prohibiting United States aid to Azerbaijan until the President reports to Congress that Azerbaijan is clearly trying to end the blockade and stop the use of force against Armenian and Nagorno-Karabakh.

This provision is particularly important because of Azerbaijan's ongoing aggression against Armenia. For over 4 years now, Azerbaijan has enforced a blockade against Armenia. This blockade is illegal and immoral. It inflicts pain and suffering on innocent civilians. Food and medicine shortages are commonplace. Armenia's economy has been devastated.

Yet, somehow, this reborn State has a soaring spirit. Armenia is far ahead of other CIS Republics in implementing economic reforms, including privatization of land and market-based manufacturing policies. And Armenia was among the first States in what was formerly considered to be behind the Iron Curtain to hold democratic elections and institute democratic reforms that are meaningful and lasting.

I hope that the provision barring aid to Azerbaijan will be heard loud and clear in Baku. End the blockade—now. Stop the shooting and shelling—now. You will not be allowed to join the civilized world until you abide by international law and demonstrate your commitment to humanitarian values.

And to President Bush and Secretary Baker I would say this: The United States established diplomatic relations with Azerbaijan after Azerbaijan promised to end the blockade and stop the violence. These promises have been broken, they were never complied with even for a day. It is wrong for the United States to ignore these principles and conditions.

Finally, Mr. Chairman, I would like to say for the record, that I fully expect the IMF to distribute the loans and assistance equitably. Furthermore, the IMF should not use Azerbaijan's aggression toward Armenia as an excuse to ignore Armenia's impressive economic strides. Armenia needs immediate economic aid. I am convinced that Armenia both has the will and wherewithal to utilize this aid wisely.

Mr. BONIOR. Mr. Chairman, today, the House is taking up the Freedom of Support Act to help the independent States of the former Soviet Union make the transition to democracy and a free market system. This is an extremely difficult transition which requires courage and tremendous sacrifice.

I strongly believe that aid should only go to those countries who have committed themselves to democracy and respect for human rights. The aggression of the Government of Azerbaijan against Armenia and Nagorno-Karabakh is contrary to these goals.

For several years, Azerbaijan has blockaded the delivery of food, medicine, and fuel to Armenian populations. At the same time, hundreds of thousands of Armenians are struggling to recover from the terrible earthquake and hundreds of thousands more are refugees fleeing from Azerbaijani aggression. In another few months, Armenians will face another harsh winter without heat because of the blockades.

I strongly support provisions in the Freedom of Support Act that prohibit aid to Azerbaijan until they take steps to lift these blockades and to stop aggression against Armenians. The new world order must not condone the denial of essential supplies to civilian populations or the denial of self-determination.

Mr. TAYLOR of North Carolina. Mr. Chairman, since the introduction of the Freedom Support Act, I have spent a considerable amount of time trying to determine whether or not to support the act. What I have discovered is both encouraging and disappointing.

It is encouraging that there are so many individual Russian and Republic citizens who are optimistically working to build a free enterprise democracy. It is encouraging that Russia and the United States have agreed to eliminate heavy ICBM's, multiple-warhead ICBM's and all MIRV'd ICBM's together with certain tactical nuclear weapons. The total nuclear arsenal of both nations will be reduced to about one-fourth of the 1990 level. It is encouraging that the Russian military may be substantially reduced.

And it is encouraging that in Russia today there are 500 commercial and private banks, trading houses, 450 commodity exchanges and brokerage houses, and 2 stock exchanges.

It is, however, disappointing that every month the Government is printing 275 billion worthless rubles and that inflation is running over 1,000 percent per year. There is little evidence that the Government has the will to take steps that would drastically reduce the inflation.

It is disappointing that privatization is not moving faster and that approximately 10 billion dollars' worth of brandnew foreign equipment sits in storage while obsolete State industries continue to be subsidized.

The money requested in this bill is intended for a variety of goals. A portion will be direct humanitarian aid. A portion will be to aid in the disassembling of nuclear weapons. A portion will be used to teach the construction of a free economy at the lowest level possible. A portion of funds already available will be used to finance the purchase of American goods especially agricultural products. And a portion will be used to fund our 20-percent increase of the IMF so that currency stabilization can be had.

The stabilization depends upon Russian leadership's will. A failure of that will should cause the IMF to halt its support, for we cannot allow our support to be wasted on bureaucracy or diverted to nonessential industries or nonpeaceful purposes.

Mr. Chairman, almost all my life the United States has been in a cold war with the Soviet Union under a mutually destructive threat. We have spent trillions of dollars to win that war and to protect our Nation. I want my children and your children to be free from that financial burden and that threat. I am not naive. Whether the State of Russia will be successful in the quest of democracy for its people is very much in doubt. The odds are long and the chances slim. But the people of Russia are trying.

This spring my youngest son who was 9 and the shyest of my three boys, began swimming for the local team at home. I attended as many of his events as I could. Not because I thought he would always win first place. I didn't. Not just because I am his father, I like most of you miss too many parental events in order to be here. My wife and I attended those long arduous meets to pay tribute to our son's courage for trying.

And that, ladies and gentlemen, is where we are today with Russia and the Republics. We have spent most of this century wishing for and looking for a change for the Soviet Union, hoping for a freedom loving entrepreneurial capitalist revolution that would bring the people of the Soviet Union from under the dark cloud of Communist oligarchy and into the sunshine of freedom.

And now that the Russian people have done it, now that they have shown the courage to withstand and attempt to turn them back and are desperately struggling to develop a free enterprise system that can help guarantee their liberty, we of all people, the United States of America, should by this action pay our tribute to their courage to try.

Sadly, Mr. Chairman, the legacy of the former Soviet regime will live on even for those too young to remember the oppression of the human spirit and physical bondage under which so many suffered. Those babies recently born and being born are suffering today and will see their development stunted in the future because of poor nutrition and a lack of proper sanitation. It is estimated that there are over 1.2 million infants less than a year old in State institutions in Russia alone. The collapse of the Central Government and its poor manufacturing processes in the past have resulted in pesticide and nitrate contamination in 42 percent of all baby food produced in the former Soviet bloc. In addition we are all aware of their lack of safe water with which to prepare processed baby food. Added to poor sanitation, lack of refrigeration and a limited production and distribution capacity these factors leave Russia infants in desperate need of assistance from the United States. The Russian Ministry of Health has stated that Russian infants receive only 11 percent of the meat they need and only 19 percent of the fruit and vegetables required for healthy and normal development.

Language is included in the Freedom Support Act to guarantee sales of processed food products to Russia. Even though baby foods are not mentioned directly, I would urge the Commodity Credit Corporation to provide access to its export credit guarantees for baby food sales under the Processed and High-Value Agricultural Export Credit Guarantee Program.

I can think of no worthier product to guarantee or one with higher value than pure, nutritious baby food produced in America and badly needed by infants across the former Soviet Union.

Mr. CAMP. Mr. Speaker, today I rise in support of a provision included in the Freedom Support Act which will benefit both the Russian people and American farmers.

I am referring to an amendment that I co-offered with my colleagues which was unanimously approved by the House Agriculture Committee to allow livestock, including dairy cattle, hogs, and poultry, for export to the former Soviet Union.

Allowing the Russians to import livestock, including dairy cattle, hogs, and poultry under the Export Enhancement Program is a win-win situation. It will help Michigan farm families and the Russian people who are struggling to establish their democracy.

This provision in the bill will also help balance the diets of the people of the former Soviet Union. There is an extreme shortage of milk and dairy products, resulting in hardship particularly for pregnant women and children. Allowing farm animals to be included in the Export Enhancement Program will allow the former Soviet Republics to significantly improve their dairy industry, providing fresh dairy products and breaking the current hand-to-mouth existence.

Mr. Chairman, we are faced with a massive Federal deficit and cannot afford to fund programs for our own people. That is why I cannot support sending billions of dollars in foreign aid to the former Soviet Union at this time. However, I do support export opportunities for American farmers and support the provision in the Freedom Support Act which would provide these opportunities.

Mr. AuCOIN. Mr. Speaker, because it includes a surtax on millionaires, George Bush can't sign a bill we passed today to help needy kids, but he's eager to send hundreds of millions of dollars to the former Soviet Union. Why can this President only see pain abroad and miss it entirely right here at home?

When the cold war first showed signs of a thaw, I called on our Government to protect our security by eliminating the threat posed by Soviet nuclear weapons. I spoke out for aggressive nonproliferation policies directed at the former Soviet republics. I said that the United States must lead the way in support of democratic values in the newly independent states. As one who worked long and hard for the right of refuseniks to emigrate, I made it clear that these values had to include strict protection for the rights of religious and ethnic minorities.

We must continue to press hard for progress on these goals, for the sake of world peace and the security of every nation. But we cannot lead the world if we are weak at home. Our unfinished domestic agenda has cried out for action for more than a decade. President Bush has demonstrated time and time again that he is more worried about Panamanians or Kuwait than he is about disadvantaged children, unemployed workers, or those without health insurance right here at home. We cannot accept vague promises that, after this bill is passed, the administration will produce a visionary domestic agenda or even accept some of the good proposals that we have sent to the White House.

Congress must tell George Bush—in no uncertain terms—that aid to Russia and the other republics will just have to wait until he starts dealing with our economy and urgent domestic needs. Let's say no today to aid for the former Soviet Union and see how long it takes the President to come around.

Mr. FRANKS of Connecticut. Mr. Chairman, I rise in favor of today's Freedom Support Act. We fought many years and spent a great deal of money to win the cold war, but the battle is not over in Russia. While democracy may be in the hearts and minds of the people in the former Soviet Union it doesn't feed their children. Communism has collapsed but what it has left behind is a country lacking in direction and full of confusion. An unstable Russia is a dangerous Russia.

Clearly, it is in the best interest of the U.S. to stabilize a country that is a major nuclear power. While communism may be gone, the weapons of mass destruction that it produced are not. In an economy that has collapsed the temptation to sell weapons to the highest bidder may prove too profitable to resist. This legislation will help deter that temptation and convert their defense industrial base into a growing manufacturing base.

Russia has never had a free market economy and adopting one is not going to be painless. In the marketplace, long lines remain and the price of bread has increased. Vast in natural resources, the former Soviet Union has the potential to be a tremendous market for the United States to trade with, which will only improve our economy. They need our technical assistance to properly manage these resources and bring them to the market place. This bill will encourage the sharing of information with the republics, allowing them to establish their markets and clear the way for trade routes in the future. By passing this legislation, Congress can provide not only the humani-

tarian aid needed, but also much needed advice on how to become a self-sufficient society.

In closing, this legislation will not only help the former Soviet Union, but it will help the United States. The end result, with help from the United States, will be a more stable society with which we can begin developing a healthy trade relationship. I urge my colleagues to vote in favor of the Freedom Support Act.

Mr. COLEMAN of Texas. Mr. Chairman, I rise today in support of the Freedom Support Act. I have not failed to recognize the tremendous dilemma which evolves at moments such as these: Moments when we are called upon to send aid abroad at a time when our own economic needs are so very pressing. Nonetheless, it is vital that each of us understands that our own well-being is inextricably linked to the well-being of the global community. This is particularly true in the case which lies before us now. If we ignore the plight of the citizens of the former Soviet Union, we place our own security at risk.

The collapse of the Communist system in the former Soviet Union, while undeniably a joyous occasion, has raised many challenges for the United States. In place of the authoritarian regime, there have emerged several tenuous and fragile democracies. Our obligations in the face of this landmark event are twofold. We must first of all ensure that the hope of self-determination can be safeguarded for the people who live in the former Soviet Republics. After hundreds of years of repression, first under the czarist system, and then under the heavy hand of the Communist Party, these people deserve the freedom which so many of us take for granted. Furthermore, if we help the Governments of these fledgling democracies, which are amenable to cooperation with the United States, the mutual economic benefits will be substantial. We will not only save money on defense expenditures, we will also open up new channels of trade for our country. The nations of the former Soviet Union are rich in resources. We ought to do all we can to ensure favorable trading conditions between these nations and the United States. This would mean more jobs in the United States, and cheaper goods for American consumers. Such gains are not possible if we fail to stabilize the democratic Governments of Russia and other Republics. Without our help, it is possible that the chaos which has besieged much of Eastern Europe will grip the great nations of the former Soviet Union as well.

This brings me to the second obligation with which we are faced. I have stressed before the tenuous order which is currently being maintained in Russia and several other Soviet states. Unfortunately, without our help, it is dubious as to whether this order can be maintained. Witness the chaos in the Republics which used to be part of Yugoslavia. If such disarray were to be mirrored in the former Soviet Union, with its tremendous nuclear arsenal, the global consequences would be cataclysmic. The Freedom Support Act not only provides aid to bolster the needy Governments of the former Soviet Republics, thereby ensuring within these nations a much needed measure of stability, but also makes important provisions of nonproliferation and disarmament. We owe to our country and to the world the assurance that we are doing everything possible to ensure that no disaster occurs at this promising historical moment.

For these reasons, I feel that the Freedom Support Act is one in which our economic, political, and security interests are best served through serving the needs of others.

Mr. BROOMFIELD. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present.

Members will record their presence by electronic device.

The call was taken by electronic device.

[Roll No. 373]

Abercrombie	Cramer	Harris
Ackerman	Crane	Hastert
Alexander	Cunningham	Hayes (IL)
Allard	Dannemeyer	Hayes (LA)
Allen	Davis	Hefley
Anderson	de la Garza	Hefner
Andrews (ME)	DeFazio	Henry
Andrews (NJ)	DeLauro	Herger
Andrews (TX)	DeLay	Hertel
Annunzio	Dellums	Hoagland
Anthony	Derrick	Hobson
Armey	Dicks	Hochbrueckner
Aspin	Dingell	Holloway
Atkins	Dixon	Hopkins
AuCoin	Donnelly	Horn
Bacchus	Dooley	Horton
Baker	Doolittle	Houghton
Ballenger	Dorgan (ND)	Hubbard
Barrett	Dornan (CA)	Huckaby
Barton	Downey	Hughes
Bellenson	Dreier	Hunter
Bennett	Duncan	Hutto
Bentley	Durbin	Hyde
Bereuter	Dymally	Inhofe
Berman	Early	Jacobs
Bilbray	Eckart	James
Bilirakis	Edwards (CA)	Jenkins
Blackwell	Edwards (OK)	Johnson (SD)
Bliley	Edwards (TX)	Johnson (TX)
Boehlert	Emerson	Johnston
Boehner	Engel	Jones (GA)
Bonior	English	Jones (NC)
Borski	Erdreich	Jontz
Boucher	Espy	Kanjorski
Boxer	Evans	Kaptur
Brewster	Ewing	Kasich
Brooks	Fascell	Kennedy
Broomfield	Fawell	Kennelly
Browder	Fazio	Kildee
Brown	Feighan	Kleczka
Bruce	Fields	Klug
Bryant	Fish	Kolbe
Bunning	Flake	Kopetski
Burton	Foglietta	Kostmayer
Bustamante	Ford (MI)	Kyl
Byron	Franks (CT)	LaFalce
Callahan	Gallegly	Lagomarsino
Camp	Gallo	Lancaster
Campbell (CA)	Gejdenson	Lantos
Campbell (CO)	Gekas	LaRocco
Cardin	Gephardt	Laughlin
Carper	Geren	Leach
Carr	Gibbons	Lehman (CA)
Chandler	Gilchrest	Lehman (FL)
Chapman	Gillmor	Levin (MI)
Clay	Gilman	Levine (CA)
Clinger	Gingrich	Lewis (CA)
Coble	Glickman	Lewis (FL)
Coleman (MO)	Gonzalez	Lewis (GA)
Coleman (TX)	Goodling	Lightfoot
Collins (IL)	Goss	Lipinski
Collins (MI)	Gradison	Livingston
Combest	Grandy	Lloyd
Condit	Green	Long
Conyers	Gunderson	Lowery (CA)
Cooper	Hall (OH)	Lowey (NY)
Costello	Hall (TX)	Machtley
Coughlin	Hamilton	Manton
Cox (CA)	Hammerschmidt	Markey
Cox (IL)	Hancock	Marlenee
Coyne	Hansen	Martin
Martinez	Penny	Smith (IA)
Matsui	Perkins	Smith (NJ)
Mavroules	Peterson (FL)	Smith (OR)
Mazzoli	Peterson (MN)	Smith (TX)
McCandless	Petri	Snowe
McCloskey	Pickett	Solomon
McCollum	Pickle	Spence
McCrery	Porter	Spratt
McCurdy	Poshard	Staggers
McDade	Price	Stallings
McDermott	Pursell	Stearns
McGrath	Quillen	Stenholm
McHugh	Rahall	Stokes
McMillen (MD)	Ramstad	Studds
McNulty	Ravenel	Stump
Meyers	Ray	Sundquist
Mfume	Reed	Swett
Michel	Regula	Swift
Miller (CA)	Rhodes	Synar
Miller (OH)	Richardson	Tallon
Miller (WA)	Ridge	Tanner
Mineta	Rinaldo	Tauzin
Mink	Ritter	Taylor (MS)
Moakley	Roberts	Taylor (NC)
Molinari	Roe	Thomas (CA)
Mollohan	Roemer	Thomas (GA)
Montgomery	Rogers	Thomas (WY)
Moody	Rohrabacher	Thornton
Moorhead	Ros-Lehtinen	Torres
Moran	Rose	Torricelli
Morella	Rostenkowski	Towns
Morrison	Roth	Traficant
Mrazek	Roukema	Unsoeld
Murtha	Rowland	Upton
Myers	Roybal	Valentine
Natcher	Russo	Vento
Neal (MA)	Sabo	Visclosky
Neal (NC)	Sanders	Volkmer
Nichols	Sangmeister	Vucanovich
Nussle	Santorum	Walker
Oakar	Sarpalius	Walsh
Oberstar	Sawyer	Washington
Obey	Saxton	Waters
Olin	Schaefer	Weber
Olver	Scheuer	Weiss
Ortiz	Schiff	Weldon
Orton	Schroeder	Wheat
Owens (NY)	Schumer	Whitten
Owens (UT)	Sensenbrenner	Williams
Oxley	Serrano	Wise
Packard	Sharp	Wolf
Pallone	Shaw	Wolpe
Panetta	Shays	Wyden
Parker	Sikorski	Wylie
Pastor	Sisisky	Yates
Patterson	Skaggs	Yatron
Paxon	Skeen	Young (AK)
Payne (NJ)	Skelton	Young (FL)
Payne (VA)	Slattery	Zeliff
Pease	Slaughter	Zimmer
Pelosi	Smith (FL)	

□ 1726

The CHAIRMAN. Three hundred ninety-five Members have answered to their names, a quorum is present, and the Committee will resume its business.

Mr. DE LA GARZA. Mr. Chairman, I yield such time as he may consume to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Chairman, I rise today in support of the Freedom Support Act because I feel we must capitalize on historic events in the former Soviet Union and Eastern Europe to give freedom and democracy a chance in that area of the world.

Recent tragic events in Eastern Europe graphically illustrate that the alternative to paving the way for freedom is chaos and destruction.

We clearly must turn our primary focus to our serious problems at home—jobs and economic growth, health care, education and physical security. But as we turn to confront our domestic challenges, we must not turn our backs on those abroad who fought to gain

their nation's freedom and to rid themselves of Soviet domination.

I support this bill with several important reservations. First, the aid we are sending to the former Soviet Union must be distributed equitably amoung all the successor Republics, as stated in the committee report. I congratulate the Foreign Affairs Committee for including this important condition in their report.

The report states:

It is the expectation of the committee that assistance to the independent states of the former Soviet Union will be fairly and proportionally distributed among them, according to each state's size and needs.

That means that the needs of the people of Ukraine, for example, and the other Republics are just as important as those of the people of Russia. It is imperative that the Congress monitor disbursement of aid under this bill to ensure that it is equitably distributed.

I have spoken personally to the chairman of the Foreign Affairs Committee, who ensures me that it is the intention of the committee that this language be taken seriously and be implemented accordingly by the administration.

Second, I am concerned about the continuing presence of Russian troops in the Baltics, and disappointed that the House did not have the opportunity today to consider the Durbin amendment.

The people of Lithuania, Latvia, and Estonia have fought too long and too hard for freedom to have it impaired at this late date by the presence of the very troops who denied them freedom for half a century.

This sentiment was stated persuasively and intently by the leaders of the Baltic Nations when I visited them a year ago. The United States has an obligation to take steps to help turn our sense of Congress language into reality in the Baltic Nations.

Third, I hope that during a House-Senate conference on this bill the committee will agree to include the Gore amendment, which will prohibit assistance to government institutions in the former Soviet Union that are unlawfully holding the property of United States citizens. I am particularly concerned about the ongoing struggle of the Lubavitch community to regain possession of sacred texts and manuscripts held by the Russian State Library in Moscow.

Fourth, I strongly support provisions of this bill that condition assistance to the Republic of Azerbaijan on the end of that Government's economic blockade and aggression toward the people of Armenia and Nagorno-Karabakh.

When I was in Armenia last summer, the new democratic government of Armenia gave us their assessment of the tragic events in Nagorno-Karabakh and discussed their desire to avoid further bloodshed. Unfortunately, the bloodshed has continued, as I've heard in first-hand accounts from objective observers. It is vital that the bill's conditions relating to any funds for the Republic of Azerbaijan be actively implemented by the administration.

Mr. BROOMFIELD. Mr. Chairman, to conclude the debate on the minority side, I yield the balance of our time to the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL].

The CHAIRMAN. The gentleman from Illinois [Mr. MICHEL] is recognized for 6 minutes.

Mr. MICHEL. Mr. Chairman and members of the committee, consider the facts of international life. The arms race continues. The Berlin Wall stands strong. The Soviet Union and all of Eastern Europe are under Communist Party domination.

As I said, Mr. Chairman, these are facts of international life. But they are not the facts of 1992; they are the facts of 1988.

Something marvelous has happened during these past 4 years. Some call it a historic inevitability. Some call it the result of Presidential leadership. Some call it a miracle. But, whatever happened, they were 4 years that changed the world.

Think of it: The sudden total collapse of the most dangerous tyranny in the world, the rebirth of freedom for the ancient nations of Eastern Europe, the fall of the Berlin Wall and German reunion, and President Bush's historic agreement with Boris Yeltsin to eliminate the most dangerous of nuclear weapons.

□ 1730

These 4 years were a culmination of a decades-long struggle for freedom. The cost of victory was high; tens of thousands of lives and trillions of dollars over a period of 45 years. In my conversation with the gentleman from Wisconsin [Mr. OBEY], we had concluded that if you added up what we have spent, it would amount to better than $85,000 for every taxpaying household in this country over that period of time, a phenomenal amount, to bring us to where we are. Just think, for a few extra dollars, we are going to give the peace that is within our grasp to our future generations.

When I listened earlier to the trashing comments that were made by those who thought only about today instead of what our children and grandchildren are going to have to live with, I say let us not be so shortsighted.

Today, by voting for the Freedom Support Act, we have a chance to celebrate that victory, honor those sacrifices, and seize a historic opportunity for progress. We have arrived at one of those rare historic moments that Winston Churchill called the hinge of fate.

The destiny of nations, including our own, is in the balance. The former Soviet Republics are emerging from a nightmare of 75 years. Three are still economic and political and social remnants of the great terror they must come to grips with. We can expect progress in these nations only if they have stability, democracy, and, yes, a good deal of hope. And those goals are what this bill is all about.

But let us now turn to the most important question about this bill, the one each of us is asking: What is in the Freedom Support Act for the good old USA? That is a pretty practical question to be asked today.

My answer is, quite frankly, more jobs, more exports, an end to fear of nuclear war, and a better future.

It has been said no man is an island. In 1992 we must say in a global economy, no nation is an island.

As far as American economic progress and job building are concerned, we can say the world is our future. The Freedom Support Act gives us the chance to begin to shape that future in America's interests, economic political, and by America's values.

American businesses and farms need a signal from our Government. They need to know we are going to help them expand trade with the former Soviet Republics, and create American jobs.

This bill can begin that process.

Some say the American people do not care about what is happening in the world, and that only domestic affairs matter in an election year. Well, I do not know. I would not underestimate the American people's wisdom. They know that what happens abroad in many cases has a direct bearing on our domestic economy and their job opportunities.

Mr. Chairman, the door to a better, safer, more prosperous future is open before us. If we go through that door today, we carry with us American values, American interests, American ideas, and American jobs to build that future.

Mr. Chairman, I would like to digress for a moment to read a memo that President Nixon sent me, a copy of his memo to Bob Strauss, our Ambassador, when he testified before the committee, because I think he sums it up very carefully in his note of commendation to Bob Strauss.

Your testimony in support of the Federal Support Act was right on target. This is the most important vote Members of the House will cast in their lifetime. If democracy and freedom fail in Russia and the other former communist states, this will be a fatal blow to all we have fought for during the page 45 years. Rather than winning the Cold War, we will have lost it. Reactionary leaders will come back into power. The peace dividend will be down the drain. Instead of reducing the defense budget, we will have to increase it by billions of dollars. Thousands of nuclear weapons, which President Yeltsin is eliminating, will again be aimed at the United States. Aid to Russia and the other former communist states is an investment in peace and prosperity for the American people. Keep up the good work.

Mr. Chairman, I would have to certainly endorse that. I will include at the end of my remarks the letter from the President, a letter signed by all our former Presidents, Nixon, Carter, Ford, and Reagan, and prior Secretaries of State stretching all the way back to Henry Kissinger and Cyrus Vance.

Mr. Chairman, some say in this vote we must choose between our typical American desire to help others and our own domestic interests. But in fact, it is only by being generous with our

former adversaries that we can prosper in today's interdependent world.

If democracy fails in the former Soviet States, the ensuing civil wars will make today's Bosnia look like an oasis of calm and peace. I think everyone ought to think of that very seriously. There are those who think they may have the magic answer to what is happening over in Yugoslavia today. But I will tell you, when you explore all the options that would be involved in trying to settle that kind of a dispute just think how much more magnified that will be if the same violence and unrest were to occur in what was once the old Soviet Union.

Does anyone seriously argue that such a calamity would not affect our jobs, our families, and our security?

Mr. Chairman, we have a golden chance here to help shape the world for the future. Let us make it a world in which 45 years of sacrifice are given significance, in which the promise of democracy becomes a reality in the former Soviet Union.

Mr. Chairman, obviously I urge Members to support us in this effort and to pass the Freedom Support Act this afternoon.

THE WHITE HOUSE,
Washington, DC, August 3, 1992.

Hon. ROBERT H. MICHEL,
Republican Leader, House of Representatives, Washington, DC.

DEAR BOB: As the House moves to consider the Freedom Support Act (H.R. 4547), I wanted to convey to you my strong backing for the bill and my hope that it will have the support of you and your colleagues.

I submitted the Administration's Freedom Support Act proposal in April and requested prompt Congressional action. On July 2, the Senate passed its version of the bill, S. 2532, by a bipartisan vote of 76 to 20. The Senate and House bills differ from the measure I proposed to Congress, but they contain most of the basic authorities which I requested. I hope that, working together, we can produce a conference report that serves as a bipartisan foundation for our assistance effort.

I am convinced that we now stand at a critical movement in history. Together with our allies, we have the once-in-a-lifetime opportunity to help consolidate democracy and free markets in Russia, Ukraine, Armenia, and other states and to turn former enemies into permanent friends and partners. Most important, we have the chance not only to help the peoples of Russia and the new independent states escape the long nightmare of communism, but also to secure for us and our children a future that is infinitely safer and more prosperous.

Six weeks ago, Russian President Yeltsin came to Washington. Together we defined a new era in our relations. In signing with me the Washington Charter, President Yeltsin made clear and unequivocal commitments to democracy, free markets, and security cooperation that no Soviet leader could have possibly contemplated. After tough negotiations, we signed a historic nuclear arms reduction package that will achieve the greatest measure of security for the United States since the dawn of the nuclear age.

President Yeltsin also reaffirmed his determination to build a free market in Russia and to push ahead with his program of radical economic reforms. Together, President Yeltsin and I established a new framework for vastly expanded U.S.-Russia trade and investment that will benefit our businesses and our workers for years to come. We signed new Tax and Bilateral Investment Treaties that will help our firms enter the Russian market, and the U.S. granted Most Favored Nation status to Russia.

President Yeltsin has boldly and unambiguously committed his government to the values that all Americans hold dear: democracy, freedom, and free markets. He has promised to uncover the darkest secrets of the communist past and to help resolve our deep concerns about American MIAs, POWs, and the KAL 007 tragedy. Now it is time for America to do its part to assist Russia, Ukraine, Armenia, and the other new states to make the historic transition from tyranny to freedom. Together, the Administration and Congress must send a clear message that we stand with them at this difficult hour, when they need our help most.

To those who say America cannot afford to assist these reformers at a time of domestic difficulty, I respond that no such false choice exists. We can—we must—meet challenges both at home and abroad.

The Freedom Support Act is not just another foreign aid bill. It is first and foremost an act of national self-interest, a direct investment in the political, economic, and security future of the American people. Having spent over $4.3 trillion to defend ourselves from Soviet totalitarianism during the Cold War, we can ill afford not to invest in democracy in Russia and Ukraine so that we can permanently reduce our defense burden. The resulting savings would be available for investment here at home. And by acting now to engage Russia and the new states, American firms, workers, and products will be well-positioned to take advantage of this large and rich market.

If we do not act now, we collectively will have failed to live up to the challenges and the strategic opportunity—perhaps the greatest this century—that this new relationship gives us. Now it is time for the House to join the Senate and pass the Freedom Support Act and then to meet in conference and pass a bill I can sign into law. To desert Russia, Ukraine, Armenia, and the other states at this time of need would be a tragic mistake for which history will surely judge us harshly. I therefore urge your support for early passage of the Freedom Support Act.

Sincerely,

GEORGE BUSH.

THE WHITE HOUSE,
Washington, DC, August 6, 1992.

Hon. ROBERT MICHEL,
Minority Leader, House of Representatives, Washington, DC.

DEAR BOB MICHEL: Enclosed is the former President's letter in support of the Freedom Support Act. Please let us know if we can be the further assistance.

Sincerely,

BRENT SCOWCROFT.

Enclosure.

AUGUST 5, 1992.

DEAR MR. SPEAKER: We urge your support for the Freedom Support Act. For much of this century, the peoples of Europe and Eurasia have suffered under the tyranny of Communism. Throughout those years, America has nurtured their desire for freedom, their thirst for individual liberties, and their will to become democracies.

Our successive administrations—and our allies—have been united in the struggle against Communism. Our unity has proven the wisdom and strength of our democratic system and provided a stunning victory for freedom.

We now have the opportunity, so fervently pursued for generations, to guarantee a peaceful transition to democracy. America must respond to this challenge, as we have so many times before, through leadership of an international coalition to secure the success of reform in Russia and the other states of the former Soviet Union.

The stakes could not be higher. If we fail to seize this historic opportunity now, authoritarianism could return in Moscow and elsewhere, the anticipated peace dividend could evaporate, future markets and jobs for Americans could be lost, and nuclear weapons may again threaten the lives of our children.

This may be the most important vote you cast. Aid to Russia, Ukraine, Armenia and the other states of the former Soviet Union is an investment in peace and prosperity for the American people.

Sincerely,

RONALD REAGAN.
JIMMY CARTER.
GERALD R. FORD.
RICHARD M. NIXON.

JULY 31, 1992.

Hon. ROBERT STRAUSS.

DEAR BOB: Your testimony in support of the Freedom Support Act was right on target. This is the most important vote members of the House will cast in their lifetime. If democracy and freedom fail in Russia and the other former communist states, this will be a fatal blow to all we have fought for during the past 45 years. Rather than winning the Cold War, we will have lost it. Reactionary leaders will come back into power. The peace dividend will be down the drain. Instead of reducing the defense budget, we will have to increase it by billions of dollars. Thousands of nuclear weapons, which President Yeltsin is eliminating, will again be aimed at the United States. Aid to Russia and the other former communist states is an investment in peace and prosperity for the American people. Keep up the good work.

With warm regards,

Sincerely,

RICHARD NIXON.

Hon. ROBERT H. MICHEL,
House of Representatives

DEAR MR. MICHEL: We write to you today about an item of vital national interest. We do so not just as former Secretaries of State, but as Americans acutely aware of the opportunities—and risks—created by the collapse of Communism in the former Soviet Union. Having personally devoted much of our professional lives to helping this country wage the Cold War, we believe it is critical that the Congress move now to win the peace by passing the Freedom Support Act.

Reformers in Russia and the other new states are battling fierce opposition to implement painful political and economic changes. If they succeed, we have the opportunity to build the more peaceful, prosperous world we and our allies fought for forty years to achieve. But should they fail, this historic chance to increase America's security, to safely reduce our defense burden, and to re-direct resources to our problems here at home will be lost.

The world has always looked to the United States for leadership. It did so after World War I, and when we failed to respond, the consequences were tragic. It did so again

after World War II, and we built the democratic coalition that contained and defeated Soviet Communism. Now the world looks to us again. We believe that America must answer this call by leading our allies in an effort to secure a lasting peace with the states of the former Soviet Union.

This is not a partisan issue. Having served in administrations of both parties, we strongly believe that President Yeltsin and other reformers merit our energetic and timely support. By passing the Freedom Support Act, the House can display the statesmanship that has made it the great legislative body that it is. We urge you to accept this historic challenge by voting "yes".

Sincerely,

Dean Rusk, January 1961–January 1969.

William P. Rogers, January 1969–September 1973.

Henry A. Kissinger, September 1973–January 1977.

Cyrus Vance, January 1977–April 1980.

Edmund S. Muskie, May 1980–January 1981.

Alexander M. Haig, Jr., January 1981–July 1982.

George P. Shultz, July 1982–January 1989.

The CHAIRMAN. The gentleman from Florida [Mr. FASCELL] has 7½ minutes remaining.

Mr. FASCELL. Mr. Chairman, to conclude debate on this landmark legislation, I yield the balance of my time to the gentleman from Missouri [Mr. GEPHARDT], our distinguished majority leader.

Mr. GEPHARDT. Mr. Chairman, I would like to start my statement by reading two paragraphs from a letter that the Speaker received today from former Presidents Reagan, Carter, Ford, and Nixon.

In one paragraph they said:

Our successive administrations—and our allies—have been united in the struggle against communism. Our unity has proven the wisdom and strength of our democratic system and providing a stunning victory for freedom.

In the last paragraph they said:

This may be the most important vote you cast. Aid to Russia, Ukraine, Armenia, and the other states of the former Soviet Union is an investment in peace and prosperity for the American people.

I think their statement is right.

Mr. Chairman, I rise today as a supporter of the President's policy toward the former Soviet Union and as critic of the President's leadership on foreign policy to urge my colleagues on both sides of the aisle to support this legislation.

Today, we are asking Members to stand on the shoulders of the giants who came before us, Churchill, Truman, Vandenberg, Marshall, de Gaulle, and Monet, the people who dared to imagine a democratic and prosperous Western Europe when that continent lay in ruins.

We would ask you to peer into the future, a future free from the threat of nuclear annihilation, free from the discipline and constraints of the policy of containment, and into a new world, where former enemies can now join us as friends.

□ 1740

We ask you to enlist in a constructive experiment to build a more democratic and more prosperous united Europe, and an emancipated Commonwealth of Independent States. We ask you to seal for ourselves and our children America's victory in the cold war.

Seventy years ago, Winston Churchill said this:

Russia, like any great nation, is indestructible. Either she must continue to suffer and her sufferings will disturb and convulse the whole world, or she must be rescued". He said "I say to the thoughtless, I say to I say to the busy—you may abandon Russia, but Russia will not abandon you * * * you cannot remake the world without Russia.

The Freedom Support Act is America's contribution to a worldwide effort among the friends of democracy to remake the world by assisting Russia and the other Commonwealth States in rebuilding themselves economically. It is our attempt, through expanded aid and trade, to provide the glue that will hold these new democracies together.

Their efforts to build democracies can only survive if their companion experiments in free markets and entrepreneurship have the chance to succeed.

I stand before you, my colleagues, arguing not that this vote is easy, but that this legislation is necessary. Our people are hurting economically all over this country. The current administration, in my opinion, has been woefully unresponsive to the needs of workers and families and companies, buffeted as they are by the recession, by declining incomes, by unfair trade practices, and by escalating increases in the cost of health care.

This is a hard time to be asking American families to support a new adventuresome policy that commits the United States to a foreign aid program overseas. I know that and you know that.

I am deeply critical, I do not know of anyone who has been more critical of the President for his lack of leadership in this area, both in terms of our own economy and in terms of this effort today.

What makes this vote harder is the President's unwillingness to explain and interpret the startling events overseas to the American people.

I think Harry Truman did it better in saying that in investing in democracy and economic freedom overseas that we act in the deep self-interest of all of our people. But even in this historic role reversal, we must perform as Congress performed 40 years ago. We must put ourselves on the line. We must interpret these events for our people and for the American people. We must compel them to see a future where American exports and American jobs and American profits and American incomes, our very economic security will be protected by this legislation, just as we acted to protect our military security in 1948 in the cold war by approving the Marshall plan.

There are two central differences between the circumstances that led to our enactment of the Marshall plan and the circumstances we confront today.

First, the size of the contribution we are asking the American people to make is a fraction, a fraction of what Harry Truman and George Marshall asked of the American people in 1948. In today's terms, it was $40 billion, from a country that was exhausted by a war and by a depression. And Harry Truman was riding right at 14 percent in the polls. And the American people supported the Marshall plan less than they support this plan today.

But he said to the American people what our deep interest was, and they believed him. And they will believe us, if we will only tell them.

We are not acting alone today; 1948, it was just us. We were the only people that could act. Today the Germans, the French, the Japanese, and others are acting with us. They do it as we do it, not simply out of a sense of altruism but motivated by their own national interest, as we act in our national interest.

They are investing from Siberia to the Baltics in projects ranging from infrastructure to schools because they know that their investments will pay huge dividends down the road, 10, and 20, and 30 years from now.

Ladies and gentleman of the House, today our choice is not only about the future of democracy in places that our people will never see. Today's debate is about the future of our economy in places that all of us represent.

None of us may cast the giant shadows of the architects of the Marshall plan, but the nature of our role and the significance of our decision is today no less momentous than it was in 1948.

I ask each of you individually to vote for this legislation in the interest of our people, in the interest of our country, in the interest of our economy, and in the interest of our future.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute consisting of the text of H.R. 5750 shall be considered as an original bill for the purpose of amendment and is considered as having been read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 5750

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

SECTION 1. SHORT TITLES.

This Act may be cited as the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992" or the "FREEDOM Support Act".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short titles.
Sec. 2. Table of contents.

TITLE I—GENERAL PROVISIONS

Sec. 101. Findings.
Sec. 102. United States policy.
Sec. 103. Criteria for assistance to governmental entities in the independent states.
Sec. 104. Annual report.
Sec. 105. Program coordination, implementation, and oversight.
Sec. 106. Definition of independent states.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

Sec. 201. Support for economic and democratic development.
Sec. 202. The Democracy Corps.

TITLE III—UNITED STATES INFORMATION AGENCY AND DEPARTMENT OF STATE

Sec. 301. Additional funding for administrative expenses of the United States Information Agency.
Sec. 302. Additional funding for administrative expenses of the Department of State.

TITLE IV—INTERNATIONAL FINANCIAL INSTITUTIONS AND TRADE FINANCE

Sec. 401. International Monetary Fund.
Sec. 402. Problems of nations making the transition to more open political and economic systems.
Sec. 403. Report on debt of the former Soviet Union held by commercial banks.
Sec. 404. Support for macroeconomic stabilization in the independent states of the former Soviet Union.
Sec. 405. Role of the International Finance Corporation in supporting economic restructuring in the independent states of the former Soviet Union.
Sec. 406. Technical assistance for the independent states of the former Soviet Union
Sec. 407. Human rights.
Sec. 408. Report on demand for trade finance for the independent states of the former Soviet Union.
Sec. 409. Export-Import Bank Act list of Marxist-Leninist countries.
Sec. 410. Johnson Act.

TITLE V—NONPROLIFERATION AND DISARMAMENT ACTIVITIES

Sec. 501. Nonproliferation and Disarmament Fund.
Sec. 502. International nuclear nonproliferation activities.
Sec. 503. Soviet weapons destruction.
Sec. 504. Establishment of foundation.

TITLE VI—SPACE TRADE AND COOPERATION

Sec. 601. Findings.
Sec. 602. Facilitating discussions regarding the acquisition of space hardware, technology, and services from the former Soviet Union.
Sec. 603. Office of Space Commerce.
Sec. 604. Report to Congress.
Sec. 605. Definitions.

TITLE VII—OTHER PROVISIONS

Sec. 701. Statutory lists of communist countries.
Sec. 702. Agricultural trade programs.
Sec. 703. Peace Corps volunteer training requirements.
Sec. 704. Establishing categories of aliens for purposes of refugee determinations; adjustment of status for certain Soviet and Indochinese parolees.

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.

The Congress finds that—

(1) recent developments in Russia and the other independent states of the former Soviet Union present an historic opportunity for a transition to a peaceful and stable international order and the integration of the independent states of the former Soviet Union into the community of democratic nations;

(2) the entire international community has a vital interest in the success of this transition, and the dimension of the problems now faced in the independent states of the former Soviet Union makes it imperative for donor countries and institutions to provide the expertise and support necessary to ensure continued progress on economic and political reforms;

(3) the United States is especially well-positioned because of its heritage and traditions to make a substantial contribution to this transition by building on current technical cooperation, medical, and food assistance programs, by assisting in the development of democratic institutions, and by fostering conditions that will encourage the United States business community to engage in trade and investment;

(4) failure to meet the opportunities presented by these developments could threaten United States national security interests and jeopardize substantial savings in United States defense that these developments have made possible;

(5) the success of United States assistance depends on—

(A) effective coordination of United States efforts with similar activities of friendly and allied donor countries and of international financial institutions, and

(B) reciprocal commitments by the governments of the independent states of the former Soviet Union to work toward the creation of democratic institutions and an environment hospitable to foreign investment based upon the rule of law, including negotiation of bilateral and multilateral agreements on open trade and investment, adoption of commercial codes, establishment of transparency in regulatory and other governmental decision making, and timely payment of obligations carried over from previous governmental entities;

(6) trade and investment opportunities in the independent states of the former Soviet Union will generate employment and other economic benefits for the United States as the economies of the independent states of the former Soviet Union begin to realize their enormous potential as both customers and suppliers; and

(7) the unprecedented pace and nature of events in the independent states of the former Soviet Union require that the President be provided with the authority to furnish United States assistance and resources flexibly and expeditiously if the United States is to be able to support the transformation of the independent states of the former Soviet Union to democratic civil societies with market-oriented economies.

SEC. 102. UNITED STATES POLICY.

(a) GENERAL POLICY.—It is the policy of the United States to facilitate the integration of the independent states of the former Soviet Union into the community of democratic nations by supporting economic and political reform in the independent states—

(1) through the provision of assistance to governmental entities and nongovernmental organizations at the local, regional, state, and interstate levels;

(2) through the promotion of a United States commercial presence in the independent states; and

(3) through the encouragement of a broad range of contacts between the people of the United States and the people of the independent states.

(b) ECONOMIC STABILIZATION AND PARTICIPATION IN INTERNATIONAL ECONOMIC ORGANIZATIONS.—In order to promote economic stabilization and the integration of the independent states of the former Soviet Union into the international economic system, the United States shall take a leading role—

(1) in facilitating the independent states joining or participating in international economic organizations; and

(2) in organizing multilateral efforts aimed at currency stabilization, currency convertibility, and (where necessary and appropriate) debt reduction, conditioned on the development and implementation of comprehensive economic reform programs.

(c) INTERNATIONAL AND REGIONAL SECURITY.—In order to promote the economic and political reform of the independent states of the former Soviet Union and their integration into the community of democratic nations, it is the policy of the United States to facilitate international and regional security and stability among the independent states—

(1) through the promotion of the peaceful resolution of national and ethnic disputes—

(A) by urging the withdrawal of former Soviet military forces from Estonia, Latvia, and Lithuania;

(B) by supporting immediate, intensified efforts to resolve conflicts quickly and diplomatically through utilization of all available national and international resources in order to avoid bloodshed, economic dislocation, political instability, and social distress and disorder of any kind;

(C) by urging persistent, good faith peacemaking efforts on the part of all affected independent states in order promptly to resolve all such disputes; and

(D) by taking into account, in determining the amounts of United States assistance to be provided to governmental entities in the independent states, the level of good faith peacemaking efforts put forward by such governmental entities in attempting to resolve ethnic conflicts within the independent state and beyond its borders wherever ethnic groups with ties to populations or subpopulations within its borders are affected;

(2) through the promotion of the return of former Soviet military forces from Cuba as well as from other countries where their presence has a destabilizing affect on international security; and

(3) through the promotion of nonproliferation and disarmament activities.

(d) ENDING ASSISTANCE TO CUBA.—It is the sense of the Congress that the policy of the United States should make assistance to any of the independent states of the former Soviet Union conditional on the termination of military and technical assistance, subsidies, and other forms of assistance to Cuba from such states.

SEC. 103. CRITERIA FOR ASSISTANCE TO GOVERNMENTAL ENTITIES IN THE INDEPENDENT STATES.

(a) IN GENERAL.—United States assistance under this Act and other provisions of law may be provided to governmental entities of

the independent states of the former Soviet Union only to the extent that those states are—

(1) making significant progress toward, and are committed to the comprehensive implementation of, a democratic system based on principles of the rule of law, individual freedoms, and representative government determined by free and fair elections;

(2) respecting internationally recognized human rights, including the rights of minorities and the rights to freedom of religion and emigration;

(3) making significant progress in, and are committed to the comprehensive implementation of, economic reform based on market principles, private ownership, and integration into the world economy;

(4) respecting international law and obligations and adhering to the Helsinki Final Act of the Conference on Security and Cooperation in Europe and the Charter of Paris, including the obligations to refrain from the threat or use of force and to settle disputes peacefully; and

(5) adhering to their arms control obligations and to responsible security policies, including—

(A) adhering to arms control obligations derived from agreements signed by the former Soviet Union;

(B) reducing military forces to a level consistent with reasonable defensive sufficiency;

(C) not proliferating nuclear, biological, or chemical weapons, their delivery systems, or related technologies; and

(D) restraining conventional weapons transfers.

(b) AZERBAIJAN.—United States assistance or other benefits under this Act (other than title V) or other provisions of law may not be provided to the Government of Azerbaijan until the President determines, and so reports to the Congress, that the Government of Azerbaijan is taking demonstrable steps to cease all blockades and other offensive uses of force against Armenia and Nagorno-Karabakh.

SEC. 104. ANNUAL REPORT.

Not later than January 31 of each year, the President shall submit to the Congress a report on United States assistance for the independent states of the former Soviet Union under this Act or other provisions of law. Each such report shall include—

(1) an assessment of the progress each independent state has made in achieving the objectives described in section 103, including a description of the steps each independent state has taken or is taking toward those objectives and a discussion of additional steps that each independent state could take to achieve those objectives;

(2) a description of the United States assistance for each independent state that was provided during the preceding fiscal year, is planned for the current fiscal year, and is proposed for the coming fiscal year, specifying the extent to which such assistance for the preceding fiscal year and for the current fiscal year has actually been delivered; and

(3) an assessment of the effectiveness of United States assistance in achieving its purposes.

SEC. 105. PROGRAM COORDINATION, IMPLEMENTATION, AND OVERSIGHT.

(a) COORDINATION.—The President shall designate, within the Department of State, a coordinator who, consistent with subsections (c) and (d), shall be responsible for—

(1) ensuring program and policy coordination among agencies of the United States Government in carrying out the policies set forth in this Act (including the amendments made by this Act);

(2) pursuing coordination with other countries and international organizations with respect to assistance to independent states of the former Soviet Union, including the assistance described in sections 102(b) and 404 of this Act;

(3) ensuring that United States assistance programs for the independent states are consistent with this Act (including the amendments made by this Act);

(4) designating an agency or agencies to be responsible for the design of an assistance strategy, and for management, implementation, and oversight of assistance programs, for the independent states; and

(5) resolving policy and program disputes among United States Government agencies with respect to United States assistance for the independent states.

(b) ACCOUNTABILITY FOR FUNDS.—Any agency designated pursuant to subsection (a)(4) to manage and implement an assistance program for the independent states of the former Soviet Union shall be accountable for any funds made available to it for such program.

(c) EXPORT PROMOTION ACTIVITIES.—Coordination of activities related to the promotion of exports of United States goods and services to the independent states of the former Soviet Union shall continue to be primarily the responsibility of the Secretary of Commerce, in the Secretary's role as Chair of the Trade Promotion Coordination Committee.

(d) INTERNATIONAL ECONOMIC ACTIVITIES.—Coordination of activities relating to United States participation in international financial institutions and relating to organization of multilateral efforts aimed at currency stabilization, currency convertibility, debt reduction, and comprehensive economic reform programs shall continue to be primarily the responsibility of the Secretary of the Treasury, in the Secretary's role as Chair of the National Advisory Council on International Monetary and Financial Policies and as the United States Governor of the international financial institutions.

SEC. 106. DEFINITION OF INDEPENDENT STATES.

For purposes of this Act, the terms "independent states of the former Soviet Union" or "independent states" mean the following (which formerly were part of the Soviet Union): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

SEC. 201. SUPPORT FOR ECONOMIC AND DEMOCRATIC DEVELOPMENT.

Part I of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

"Chapter 11—Support for the Economic and Democratic Development of the Independent States of the Former Soviet Union

"SEC. 498. ASSISTANCE FOR INDEPENDENT STATES OF THE FORMER SOVIET UNION.

"(a) AUTHORIZATION OF ASSISTANCE; OBJECTIVES.—In furtherance of the policy set forth in section 102(a) of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992, the President is authorized to provide assistance to the independent states of the former Soviet Union to promote the following interrelated and mutually reinforcing objectives:

"(1) URGENT HUMANITARIAN NEEDS.—Meeting urgent humanitarian needs (including those arising from the health effects of exposure to radiation in the Chernobyl region), in particular needs for medicine, medical supplies and equipment, and food, including the nutritional needs of infants such as processed baby food.

"(2) DEMOCRACY.—Establishing a democratic and free society by fostering—

"(A) political, social, and economic pluralism,

"(B) respect for internationally recognized human rights and the rule of law,

"(C) the development of institutions of democratic governance (including judicial, electoral, and legislative processes),

"(D) the improvement of public administration,

"(E) the development of a free and independent media, and

"(F) the development of effective civilian control over the military and security forces, and the development of a nonpolitical officer corps in the military forces and the security forces.

"(3) FREE MARKET SYSTEMS.—Developing a free-market economic system based on the principle of private ownership of property, including the development of private cooperatives, credit unions, and labor unions and improvement in the collection and analysis of statistical information.

"(4) TRADE AND INVESTMENT.—Creating conditions that promote trade and investment, and encouraging participation of the United States private sector in the development of the private sector in the independent states of the former Soviet Union.

"(5) DEFENSE CONVERSION.—Converting military technologies and capabilities and defense industries into civilian activities.

"(6) FOOD DISTRIBUTION AND PRODUCTION.—Introducing market-based mechanisms for the distribution of the inputs necessary to agricultural production and for the handling, marketing, storage, and processing of agricultural commodities; encouraging policies that provide incentives for agricultural production; and creating institutions that provide technical and financial support for the agricultural sector.

"(7) QUALITY OF LIFE.—Promoting programs to strengthen and build institutions that provide quality health care and voluntary family planning services, housing, and other services and policies that are components of a social safety net.

"(8) EDUCATION.—Promoting broad-based educational reform at all school levels.

"(9) ENERGY EFFICIENCY AND PRODUCTION.—Promoting market-based pricing policies and the transfer of technologies that reduce energy wastage and harmful emissions; promoting efficient production and transportation of oil, gas, and other sources of energy; and promoting civilian nuclear reactor safety.

"(10) ENVIRONMENTAL PROTECTION, CONSERVATION, AND SAFETY.—Promoting environmental protection and safety, natural resources conservation, the development of environmental management expertise and institutions, environmental planning and policy, cooperative research efforts to validate and improve environmental monitoring of protracted radiation exposure, and the use of low-cost, simple, environmentally sound technology.

"(11) TRANSPORTATION AND TELECOMMUNICATIONS.—Improving transportation and telecommunications infrastructure and management through the provision of technical assistance using appropriate government and private sector expertise.

"(b) UNITED STATES PRIVATE SECTOR.—

"(1) IN GENERAL.—In order to facilitate the role of the United States private sector in

contributing to the transformation of the independent states of the former Soviet Union, the President is authorized to undertake activities pursuant to subsection (a) that are designed to promote the active involvement of the United States profit, not-for-profit, and voluntary private sectors.

"(2) SMALL AND MEDIUM-SIZED BUSINESS MARKET INITIATIVES.—Activities pursuant to paragraph (1) may include initiatives designed to encourage small- and medium-sized businesses to become and remain involved in the markets of the independent states of the former Soviet Union, including the establishment by the Department of Commerce of a central information clearinghouse and information networks and assistance centers in the region. Any such centers and related staffing devoted to trade, investment, and commercial activities shall be administered by the International Trade Administration of the Department of Commerce.

"(3) ENTERPRISE FUNDS.—Activities pursuant to paragraph (1) may include the establishment of and the provision of support for one or more enterprise funds for the independent states of the former Soviet Union. If the President determines that an enterprise fund should be established and supported under this section, the provisions contained in section 201 of the Support for East European Democracy (SEED) Act of 1989 (excluding the authorizations of appropriations provided in subsection (b) of that section) shall be deemed to apply with respect to such enterprise fund and to funds made available to such enterprise fund pursuant to this section.

"(c) ASSISTANCE THROUGH GOVERNMENTAL ENTITIES AND NONGOVERNMENTAL ORGANIZATIONS.—Assistance for the independent states of the former Soviet Union under this section may be provided to governmental entities or through nongovernmental organizations. Section 103 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 applies with respect to assistance to governmental entities.

"(d) TECHNICAL ASSISTANCE AND THE MANAGEMENT CORPS.—Technical assistance under this section shall, to the maximum extent feasible, be provided on a long term, on-site basis and shall emphasize the provision of practical, management and other problem-solving advice, particularly advice on private enterprise provided by United States business volunteers.

"(e) COOPERATIVE DEVELOPMENT AND RESEARCH PROJECTS.—Assistance under this section may include support for cooperative development projects, including cooperative development research projects, among the United States, other countries, and independent states of the former Soviet Union.

"(f) MISCELLANEOUS PROVISIONS RELATING TO ASSISTANCE.—

"(1) TERMS AND CONDITIONS.—Assistance under this section shall be provided on such terms and conditions as the President may determine, consistent with applicable provisions of law.

"(2) ADMINISTRATIVE FLEXIBILITY.—Funds authorized to be appropriated by this section for fiscal year 1993 may be used to provide assistance under this section notwithstanding any other provision of law, except section 634A of this Act (relating to reprogramming notifications).

"(3) USE OF ECONOMIC SUPPORT FUNDS.—Any funds that have been allocated under chapter 4 of part II for assistance for the independent states of the former Soviet Union may be used in accordance with the authorities of this section.

"(4) USE OF UNITED STATES GOODS AND SERVICES.—Assistance programs under this section shall be designed to maximize, to the extent feasible, the use of United States goods and services in such programs.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—To carry out this section, there are authorized to be appropriated to the President $417,000,000 for fiscal year 1993, in addition to amounts otherwise available for assistance for the independent states of the former Soviet Union. Amounts appropriated pursuant to this subsection are authorized to remain available until expended.

"(2) OPERATING EXPENSES.—

"(A) AUTHORITY TO TRANSFER PROGRAM FUNDS.—Subject to subparagraph (B), funds made available under paragraph (1) may be transferred to, and merged with, funds appropriated for 'Operating Expenses of the Agency for International Development'. Funds so transferred may be expended for administrative costs in carrying out this section, including reimbursement of the Department of State for its incremental costs associated with assistance provided under this section.

"(B) LIMITATION ON AMOUNT TRANSFERRED.—Not more than 2 percent of the funds made available for a fiscal year under paragraph (1) may be transferred pursuant to subparagraph (A) unless, at least 15 days before transferring any additional amount, the President notifies the appropriate congressional committees in accordance with the procedures applicable to reprogramming notifications under section 634A of this Act.

"(h) DEFINITIONS.—

"(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—As used in this section, the term 'appropriate congressional committees' means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

"(2) INDEPENDENT STATES OF THE FORMER SOVIET UNION.—As used in this section, the term 'independent states of the former Soviet Union' means the following (which formerly were part of the Soviet Union): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.".

SEC. 202. THE DEMOCRACY CORPS.

(a) THE DEMOCRACY CORPS.—The Congress finds that the Democracy Corps is a private, nonprofit organization, incorporated in the District of Columbia, whose purpose is to maintain a presence in the independent states of the former Soviet Union as described in subsection (c).

(b) GRANTS TO THE DEMOCRACY CORPS.—

(1) IN GENERAL.—The Administrator shall make an annual grant to the Democracy Corps with the funds made available for such purpose pursuant to subsection (s), subject to paragraph (2) and subsection (t).

(2) TERMS AND CONDITIONS.—A grant may be made to the Corps under this section only if the Democracy Corps agrees to comply with the requirements specified in this section and with such terms and conditions as may be included in the grant agreement.

(c) PURPOSE OF GRANTS.—Funds made available to the Democracy Corps pursuant to this section shall be used by the Democracy Corps to maintain a presence in independent states of the former Soviet Union that will assist at the local level in the development of—

(1) institutions of democratic governance (including judicial, electoral, legislative, and administrative processes), and

(2) the nongovernmental organizations of a civil society (including charitable, educational, trade union, business, professional, voluntary, community, and other civic organizations),

by mobilizing the expertise of the American people to provide practical assistance through "on the ground" person-to-person advice, technical assistance, and small grants to indigenous individuals and indigenous entities, in accordance with subsection (d).

(d) ACTIVITIES.—The Democracy Corps shall be required to carry out subsection (c) through the placement, within the independent states of the former Soviet Union, of teams of United States citizens with appropriate expertise and knowledge. These teams shall assist indigenous individuals and entities in the independent states that are involved in the development of the institutions and organizations referred to in paragraphs (1) and (2) of subsection (c)—

(1) by providing advice and technical assistance;

(2) by making small grants (which in most cases should not exceed $5,000) to such individuals and entities to assist the development of those institutions and organizations;

(3) by identifying other sources of assistance; and

(4) by operating local centers to serve as information, logistical, and educational center and otherwise encourage cooperation and effectiveness by those involved in the development of democratic institutions, a market-oriented economy, and a civil society in the independent states.

The local centers described in paragraph (4) may be designated as "Democracy Houses" or given another appropriate appellation.

(e) GUIDELINES.—The Board shall be required to develop guidelines for the activities carried out by the Democracy Corps pursuant to this section, including accountability requirements for small grants.

(f) COORDINATION.—The Democracy Corps shall be required—

(1) to coordinate its activities pursuant to this section with the programs and activities of other entities operating in or providing assistance to the independent states of the former Soviet Union in support of the development of democratic institutions, a market-oriented economy, and a civil society in the independent states; and

(2) to ensure that its activities pursuant to this section are designed to avoid duplication with activities carried out under other United States Government foreign assistance and international information, educational, cultural, and exchange programs.

(g) CONSULTATION WITH COORDINATOR.—The Democracy Corps should consult with the coordinator provided for in section 105(a) of this Act with respect to the activities of the Democracy Corps.

(h) PROHIBITION ON CAMPAIGN FINANCING.—Funds made available to the Democracy Corps under this section may not be expended by the Democracy Corps, or any recipient of a grant from the Democracy Corps under this section, to finance the campaigns of candidates for public office.

(i) BOARD OF DIRECTORS.—Grants may be made to the Democracy Corps under this section only if the membership of the Board is as follows:

(1) REPRESENTATIVES OF THE UNITED STATES GOVERNMENT.—(A) An officer or employee of the Department of State designated by the Secretary of State.

(B) An officer or employee of the Agency for International Development designated by the Administrator.

(C) An officer or employee of the United States Information Agency designated by the Director of that agency.

(D) An officer or employee of the Peace Corps designated by the Director of that agency.

(2) REPRESENTATIVES OF THE NATIONAL ENDOWMENT FOR DEMOCRACY AND ITS CORE GRANTEES.—(A) A representative of the National Endowment for Democracy designated by the chairman of the Board of Directors of the Endowment (unless such chairman does not designate such a representative to serve on the Board of Directors of the Democracy Corps).

(B) A representative of the National Democratic Institute for International Affairs designated by the chairman of the Board of Directors of that organization (unless such chairman does not designate such a representative to serve on the Board of Directors of the Democracy Corps).

(C) A representative of the International Republican Institute designated by the chairman of the Board of Directors of that organization (unless such chairman does not designate such a representative to serve on the Board of Directors of the Democracy Corps).

(D) A representative of the Free Trade Union Institute designated by the chairman of the Board of Directors of that organization (unless such chairman does not designate such a representative to serve on the Board of Directors of the Democracy Corps).

(E) A representative of the Center for International Private Enterprise designated by the chairman of the Board of Directors of that organization (unless such chairman does not designate such a representative to serve on the Board of Directors of the Democracy Corps).

(3) OTHER PRIVATE SECTOR REPRESENTATIVES.—Eight individuals who are United States citizens, who are not officers or employees of the United States Government or members of Congress, and who have experience and expertise appropriate to carrying out the purpose specified in subsection (c) through the activities described in subsection (d). A majority of such individuals must be representatives of private United States organizations that are active in the independent states of the former Soviet Union.

(j) TERMS AND VACANCIES.—An individual appointed to serve as a member of the Board pursuant to subsection (i)(1) or (i)(2) shall serve at the pleasure of the official who designated that individual pursuant to the applicable subparagraph of that subsection. An individual appointed to serve as a member of the Board pursuant to subsection (i)(3) shall be appointed for a 1-year term (except that a member appointed to fill a vacancy occurring before the expiration of a term shall be appointed for the remainder of such term), and may be reappointed.

(k) ADVISORY COMMITTEE.—The Board shall be required to establish an Advisory Committee consisting of representatives of a diverse array of nongovernmental organizations—

(1) that have the interest and expertise to assist in the development of democratic institutions, a market-oriented economy, and a civil society in the independent states of the former Soviet Union; and

(2) that are not represented on the Board.

The Advisory Committee should include representatives of United States ethnic and cultural organizations with ties to the peoples of the independent states.

(l) CONFLICT OF INTEREST RULES.—The Democracy Corps shall be required to ensure that no part of the assets of the Democracy Corps inure to the benefit of any member of the Board, any officer, or any employee of the Democracy Corps, except as salary or reasonable compensation for services.

(m) PRIVATE STATUS OF THE DEMOCRACY CORPS.—Nothing in this section shall be construed—

(1) to make the Democracy Corps, an agency or establishment of the United States Government, or

(2) to make members of the Board, officers, or employees of the Democracy Corps, officers or employees of the United States Government.

(n) AUDITS.—

(1) REQUIREMENT FOR ANNUAL AUDIT.—The Democracy Corps shall be required to have its accounts audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Democracy Corps and necessary to facilitate the audits shall be made available to the person or persons conducting the audits and full facilities for verifying transactions with any assets held by depositories, fiscal agents, and custodians on behalf of the Democracy Corps shall be afforded to such person or persons.

(2) GAO REVIEW OF AUDITS.—The Comptroller General of the United States shall review each audit conducted pursuant to paragraph (1).

(o) CONGRESSIONAL OVERSIGHT.—

(1) IN GENERAL.—The Democracy Corps shall be subject to the appropriate oversight procedures of the Congress.

(2) CONGRESSIONAL NOTIFICATIONS.—At least 15 days before making a grant to the Democracy Corps under this section, the Administrator shall submit a notification, in accordance with the procedures applicable to reprogramming notifications under section 634A of the Foreign Assistance Act of 1961, to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate.

(p) EXEMPTION FROM CERTAIN REQUIREMENTS AND RESTRICTIONS.—Funds made available to the Democracy Corps by the United States Government shall not be subject to provisions of law otherwise applicable to foreign assistance funds.

(q) COMPLIANCE WITH FREEDOM OF INFORMATION ACT.—

(1) IN GENERAL.—Notwithstanding the fact that the Democracy Corps is not an agency or establishment of the United States Government, the Democracy Corps shall be required to fully comply with all of the provisions of section 552 of title 5, United States Code.

(2) PUBLICATION IN FEDERAL REGISTER.—For purposes of complying pursuant to paragraph (1) with section 552(a)(1) of title 5, the Democracy Corps shall make available to the Administrator such records and other information as the Administrator determines may be necessary for such purposes. The Administrator shall cause such records and other information to be published in the Federal Register.

(3) AID REVIEW.—(A) In the event that the Democracy Corps determines not to comply with a request for records under section 552 of title 5, the Democracy Corps shall submit a report to the Administrator explaining the reasons for not complying with such request.

(B) If the Administrator approves the determination not to comply with such request, the Agency for International Development shall assume full responsibility, including financial responsibility, for defending the Democracy Corps in any litigation relating to such request.

(C) If the Administrator disapproves the determination not to comply with such request, the Democracy Corps shall be required to comply with such request.

(r) ANNUAL REPORTS.—Not later than January 31 of each year, the Board shall be required to submit to the Administrator and to the Congress a comprehensive report on the activities of the Democracy Corps. Each such report shall list each grant made by the Democracy Corps under subsection (d)(2) during the preceding fiscal year, specifying the grantee and the amount of the grant.

(s) AUTHORIZATION OF APPROPRIATIONS.—Of the funds authorized to be appropriated by section 498 of the Foreign Assistance Act of 1961 (as enacted by section 201 of this Act), up to $15,000,000 are authorized to be appropriated for grants to the Democracy Corps under this section, in addition to amounts otherwise available for such purpose.

(t) SUNSET PROVISION.—Grants may not be made to the Democracy Corps under this section after the end of the fifth fiscal year beginning after the date of enactment of this section.

(u) DEFINITIONS.—Except as otherwise provided in this section, as used in this section—

(1) the term "Administrator" means the Administrator of the Agency for International Development; and

(2) the term "Board" means the Board of Directors of the Democracy Corps.

TITLE III—UNITED STATES INFORMATION AGENCY AND DEPARTMENT OF STATE

SEC. 301. ADDITIONAL FUNDING FOR ADMINISTRATIVE EXPENSES OF THE UNITED STATES INFORMATION AGENCY.

There are authorized to be appropriated for "Salaries and Expenses" for the United States Information Agency $6,800,000 for fiscal year 1993 for expenses with respect to the independent states of the former Soviet Union, in addition to amounts otherwise available for such purpose.

SEC. 302. ADDITIONAL FUNDING FOR ADMINISTRATIVE EXPENSES OF THE DEPARTMENT OF STATE.

(a) SUPPLEMENTAL AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for "Salaries and Expenses" for the Department of State $18,500,000 for fiscal year 1993 for costs of personnel and other expenses for new posts in the independent states of the former Soviet Union, in addition to amounts otherwise available for such purposes.

(b) CERTAIN POSITIONS AT UNITED STATES MISSIONS.—

(1) AMENDMENT.—Section 1004(a) of the Omnibus Diplomatic Security and Anti-Terrorism Act of 1986 is amended by adding at the end the following: "Not less than 15 shall be provided during fiscal year 1993.".

(2) FUNDING.—In addition to the funds made available pursuant to section 1005(c) of that Act, funds authorized to be appropriated by chapter 11 of part I of the Foreign Assistance Act of 1961 may be used in carrying out the amendment made by paragraph (1) of this subsection with respect to missions in the independent states of the former Soviet Union.

TITLE IV—INTERNATIONAL FINANCIAL INSTITUTIONS AND TRADE FINANCE

SEC. 401. INTERNATIONAL MONETARY FUND.

(a) QUOTA INCREASE.—

(1) AUTHORIZATION.—The Bretton Woods Agreements Act (22 U.S.C. 286 and following) is amended by adding at the end the following:

"SEC. 56. QUOTA INCREASE.

"The United States Governor of the Fund may consent to an increase in the quota of the United States in the Fund equivalent to 8,608,500,000 Special Drawing Rights, limited to such amounts as are provided in advance in appropriations Acts.".

(2) APPROPRIATION.—The following sum is hereby appropriated, out of any money in the Treasury not otherwise appropriated, for foreign operations, export financing, and related programs, without fiscal year limitation, namely:

FUNDS APPROPRIATED TO THE PRESIDENT

INTERNATIONAL FINANCIAL INSTITUTIONS

INTERNATIONAL MONETARY FUND QUOTA INCREASE

For an increase in the quota of the United States in the International Monetary Fund pursuant to section 56 of the Bretton Woods Agreements Act, the dollar equivalent of 8,608,500,000 Special Drawing Rights, to remain available until expended.

(b) ACCEPTANCE OF AMENDMENTS TO THE ARTICLES OF AGREEMENT OF THE FUND.—The Bretton Woods Agreements Act is further amended by adding after the section added by subsection (a)(1) of this section the following:

"SEC. 57. ACCEPTANCE OF AMENDMENTS TO THE ARTICLES OF AGREEMENT OF THE FUND.

"The United States Governor of the Fund may agree to and accept the amendments to the Articles of Agreement of the Fund as proposed in the resolution numbered 45–3 of the Board of Governors of the Fund that was approved by such Board on June 28, 1990.".

(c) APPROVAL OF FUND PLEDGE TO SELL GOLD TO PROVIDE RESOURCES FOR "RIGHTS APPROACH" TO ARREARS PROBLEMS.—The Bretton Woods Agreements Act is further amended by adding after the sections added by subsections (a)(1) and (b) of this section the following:

"SEC. 58. APPROVAL OF FUND PLEDGE TO SELL GOLD TO PROVIDE RESOURCES FOR 'RIGHTS APPROACH' TO ARREARS PROBLEMS.

"The Secretary of the Treasury may instruct the United States Executive Director of the Fund to vote to approve the Fund's pledge to sell, if needed, up to 3,000,000 ounces of the Fund's gold, to restore the resources of the Reserve Account of the Enhanced Structural Adjustment Facility Trust to a level that is sufficient to meet obligations payable from such account to lenders who have made loans to the Loan Account of such trust that have been used for the purpose of financing programs, under the rights approach, of Fund members who are in arrears in payments to the Fund. For purposes of the preceding sentence, the provision of financing under the rights approach to a Fund member who is in arrearages to the Fund means the provision of a loan or credits to the member sufficient to eliminate the arrearages upon the successful completion by the member of a multiyear adjustment program prescribed and monitored by the Fund under which the member was required to remain current on obligations to the Fund.".

SEC. 402. PROBLEMS OF NATIONS MAKING THE TRANSITIONS TO MORE OPEN POLITICAL AND ECONOMIC SYSTEMS.

(a) FINDINGS.—The Congress finds that—

(1) in many areas of the world, nations may be experiencing substantial difficulties in making the transitions to more open political and economic systems;

(2) as an example, the study, entitled "The Economy of the U.S.S.R.", which was prepared jointly by the International Monetary Fund, the International Bank for Reconstruction and Development, the Organization for European Cooperation and Development, and the European Bank for Reconstruction and Development, found that substantial changes need to be made in the economies of the independent states of the former Soviet Union to provide a viable basis for monetary stability, economic growth, and development, and such finding applies to other nations making the transitions to more open political and economic systems; and

(3) these nations may be experiencing special difficulties in making such transitions.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) encouragement should be given to the efforts being made to address the political and economic problems of nations making the transitions to more open political and economic systems;

(2) consideration should be given to developing relationships between such nations and the International Monetary Fund, the International Bank for Reconstruction and Development, and the other international financial institutions, as part of the process of assisting such nations in making such transitions;

(3) continued United States support for the utilization of the resources of such institutions should take into consideration the continuation of the efforts of such nations to move toward more open economic and political systems; and

(4) encouragement should be given to the efforts of such nations to promote free enterprise, private property rights, a stable legal system, a stable monetary system, and an open trading system, as steps in making such transitions.

SEC. 403. REPORT ON DEBT OF THE FORMER SOVIET UNION HELD BY COMMERCIAL BANKS.

The Secretary of the Treasury, using resources of the International Monetary Fund, the International Bank for Reconstruction and Development, and other appropriate international financial institutions, shall gather information upon, and report not later than December 31, 1992, to the Congress on, the debt incurred by the former Soviet Union held by commercial banks outside the independent states of the former Soviet Union that are obligated on such debt, and the prospects for the repayment of such debt.

SEC. 404. SUPPORT FOR MACROECONOMIC STABILIZATION IN THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

(a) IN GENERAL.—In order to promote macroeconomic stabilization and the integration of the independent states of the former Soviet Union into the international financial system, the United States should in appropriate circumstances take a leading role in organizing and supporting multilateral efforts aimed at macroeconomic stabilization and debt rescheduling, conditioned on the appropriate development and implementation of comprehensive economic reform programs.

(b) CURRENCY STABILIZATION.—In furtherance of the purposes and consistent with the conditions described in subsection (a), the Congress expresses its support for United States participation, in sums of up to $3,000,000,000, in a currency stabilization fund or funds for the independent states of the former Soviet Union.

(c) STUDY OF THE NEED FOR AND FEASIBILITY OF A CURRENCY STABILIZATION FUND FOR UKRAINE.—

(1) FINDINGS.—The Congress finds that—

(A) Ukraine is a nation of 52,000,000 people with a longstanding history of seeking its sovereignty and national identity, which has recently attained the status of an independent country;

(B) Ukraine's economy has the potential for development into an important regional economy that can benefit all nations in the region;

(C) Ukraine has recently announced that it intends to introduce its own currency as a means of continuing its drive toward economic development;

(D) assisting Ukraine with the introduction of its own currency is in the best interests of the United States, since such assistance will increase goodwill between Ukraine and the United States;

(E) assisting Ukraine with the introduction of its own currency and with the development of its economy is also in the best interests of other nations, since Ukraine's economy can act as an engine of economic growth for nations in its region;

(F) establishing a currency stabilization fund for Ukraine may be as necessary for the development of Ukraine's economy as the establishment of a similar fund for Poland has been for the development of Poland's economy; and

(G) the International Monetary Fund recently provided valuable assistance regarding currency stabilization measures to nations that have undertaken a transition from a centrally planned economy to a market economy.

(2) STUDY OF THE NEED FOR AND FEASIBILITY OF A CURRENCY STABILIZATION FUND FOR UKRAINE.—The Secretary of the Treasury shall instruct the United States Executive Director of the International Monetary Fund to use the voice and vote of the United States to urge the Fund to conduct a study of the need for and feasibility of a currency stabilization fund for Ukraine, and, if it is found that such a fund is needed and is feasible, which considers and makes recommendations with respect to the economic and policy conditions required for the success of such a fund.

SEC. 405. ROLE OF THE INTERNATIONAL FINANCE CORPORATION IN SUPPORTING ECONOMIC RESTRUCTURING IN THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the International Finance Corporation can play an important role in supporting the economic restructuring in the independent states of the former Soviet Union necessary to move toward market economies. The United States could play a critical role in enabling the International Finance Corporation to leverage the contributions of donors and increase its access to international capital markets, thereby promoting the success of democracy and open markets in the independent states. Accordingly, it is the sense of the Congress that the President should seek to ensure that the International Finance Corporation provides ambitious lending and investment programs for the independent states.

(b) AUTHORIZATION.—The International Finance Corporation Act (22 U.S.C. 282–282k) is amended by adding at the end the following:

"SEC. 15. AUTHORITY TO VOTE FOR CAPITAL INCREASES NECESSARY TO SUPPORT ECONOMIC RESTRUCTURING IN THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

"(a) AUTHORIZATION.—The United States Governor of the Corporation may vote in favor of any increase in the capital stock of the Corporation that may be needed to accommodate the requirements of the independent states of the former Soviet Union.

"(b) INDEPENDENT STATES DEFINED.—As used in this section, the term 'independent states of the former Soviet Union' means the following (which formerly were part of the Soviet Union): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.".

(c) AUTHORITY TO AGREE TO CERTAIN AMENDMENTS TO THE ARTICLES OF AGREEMENT OF THE INTERNATIONAL FINANCE CORPORATION.—The International Finance Corporation Act (22 U.S.C. 282–282k) is amended by adding after the section added by subsection (b) of this section the following:

"SEC. 16. AUTHORITY TO AGREE TO CERTAIN AMENDMENTS TO THE ARTICLES OF AGREEMENT.

"The United States Governor of the Corporation may agree to amendments to the Articles of Agreement of the Corporation that would—

"(1) amend section 2(c)(ii) of Article II to increase the vote by which the Board of Directors may increase the capital stock of the Corporation from a three-fourths majority to a four-fifths majority; and

"(2) amend Article VII(a) to increase the vote by which the Board of Governors may amend the Articles of Agreement from a four-fifths majority to an 85 percent majority.".

SEC. 406. TECHNICAL ASSISTANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

The Bretton Woods Agreements Act (22 U.S.C. 286 and following) is amended by adding after the sections added by section 401 of this Act the following:

"SEC. 59. TECHNICAL ASSISTANCE BY THE BANK FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

"(a) FINDINGS.—The Congress finds that—

"(1) at the Houston Economic Summit in July 1990, the heads of State and Government of the 7 major industrial democracies and the President of the Commission of the European Communities requested that the Fund, the Bank, the Organization for Economic Cooperation and Development, and the designated president of the European Bank for Reconstruction and Development, in close consultation with the Commission of the European Communities, undertake a detailed study of the Soviet economy, make recommendations for its reform, and establish the criteria under which Western economic assistance could effectively support such reforms;

"(2) in the resulting report, the organizations concluded that timely technical assistance can play a major role in easing the transition to a market economy, and that such technical assistance could be particularly helpful in the fields of fiscal and monetary policies, foreign exchange and banking, and the development of statistical and accounting systems;

"(3) technical assistance provided by the Bank should be coordinated with the technical assistance provided by the private sector of Western countries so that technical assistance provided by the Bank complements and enhances technical assistance provided by the private sector and other international donors;

"(4) the provision of timely technical assistance can greatly facilitate trade with and direct investment in the independent states of the former Soviet Union; and

"(5) the provision of timely technical assistance by the Bank to the independent states of the former Soviet Union can support democratic reforms, respect for human rights, and the rule of law.

"(b) TECHNICAL ASSISTANCE PROGRAMS BY THE BANK TO THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.—The Secretary of the Treasury shall instruct the United States Executive Director of the Bank to use the voice and vote of the United States to urge—

"(1) the Bank to establish or continue, as appropriate, programs to provide technical assistance to the independent states of the former Soviet Union in support of democratic reforms, human rights, the rule of law, and market-oriented reforms; and

"(2) the Bank to endeavor to coordinate its technical assistance to the independent states of the former Soviet Union so that technical assistance provided by the Bank complements and enhances technical assistance provided by the private sector and other international donors.

"(c) REPORT ON TECHNICAL ASSISTANCE BY THE BANK.—Not later than December 31, 1992, the Secretary of the Treasury shall, using resources of the Bank, report to the Congress on technical assistance by the Bank for the independent states of the former Soviet Union, and on the progress made by the independent states toward implementing democratic reforms, respect for human rights, the rule of law, and market-oriented reforms.

"(d) INDEPENDENT STATES DEFINED.—As used in this section, the term 'independent states of the former Soviet Union' means the following (which formerly were part of the Soviet Union): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.".

SEC. 407. HUMAN RIGHTS.

(a) ADVANCEMENT OF HUMAN RIGHTS THROUGH THE IMF AND EBRD.—Section 701(a) of the International Financial Institutions Act (22 U.S.C. 262d(a)) is amended by striking out "and the African Development Bank," and inserting in lieu thereof "the African Development Bank, the European Bank for Reconstruction and Development, and the International Monetary Fund,".

(b) ACCOUNTING FOR AMERICANS MISSING IN ACTION CONSIDERED IN ASSESSING HUMAN RIGHTS IN THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.—Section 701(b)(4) of such Act (22 U.S.C. 262d(b)(4)) is amended by inserting "Russia and the other independent states of the former Soviet Union," after "Laos,".

SEC. 408. REPORT ON DEMAND FOR TRADE FINANCE FOR THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

Not later than December 31, 1992, the Export-Import Bank of the United States shall transmit to the Congress a report—

(1) analyzing the demand for loans, guarantees, and insurance for trade between the United States and the independent states of the former Soviet Union; and

(2) making recommendations for the promotion of trade between the United States and the independent states.

SEC. 409. EXPORT-IMPORT BANK ACT LIST OF MARXIST-LENINIST COUNTRIES.

Section 2(b)(2)(B) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(2)(B)) is amended—

(1) in clause (i)(II), by striking out "the Union of Soviet Socialist Republics or on any other" and inserting in lieu thereof "any"; and

(2) in clause (ii), by striking from the list of countries the following: "Czechoslovak Socialist Republic.", "Estonia.", "German Democratic Republic.", "Hungarian People's Republic.", "Latvia.", "Lithuania.", "People's Republic of Albania.", "People's Republic of Bulgaria.", "Polish People's Republic.", "Socialist Federal Republic of Yugoslavia.", "Socialist Republic of Romania.", and "Union of Soviet Socialist Republics (including its captive constituent republics).".

SEC. 410. JOHNSON ACT.

Section 955 of title 18, United States Code, shall not apply with respect to any obligations of the former Soviet Union, or any of the independent states of the former Soviet Union, or any political subdivision, organization, or association thereof.

TITLE V—NONPROLIFERATION AND DISARMAMENT ACTIVITIES

SEC. 501. NONPROLIFERATION AND DISARMAMENT FUND.

Part II of the Foreign Assistance Act of 1961 is amended by adding at the end the following:

"Chapter 9—International Nonproliferation Activities

"SEC. 581. NONPROLIFERATION AND DISARMAMENT FUND.

"(a) GENERAL AUTHORITY.—The President is authorized to provide assistance to promote bilateral and multilateral nonproliferation and disarmament activities by supporting—

"(1) dismantlement and destruction of nuclear, biological, and chemical weapons, their delivery systems, and conventional weapons;

"(2) bilateral and multilateral efforts to halt the proliferation of nuclear, biological, and chemical weapons, their delivery systems, related technologies, and other weapons, including—

"(A) activities such as storage, transportation, and safeguarding of those weapons, and

"(B) the purchase, barter, or other acquisition of such weapons or materials derived from such weapons;

"(3) establishment of science and technology centers in the independent states of the former Soviet Union to promote science and technology projects for nonmilitary purposes in accordance with subsection (b); and

"(4) the conversion of military technologies and capabilities and defense industries of the independent states of the former Soviet Union into civilian activities.

Priority in carrying out this section shall be given to the activities described in paragraphs (1), (2), and (3).

"(b) SCIENCE AND TECHNOLOGY CENTERS.—In order to employ scientific expertise in peaceful endeavors, the President is authorized to support one or more centers in independent states of the former Soviet Union for the purpose of promoting science and technology projects for nonmilitary purposes. The purpose of such centers shall be to provide incentives for weapons scientists and engineers of the former Soviet Union, in particular those who were previously involved in the design and production of nuclear, biological, and chemical weapons, to apply their

expertise to civilian projects rather than weapons production.

"(c) ELIGIBILITY CRITERIA.—Section 103 of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 shall not apply with respect to assistance provided under this section to governmental entities in the independent states of the former Soviet Union.

"(d) MISCELLANEOUS PROVISIONS RELATING TO ASSISTANCE.—

"(1) TERMS AND CONDITIONS.—Assistance under this section shall be provided on such terms and conditions as the President may determine, consistent with applicable provisions of law.

"(2) ADMINISTRATIVE FLEXIBILITY.—During the period beginning on the date of enactment of this section and ending September 30, 1993, assistance provided under this section with funds used pursuant to subsection (f) may be provided notwithstanding any other provision of law.

"(e) NOTICE TO CONGRESS OF PROPOSED OBLIGATIONS OF FUNDS.—Not less than 15 days before obligating funds under this section, the President shall submit to the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives, and the Committee on Foreign Relations and the Committee on Appropriations of the Senate, a notification in accordance with the procedures applicable to reprogramming notifications under section 634A of this Act. Such notification shall specify—

"(1) the activities to be funded and the amount to be obligated for such activities; and

"(2) the source of the funds to be used for such assistance and the purpose for which those funds would otherwise have been obligated.

"(f) FUNDING.—

"(1) AUTHORITY TO USE SECURITY ASSISTANCE FUNDS.—The President may use up to $100,000,000 of security assistance funds for fiscal year 1993 to provide assistance under this section, in addition to amounts otherwise available for the purposes specified in subsection (a).

"(2) SECURITY ASSISTANCE FUNDS DEFINED.—As used in this subsection, the term 'security assistance funds' means funds made available for assistance under chapter 4 of this part (relating to the Economic Support Fund) and assistance under section 23 of the Arms Export Control Act (relating to the 'Foreign Military Financing Program').

"(3) CERTAIN LIMITATIONS NOT APPLICABLE TO FUNDS.—Section 531(e) of this Act, and any provision of the annual foreign operations, export financing, and related programs appropriations Act that corresponds to section 510 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (relating to the prohibition on financing exports of nuclear equipment, fuel, and technology), shall not apply with respect to funds used pursuant to this subsection to provide assistance under this section.

"(g) DEFINITION.—As used in this section, the term 'independent states of the former Soviet Union' means the following (which formerly were part of the Soviet Union): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.".

SEC. 502. INTERNATIONAL NUCLEAR NONPROLIFERATION ACTIVITIES.

(a) INTERNATIONAL EFFORTS.—The Congress encourages the Secretary of Defense and the Secretary of Energy to participate actively in United States efforts to stem the proliferation of nuclear weapons. To that end, the Secretary of Defense and the Secretary of Energy, under the guidance of the President and in coordination with the Secretary of State, may spend not to exceed a total of $40,000,000 during fiscal year 1993 for international nonproliferation activities such as the following:

(1) Support for and technical cooperation with relevant international organizations (such as the International Atomic Energy Agency and the United Nations Special Commission on Iraq) to support more effective international safeguards and innovative detection and verification techniques, including in-kind contributions of personnel, equipment, training, and other forms of assistance.

(2) Collaborative international nuclear security and nuclear safety projects to combat the threat of nuclear theft, terrorism, or accidents, including joint emergency response exercises, technical assistance, and training.

(3) Efforts to improve international cooperative monitoring of nuclear proliferation through joint technical projects and improved intelligence sharing.

(b) FUNDING FOR FISCAL YEAR 1993.—(1) There is hereby authorized to be appropriated for fiscal year 1993 for the purposes of carrying out this section $40,000,000.

(2) Section 1001 of the National Defense Authorization Act for Fiscal Year 1993 (relating to transfer authority) applies with respect to the authorization provided by paragraph (1).

(3) Amounts made available to carry out this section are in addition to any other amounts authorized to be used for international nonproliferation activities.

(4) The amount provided in section 104 of the National Defense Authorization Act for Fiscal Year 1993 for procurement for the Defense Agencies is hereby reduced by $40,000,000.

(c) DETERMINATION BY DIRECTOR OF OMB.—No funds may be obligated during fiscal year 1993 for the program under this section unless expenditures for that program during fiscal year 1993 have been determined by the Director of the Office of Management and Budget to be counted against the defense category of the discretionary spending limits for fiscal year 1993 (as defined in section 601(a)(2) of the Congressional Budget Act of 1974) for purposes of part C of the Balanced Budget and Emergency Deficit Control Act of 1985.

(d) REPORTING REQUIREMENTS.—(1) Not less than 15 days before any obligation of funds under this section, the Secretary of Defense, in coordination with the Secretary of Energy, shall transmit to the committees of Congress named in subsection (e) a report on the proposed obligation. Each such report shall specify—

(A) the account, budget activity, and particular program from which the funds proposed to be obligated are to be derived and the amount of the proposed obligation; and

(B) the activities and forms of assistance for which the Secretary of Defense plans to obligate such funds.

(2) Not later than 30 days after the end of each quarter of fiscal years 1993 and 1994, the Secretary of Defense, in coordination with the Secretary of Energy, shall transmit to the committees of Congress named in subsection (e) a report of the activities to reduce the nuclear proliferation threat carried out under this section. Each report shall set forth the following:

(A) Amounts spent for such activities and the purposes for which they were spent.

(B) A description of the participation of the Department of Defense, and the participation of other government agencies in such activities.

(C) A description of the activities for which the funds were spent.

(e) COMMITTEES TO RECEIVE REPORT.—The committees of Congress referred to in subsections (d)(1) and (d)(2) are—

(1) the Committee on Armed Services, the Committee on Foreign Affairs, and the Committee on Energy and Commerce of the House of Representatives; and

(2) the Committee on Armed Services and the Committee on Foreign Relations of the Senate.

(f) AVOIDANCE OF DUPLICATIVE AUTHORIZATIONS.—This section shall not apply if the National Defense Authorization Act for Fiscal Year 1993 enacts the same authorities and requirements as are contained in this section and authorizes the appropriation of the same (or a greater) amount to carry out such authorities.

SEC. 503. SOVIET WEAPONS DESTRUCTION.

(a) FINDINGS.—The Congress finds—

(1) that programs established under the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102–228) will contribute significantly to the destruction of weapons of mass destruction of the independent states of the former Soviet Union and the reduction of the threat from such weapons and the potential for their proliferation;

(2) that it is in the national security interests of the United States to continue to reduce the threats from the huge weapons arsenals of the former Soviet Union and to protect against the potential proliferation of these weapons and the materials removed from them, as well as the potential hazards resulting from the faulty storage of those weapons or materials; and

(3) that the threats to nuclear safety and security described in section 211 of the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102–228; 105 Stat. 1693) remain of urgent concern and that additional resources are necessary to meet these threats, particularly in areas such as safe and secure storage of fissile material, dismantlement of missiles and launchers, and the destruction of chemical weapons.

(b) ADDITIONAL FUNDING.—(1) Section 221(a) of the Soviet Nuclear Threat Reduction Act of 1991 (title II of Public Law 102–228; 105 Stat. 1695) is amended by striking out "$400,000,000" and inserting in lieu thereof "$650,000,000".

(2) Section 221(e) of such Act is amended—

(A) by inserting "for fiscal year 1992 or fiscal year 1993" after "under part B";

(B) by inserting "for that fiscal year" after "for that program"; and

(C) by striking out "for fiscal year 1992" and inserting in lieu thereof "for that fiscal year".

(c) TECHNICAL REVISIONS TO PUBLIC LAW 102–229.—Public Law 102–229 is amended—

(1) in section 108 (105 Stat. 1708), by striking out "contained in H.R. 3807, as passed the Senate on November 25, 1991" and inserting in lieu thereof "(title II of Public Law 102–228)"; and

(2) in section 109 (105 Stat. 1708)—

(A) by striking out "H.R. 3807, as passed the Senate on November 25, 1991" and inserting in lieu thereof "Public Law 102–228 (105 Stat. 1696)"; and

(B) by striking out "of H.R. 3807".

(d) AVOIDANCE OF DUPLICATIVE AUTHORIZATIONS.—This section shall not apply if the National Defense Authorization Act for Fiscal Year 1993 enacts an amendment to sec-

tion 221(a) of the Soviet Nuclear Threat Reduction Act of 1991 that authorizes the transfer of the same (or a greater) amount that is authorized by the amendment made by subsection (b)(1) of this section and enacts amendments identical to those in subsections (b)(2) and (c) of this section.

SEC. 504. ESTABLISHMENT OF FOUNDATION.

(a) ESTABLISHMENT.—The Director of the National Science Foundation (hereinafter in this section referred to as the "Director") is authorized to establish an endowed, nongovernmental, nonprofit foundation (hereinafter in this section referred to as the "Foundation") in consultation with the Director of the National Institute of Standards and Technology.

(b) PURPOSES.—The purposes of the Foundation shall be the following:

(1) To provide productive research and development opportunities within the independent states of the former Soviet Union that offer scientists and engineers alternatives to emigration and help prevent the dissolution of the technological infrastructure of the independent states.

(2) To advance defense conversion by funding civilian collaborative research and development projects between scientists and engineers in the United States and in the independent states of the former Soviet Union.

(3) To assist the establishment of a market economy in the independent states of the former Soviet Union by promoting, identifying, and partially funding joint research, development, and demonstration ventures between United States businesses and scientists, engineers, and entrepreneurs in those independent states.

(4) To provide a mechanism for scientists, engineers, and entrepreneurs in the independent states of the former Soviet Union to develop an understanding of commercial business practices by establishing linkages to United States scientists, engineers, and businesses.

(5) To provide access for United States businesses to sophisticated new technologies, talented researchers, and potential new markets within the independent states of the former Soviet Union.

(c) FUNCTIONS.—In carrying out its purposes, the Foundation shall—

(1) promote and support joint research and development projects for peaceful purposes between scientists and engineers in the United States and independent states of the former Soviet Union on subjects of mutual interest; and

(2) seek to establish joint nondefense industrial research, development, and demonstration activities through private sector linkages which may involve participation by scientists and engineers in the university or academic sectors, and which shall include some contribution from industrial participants.

(d) FUNDING.—

(1) USE OF CERTAIN DEPARTMENT OF DEFENSE FUNDS.—(A) To the extent funds appropriated to carry out subtitle D of title II of the National Defense Authorization Act for Fiscal Year 1993 (relating to joint research and development programs with the independent states of the former Soviet Union) are otherwise available for such purpose, such funds may be made available to the Director for use by the Director in establishing the endowment of the Foundation and otherwise carrying out this section.

(B) For each fiscal year after fiscal year 1993, not more than 50 percent of the funds made available to the Foundation by the United States Government or otherwise used in carrying out this section may be funds appropriated in the national defense budget function (function 050).

(2) CONTRIBUTION TO ENDOWMENT BY PARTICIPATING INDEPENDENT STATES.—As a condition of participation in the Foundation, an independent state of the former Soviet Union must make a minimum contribution to the endowment of the Foundation, as determined by the Director, which shall reflect the ability of the independent state to make a financial contribution and its expected level of participation in the Foundation's programs.

(3) DEBT CONVERSIONS.—To the extent provided in advance by appropriations Acts, local currencies or other assets resulting from government-to-government debt conversions may be made available to the Foundation. For purposes of this paragraph, the term "debt conversion" means an agreement whereby a country's government-to-government or commercial external debt burden is exchanged by the holder for local currencies, policy commitments, other assets, or other economic activities, or for an equity interest in an enterprise theretofore owned by the debtor government.

(4) LOCAL CURRENCIES.—In addition to other uses provided by law, and subject to agreement with the foreign government, local currencies generated by United States assistance programs may be made available to the Foundation.

(5) INVESTMENT OF GOVERNMENT ASSISTANCE.—The Foundation may invest any revenue provided to it through United States Government assistance, and any interest earned on such investment may be used only for the purpose for which the assistance was provided.

(6) OTHER FUNDS FROM GOVERNMENT AND NONGOVERNMENTAL SOURCES.—The Foundation may accept such other funds as may be provided to it by Government agencies or nongovernmental entities.

TITLE VI—SPACE TRADE AND COOPERATION

SEC. 601. FINDINGS.

The Congress finds that—

(1) the dissolution of the political system of the former Soviet Union provides a unique, historic opportunity for the United States to achieve world peace and stability while incorporating the significant potential of the former Soviet Union to contribute to mankind's quality of life through science and technology;

(2) the desired conversion of former Soviet military and quasi-military assets, industries, and research facilities is furthered by openness in scientific collaboration, economic trade, and redeployment of capital resources;

(3) space trade and cooperation offer both the United States and the independent states of the former Soviet Union significant nonmilitary industrial growth opportunities and may assist the transition to a market-based economy in the independent states;

(4) space trade and cooperation would assist with the demilitarization of the independent states of the former Soviet Union and inhibit proliferation of military assets and technologies; and

(5) space trade and cooperation will enable the United States aerospace industry to utilize new technologies acquired from the independent states of the former Soviet Union in creating American products.

SEC. 602. FACILITATING DISCUSSIONS REGARDING THE ACQUISITION OF SPACE HARDWARE, TECHNOLOGY, AND SERVICES FROM THE FORMER SOVIET UNION.

(a) EXPEDITED REVIEW.—Any request for a license or other approval described in subsection (c) that is submitted to any United States Government agency by the National Aeronautics and Space Administration or any of its contractors shall be considered on an expedited basis by that agency and any other agency involved in an applicable interagency review process.

(b) NOTICE TO CONGRESS IF LICENSE DENIED.—If any United States Government agency denies a request for a license or other approval described in subsection (c), that agency shall immediately notify the designated congressional committees. Each such notification shall include a statement of the reasons for the denial.

(c) DESCRIPTION OF DISCUSSIONS.—This section applies to a request for any license or other approval that may be necessary to conduct discussions with an independent state of the former Soviet Union with respect to the possible acquisition of any space hardware, space technology, or space service for integration into United States space projects that have been approved by the Congress, including discussions relating to technical evaluation of such hardware, technology, or service.

SEC. 603. OFFICE OF SPACE COMMERCE.

(a) TRADE MISSIONS.—The Office of Space Commerce of the Department of Commerce is authorized and encouraged to conduct one or more trade missions to appropriate independent states of the former Soviet Union for the purpose of familiarizing United States aerospace industry representatives with space hardware, space technologies, and space services that may be available from the independent states, and with the business practices and overall business climate in the independent states.

(b) MONITORING NEGOTIATIONS.—The Office of Space Commerce—

(1) shall monitor the progress of any discussions described in section 602(c) that are being carried out by the National Aeronautics and Space Administration or its contractors; and

(2) shall advise the Administrator of the National Aeronautics and Space Administration as to the impact on United States industry of each potential acquisition of space hardware, space technology, or space services from the independent states of the former Soviet Union, specifically including any anticompetitive issues the Office may observe.

SEC. 604. REPORT TO CONGRESS.

Within one year after the date of enactment of this title, the President shall submit to the designated congressional committees a report describing—

(1) the opportunities for increased space-related trade with the independent states of the former Soviet Union;

(2) a technology procurement plan for identifying and evaluating all unique space hardware, space technology, and space services available to the United States from the independent states of the former Soviet Union;

(3) specific space hardware, space technology, and space services that have been, or could be, the subject of discussions described in section 602(c);

(4) the trade missions carried out pursuant to section 603(a), including the private participation in and the results of such missions;

(5) any barriers, regulatory or practical, that inhibit space-related trade between the United States and independent states of the former Soviet Union, including any such barriers in either the United States or the independent states; and

(6) any anticompetitive issues raised during the course of negotiations, as observed pursuant to section 603(b).

SEC. 605. DEFINITIONS.

For the purposes of this title—

(1) the term "contractor" means a National Aeronautics and Space Administration contractor to the extent that the acquisition of space hardware, space technology, or space services from the independent states of the former Soviet Union may be relevant to the contractor's responsibilities under the contract;

(2) the term "designated congressional committees" means the Committee on Science, Space, and Technology and the Committee on Foreign Affairs of the House of Representatives and the Committee on Commerce, Science, and Transportation and the Committee on Foreign Relations of the Senate;

(3) the term "space hardware" means proprietary space products, materials, and equipment;

(4) the term "space services" means space activities that can be performed for the benefit of another country; and

(5) the term "space technology" includes proprietary space systems, subsystems, methods, and practices developed by the former Soviet Union or independent states of the former Soviet Union that have application to space projects of other spacefaring countries.

TITLE VII—OTHER PROVISIONS

SEC. 701. STATUTORY LISTS OF COMMUNIST COUNTRIES.

(a) FOREIGN ASSISTANCE ACT.—Paragraph (1) of section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)(1)) is amended by striking out from the list of countries in the last sentence of that paragraph the following: "Czechoslovak Socialist Republic.", "Estonia.", "German Democratic Republic.", "Hungarian People's Republic.", "Latvia.", "Lithuania.", "People's Republic of Albania.", "People's Republic of Bulgaria.", "Polish People's Republic.", "Socialist Federal Republic of Yugoslavia.", "Socialist Republic of Romania.", and "Union of Soviet Socialist Republics (including its captive constituent republics).".

(b) SPECIAL RESTRICTIONS ON PERSONS INVOLVED IN LEGAL COMMERCIAL TRANSACTIONS.—Section 951(e)(2)(A) of title 18, United States Code, is amended by striking out "the Soviet Union, the German Democratic Republic, Hungary, Czechoslovakia, Poland, Bulgaria, Romania, or".

SEC. 702. AGRICULTURAL TRADE PROGRAMS.

(a) FOOD FOR PROGRESS ACT.—Section 1110 of the Food Security Act of 1985 (7 U.S.C. 1736o) is amended—

(1) in subsection (b)—

(A) by striking "or cooperatives" and inserting "cooperatives, or other private entities"; and

(B) by inserting "(1)" after "(b)" and adding at the end the following:

"(2)(A) The independent states of the former Soviet Union (as defined in title I of the Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992) shall be considered to be emerging democracies for purposes of this section.

"(B) The annual tonnage limitation contained in subsection (g) shall not apply with respect to commodities furnished from stocks of the Commodity Credit Corporation during fiscal years 1992 and 1993 to the independent states of the former Soviet Union."; and

(2) by amending subsection (f)(1) to read as follows:

"(f)(1) The Commodity Credit Corporation may provide for—

"(A) grants, or

"(B) in the case of the independent states of the former Soviet Union (as defined in title I of the Freedom for Russia and the Emerging Eurasian Democracies and Open Markets Support Act of 1992), sales on credit terms,

of commodities made available under section 416(b) of the Agricultural Act of 1949 for use in carrying out this section.".

(b) AGRICULTURAL DEVELOPMENT AND TRADE ACT OF 1990.—Section 1542 of the Agricultural Development and Trade Act of 1990 (7 U.S.C. 5622 note) is amended—

(1) in subsection (b)—

(A) by striking the subsection heading and inserting "(b) FACILITIES AND SERVICES.—"; and

(B) by striking "for the establishment or improvement by United States persons of facilities in emerging democracies" and inserting the following: "for—

"(1) the establishment or improvement of facilities, or

"(2) the provision of services or United States produced goods,

in emerging democracies by United States persons";

(2) in subsection (d)(1)(B)(i), by inserting ", farmers, other persons from the private sector," after "agricultural consultants"; and

(3) by amending subsection (d)(1)(D) to read as follows:

"(D) TECHNICAL ASSISTANCE.—The Secretary is authorized to provide, or pay the necessary costs for, technical assistance to enable individuals or other entities to implement the recommendations or to carry out the opportunities and projects identified under paragraph (1)(A).".

(c) DIRECT CREDIT SALES PROGRAM.—

(1) DETERMINATIONS.—Section 201(c) of the Agricultural Trade Act of 1978 (7 U.S.C. 5621(c)) is amended by striking ", on a long-term basis," each place it appears.

(2) ELIGIBLE COUNTRIES.—Section 201(d)(1)(C) of such Act (7 U.S.C. 5621(d)(1)(C)) is amended to read as follows:

"(C) to assist countries in meeting their food and fiber needs, particularly—

"(i) developing countries; and

"(ii) countries that are emerging democracies that have committed to carry out, or are carrying out, policies that promote economic freedom, private domestic production of food commodities for domestic consumption, and the creation and expansion of efficient domestic markets for the purchase and sale of agricultural commodities; and".

(3) REGULATIONS.—The Secretary of Agriculture shall issue final regulations to implement section 201 of the Agricultural Trade Act of 1978 (7 U.S.C. 5621), as amended by this Act, not later than 30 days after the date of enactment of this Act.

(d) EXPORT CREDIT GUARANTEE PROGRAM.—Section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622) is amended—

(1) in subsection (c), by striking ", on a long-term basis," each place it appears; and

(2) by amending subsection (d)(3) to read as follows:

"(3) to assist countries in meeting their food and fiber needs, particularly—

"(A) developing countries; and

"(B) countries that are emerging democracies that have committed to carry out, or are carrying out, policies that promote economic freedom, private domestic production of food commodities for domestic consumption, and the creation and expansion of efficient domestic markets for the purchase and sale of agricultural commodities; and".

(e) INTEGRATION OF EXPORT ASSISTANCE PROGRAM.—In order to provide maximum flexibility in meeting the food and financing needs of the independent states of the former Soviet Union and in promoting export sales of agricultural commodities to the independent states, the Secretary of Agriculture may carry out any trade assistance program in combination with any other such program.

(f) DISTRIBUTION OF AID TO THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.—It is the sense of Congress that, in order to avoid waste and to ensure fair and equitable distribution of food and commodities provided to the independent states of the former Soviet Union, the President should, when discussing and planning the provision of such food aid, whether acting unilaterally or multilaterally with other donor countries, encourage the involvement of suitable multinational organizations to monitor the transport and distribution of such food aid within such entities.

(g) DEFINITION OF AGRICULTURAL COMMODITY.—Section 102(1) of the Agricultural Trade Act of 1978 (7 U.S.C. 5602(1)) is amended by striking "feed, or fiber" and inserting "feed, fiber, or livestock (including livestock as it is defined in section 602(2) of the Agricultural Act of 1949 (7 U.S.C. 1471(2)) and insects)".

(h) DECLARATION OF POLICY.—Congress declares that the export credit guarantee program and the export enhancement program required by sections 202 and 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622, 5651) should be administered by the Commodity Credit Corporation with respect to the independent states of the former Soviet Union in a manner that contributes to the achievement of the objective that the United States share of world trade in processed agricultural products and high-value agricultural products shall not be less than 15 percent.

(i) DEFINITIONS.—Section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602) is amended by adding at the end the following new paragraphs:

"(8) The term 'processed agricultural product' means a product derived from a bulk or raw agricultural commodity which, as a result of the application of human labor, the use of machines, and other factors involved in a manufacturing process, is increased in value and made more appropriate for human consumption or use. Such term includes, but is not limited to, livestock and poultry products, wheat flour, milled rice, refined sugar, vegetable oil, and prepared, preserved, canned, frozen, refrigerated, and other processed food products.

"(9) The term 'high-value agricultural product' means an agricultural commodity the value of which, on a per-unit or equivalent volume basis, is substantially higher than the value of bulk or raw agricultural commodities, such as grains and oilseeds. The term includes, but is not limited to, fresh, chilled, or frozen meats and other livestock and poultry products, eggs, breeder stock, plant seeds, and tobacco.".

(j) PROCESSED AND HIGH-VALUE AGRICULTURAL PRODUCT EXPORT CREDIT GUARANTEE PROGRAM.—Section 202 of such Act (7 U.S.C. 5622) is amended—

(1) in subsections (a) and (b), by inserting ", including processed agricultural products

and high-value agricultural products," after "agricultural commodities" both places it appears; and

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

"(k) SET-ASIDES.—

"(1) IN GENERAL.—In issuing export credit guarantees under this section in connection with sales to the independent states of the former Soviet Union (as defined in title I of the Freedom for Russia and the Emerging Eurasian Democracies and Open Markets Support Act of 1992), the Commodity Credit Corporation shall, to the extent practicable and subject to paragraph (2), ensure that no less than 35 percent of the total amount of credit guarantees issued for a fiscal year are issued to promote the export of processed and high-value agricultural products and that the balance are issued to promote the export of bulk or raw agricultural commodities.

"(2) LIMITATION.—The 35 percent requirement of paragraph (1) shall apply for a fiscal year only to the extent that the percentage of the total amount of credit guarantees issued for that fiscal year under this section to promote the export to all countries of processed and high-value agricultural products is less than 25 percent.".

(k) PROCESSED AND HIGH-VALUE AGRICULTURAL PRODUCT EXPORT ENHANCEMENT PROGRAM.—Section 301 of such Act (7 U.S.C. 5651) is amended—

(1) in subsection (a), by inserting ", including processed agricultural products and high-value agricultural products," after "agricultural commodities"; and

(2) in subsection (e)—

(A) by striking "The Commodity" and inserting the following:

"(1) IN GENERAL.—The Commodity"; and

(B) by adding at the end the following new paragraph:

"(2) SET-ASIDES.—(A) For each fiscal year, the Corporation shall, to the extent practicable and subject to subparagraph (B), ensure that no less than 25 percent of the total of—

"(i) the funds expended, and

"(ii) the value of any commodities made available,

under this section in connection with sales of agricultural commodities to the independent states of the former Soviet Union (as defined in title I of the Freedom for Russia and the Emerging Eurasian Democracies and Open Markets Support Act of 1992) is used to promote the export of processed and high-value United States agricultural products and that the balance of the funds expended and commodities made available under this section in connection with such sales is used to promote the export of bulk or raw United States agricultural commodities.

"(B) The 25 percent requirement of subparagraph (A) shall apply for a fiscal year only to the extent that the percentage of the total of—

"(i) the funds expended, and

"(ii) the value of commodities made available,

for that fiscal year under this section to promote the export to all countries of processed and high-value United States agricultural products is less than 15 percent.".

(l) COST-REVENUE AND EMPLOYMENT ANALYSIS OF EXPORT ASSISTANCE.—Title III of such Act (7 U.S.C. 5651–5653) is amended by adding at the end the following:

"SEC. 304. QUARTERLY AND ANNUAL REPORTS ON THE COST-REVENUE ANALYSIS AND EMPLOYMENT EFFECTS OF SUPPORTING THE EXPORT OF PROCESSED AND HIGH-VALUE AGRICULTURAL PRODUCTS.

"(a) QUARTERLY REPORTS.—Not later than 30 days after the end of each quarter of a fiscal year, the Secretary shall submit to Congress a report containing an estimate for the preceding quarter of those costs and imputed revenues, attributable to the export to the independent states of the former Soviet Union (as defined in title I of the Freedom for Russia and the Emerging Eurasian Democracies and Open Markets Support Act of 1992) of processed and high-value agricultural products and raw and bulk agricultural commodities under sections 202 and 301. The revenue estimate shall be determined by the Economic Research Service of the Department of Agriculture from the net effect on Federal tax receipts of exports under those sections on the personal and corporate income of persons directly and indirectly assisted. The Secretary shall, after consultation with the Secretary of Labor, include in the report an examination of the direct and indirect effect of the export efforts with respect to the independent states of the former Soviet Union under those sections for the preceding quarter on employment levels and opportunities in the United States agricultural sectors and related industries.

"(b) ANNUAL REPORT.—Not later than 30 days after the end of each fiscal year, the Secretary shall submit to Congress a report for the preceding fiscal year containing the information required under subsection (a).".

(m) APPLICATION OF CERTAIN PROVISIONS.—

(1) CERTAIN AMENDMENTS APPLICABLE ONLY TO THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.—The amendments made by subsections (c)(1), (d)(1), (g), (i), (j)(1), and (k)(1) shall apply only with respect to the independent states of the former Soviet Union.

(2) IMPLEMENTATION OF CERTAIN AMENDMENTS DURING FISCAL YEAR 1992.—The Commodity Credit Corporation shall apply subsection (h), and the amendments made by subsections (i) through (l), during fiscal year 1992 to the maximum extent practicable.

SEC. 703. PEACE CORPS VOLUNTEER TRAINING REQUIREMENTS.

Section 8(c) of the Peace Corps Act (22 U.S.C. 2507(c)) is repealed.

SEC. 704. ESTABLISHING CATEGORIES OF ALIENS FOR PURPOSES OF REFUGEE DETERMINATIONS; ADJUSTMENT OF STATUS FOR CERTAIN SOVIET AND INDOCHINESE PAROLEES.

(a) EXTENSION OF PROVISIONS.—The Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1990 (Public Law 101–167) is amended—

(1) in section 599D (8 U.S.C. 1157 note)—

(A) in subsection (b)(3), by inserting "and within the number of such admissions allocated for each of fiscal years 1993 and 1994 for refugees who are nationals of the independent states of the former Soviet Union, Estonia, Latvia, and Lithuania under such section" after "Act"; and

(B) in subsection (e), by striking out "October 1, 1992" each place it appears and inserting in lieu thereof "October 1, 1994"; and

(2) in section 599E (8 U.S.C. 1255 note) in subsection (b)(2), by striking out "September 30, 1992" and inserting in lieu thereof "September 30, 1994".

(b) CORRECTION OF REFERENCES TO SOVIET UNION.—That Act is amended—

(1) in section 599D(b)—

(A) in paragraphs (1)(A), (2)(A), and (2)(B), by striking out "of the Soviet Union" each place it appears and inserting in lieu thereof "of an independent state of the former Soviet Union or of Estonia, Latvia, or Lithuania"; and

(B) in paragraph (1)(A), by striking out "in the Soviet Union" and inserting in lieu thereof "in that state"; and

(2) in section 599E(b)(1), by striking out "of the Soviet Union," and inserting in lieu thereof "of an independent state of the former Soviet Union, Estonia, Latvia, Lithuania,".

(c) REPEAL OF EXECUTED REPORTING REQUIREMENTS.—Section 599D of that Act is amended by repealing subsection (f).

The CHAIRMAN. No amendment to the substitute and no other amendment to the bill is in order.

The question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having assumed the Chair, Mr. SKAGGS, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 4547) to authorize supplemental assistance for the former Soviet republics, pursuant to House Resolution 545, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

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

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

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 255, nays 164, not voting 16, as follows:

[Roll No. 374]

YEAS—255

Ackerman	Bonior	Coyne
Alexander	Borski	Cramer
Allard	Boucher	Davis
Anderson	Brewster	de la Garza
Andrews (ME)	Brooks	Derrick
Andrews (TX)	Broomfield	Dicks
Annunzio	Browder	Dingell
Anthony	Brown	Downey
Aspin	Bruce	Eckart
Bacchus	Bustamante	Edwards (CA)
Barrett	Byron	Edwards (TX)
Bateman	Campbell (CA)	Emerson
Bellenson	Cardin	Engel
Bennett	Carper	Ewing
Bentley	Chandler	Fascell
Bereuter	Clinger	Fawell
Berman	Coleman (MO)	Fazio
Bilbray	Coleman (TX)	Feighan
Bliley	Cooper	Fish
Boehlert	Coughlin	Foley
Boehner	Cox (IL)	Ford (MI)

Frank (MA)	Lowey (NY)	Roberts
Franks (CT)	Manton	Roe
Frost	Markey	Rose
Gallo	Martin	Rostenkowski
Gejdenson	Martinez	Roukema
Gekas	Matsui	Russo
Gephardt	Mavroules	Sabo
Gibbons	McCloskey	Sawyer
Gillmor	McCollum	Saxton
Gilman	McCrery	Scheuer
Gingrich	McCurdy	Schiff
Glickman	McDade	Schroeder
Gradison	McDermott	Schumer
Grandy	McGrath	Sharp
Green	McHugh	Shaw
Guarini	McMillen (MD)	Shays
Gunderson	McNulty	Sikorski
Hall (OH)	Meyers	Sisisky
Hamilton	Michel	Skaggs
Hammerschmidt	Miller (OH)	Skeen
Hansen	Miller (WA)	Skelton
Henry	Mineta	Slattery
Hertel	Mink	Slaughter
Hoagland	Moakley	Smith (FL)
Hobson	Molinari	Smith (IA)
Hochbrueckner	Mollohan	Smith (NJ)
Hopkins	Montgomery	Smith (TX)
Horn	Moran	Solarz
Horton	Morella	Spratt
Houghton	Morrison	Stallings
Hoyer	Mrazek	Stenholm
Hunter	Murtha	Studds
Hyde	Nagle	Swett
Ireland	Natcher	Swift
James	Nichols	Synar
Jenkins	Nowak	Tallon
Johnson (CT)	Nussle	Taylor (NC)
Johnson (SD)	Oberstar	Thomas (CA)
Johnson (TX)	Obey	Thomas (GA)
Johnston	Olin	Thomas (WY)
Jones (GA)	Olver	Thornton
Kennedy	Orton	Torres
Kennelly	Owens (UT)	Torricelli
Kildee	Oxley	Unsoeld
Kolbe	Pallone	Upton
Kolter	Panetta	Vander Jagt
Kopetski	Parker	Vento
Kostmayer	Payne (VA)	Visclosky
LaFalce	Pease	Vucanovich
Lagomarsino	Pelosi	Walker
Lancaster	Penny	Waxman
Lantos	Peterson (FL)	Weber
LaRocco	Peterson (MN)	Weiss
Laughlin	Pickett	Weldon
Leach	Pickle	Whitten
Lehman (FL)	Porter	Wise
Lent	Price	Wolf
Levin (MI)	Ravenel	Wolpe
Levine (CA)	Regula	Wyden
Lewis (CA)	Rhodes	Wylie
Lightfoot	Richardson	Yates
Livingston	Riggs	Yatron
Long	Rinaldo	Young (AK)
Lowery (CA)	Ritter	Zeliff

NAYS—164

Abercrombie	Costello	Gallegly
Allen	Cox (CA)	Geren
Andrews (NJ)	Crane	Gilchrest
Applegate	Cunningham	Gonzalez
Archer	Dannemeyer	Goodling
Armey	Darden	Goss
Atkins	DeFazio	Hall (TX)
AuCoin	DeLauro	Hancock
Baker	DeLay	Harris
Ballenger	Dellums	Hastert
Barton	Dixon	Hayes (IL)
Billrakis	Donnelly	Hayes (LA)
Blackwell	Dooley	Hefley
Boxer	Doolittle	Hefner
Bryant	Dorgan (ND)	Herger
Bunning	Dornan (CA)	Holloway
Burton	Dreier	Hubbard
Callahan	Duncan	Huckaby
Camp	Durbin	Hughes
Campbell (CO)	Dymally	Hutto
Carr	Early	Inhofe
Chapman	Edwards (OK)	Jacobs
Clay	English	Jefferson
Coble	Erdreich	Jones (NC)
Collins (IL)	Espy	Jontz
Collins (MI)	Evans	Kanjorski
Combest	Fields	Kaptur
Condit	Flake	Kasich
Conyers	Foglietta	Kleczka
Klug	Perkins	Shuster
Kyl	Petri	Smith (OR)
Lehman (CA)	Poshard	Snowe
Lewis (FL)	Pursell	Solomon
Lewis (GA)	Quillen	Spence
Lipinski	Rahall	Staggers
Lloyd	Ramstad	Stark
Machtley	Rangel	Stearns
Marlenee	Ray	Stokes
Mazzoli	Reed	Stump
McCandless	Ridge	Sundquist
Mfume	Roemer	Tanner
Miller (CA)	Rogers	Tauzin
Moody	Rohrabacher	Taylor (MS)
Moorhead	Ros-Lehtinen	Towns
Myers	Roth	Traficant
Neal (MA)	Rowland	Valentine
Neal (NC)	Roybal	Volkmer
Oakar	Sanders	Walsh
Ortiz	Sangmeister	Washington
Owens (NY)	Santorum	Waters
Packard	Sarpalius	Wheat
Pastor	Savage	Williams
Patterson	Schaefer	Young (FL)
Paxon	Sensenbrenner	Zimmer
Payne (NJ)	Serrano	

NOT VOTING—16

Barnard	Gaydos	Murphy
Bevill	Gordon	Schulze
Clement	Hatcher	Traxler
Dickinson	Luken	Wilson
Dwyer	McEwen	
Ford (TN)	McMillan (NC)	

□ 1811

The Clerk announced the following pairs:

On this vote:

Mr. Dwyer for, with Mr. Murphy against.

Mr. KLUG changed his vote from "yea" to "nay."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to support freedom and open markets in the independent states of the former Soviet Union, and for other purposes.".

A motion to reconsider was laid on the table.

□ 1810

Mr. FASCELL. Mr. Speaker, pursuant to House Resolution 545, I call up from the Speaker's table the Senate bill (S. 2532) entitled the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

MOTION OFFERED BY MR. FASCELL

Mr. FASCELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. FASCELL moves to strike all after the enacting clause of the Senate bill, S. 2532, and insert in lieu thereof the provisions of H.R. 4547, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An Act to support freedom and open markets in the independent states of the former Soviet Union, and for other purposes.".

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4547) was laid on the table.

LEGISLATIVE PROGRAM

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

Mr. MICHEL. Mr. Speaker, I ask for this time in order that I might inquire of the distinguished majority leader how we might proceed for the balance of the evening.

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

Mr. MICHEL. I yield to the gentleman from Missouri.

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

Mr. Speaker, I want to inform the Members that we will now take up the family planning conference. That will be a maximum of 1 hour, and obviously a vote. We then will go to House Concurrent Resolution 246, which is a trade resolution from the Committee on Ways and Means concerning the North American Free-Trade Agreement. It is a resolution. It is not a piece of legislation that would change statutes. There will be a rule, and then an hour of debate on the resolution, a maximum of 2 hours. It could be less. I do not know how long it will take.

At the end of that, we will take up House Concurrent Resolution 192, which should not have a vote. It is to concur in the Senate amendment to the House resolution on the Hamilton-Gradison Commission. It will take 5 minutes, and it will not have a vote, I am told.

So the last vote would be on the trade resolution.

If we are able to complete that business, because there has been an inability to bring to the floor two pieces of legislation that we had planned for tomorrow, we have decided to not have votes, not have a session tomorrow. We may or may not have to have a pro forma session. We will be talking with the minority leadership about that later in the day.

Mr. MICHEL. If I might, Mr. Speaker, ask if later on this evening we might get a little reading on then what we will be doing next Monday, Tuesday, and Wednesday. It is my understanding that we were not going to have a session, or were not going to be having any votes Monday.

Mr. GEPHARDT. The gentleman is correct.

Mr. MICHEL. Does having no program on Friday change that scenario?

Mr. GEPHARDT. If the gentleman will yield further, no votes on Monday, there will be votes Tuesday and Wednesday. We hope to be able to leave Wednesday at a reasonable hour, no votes on Thursday or Friday.

Mr. MICHEL. Reclaiming my time, I hope the gentleman will be prepared to tell us what those measures will be then for Tuesday and Wednesday.

Mr. GEPHARDT. We will.

Mr. MICHEL. I thank the distinguished gentleman.

CONFERENCE REPORT ON H.R. 3033, JOB TRAINING REFORM AMENDMENTS OF 1992

Mr. PERKINS submitted the following conference report and statement on the bill (H.R. 3033) to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, and for other purposes:

CONFERENCE REPORT (H. REPT. 102-811)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3033), to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, 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 to the text of the bill and agree to the same with an amendment as follows:

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Job Training Reform Amendments of 1992".

SEC. 2. TABLE OF CONTENTS.

The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.
TITLE I—JOB TRAINING PARTNERSHIP REQUIREMENTS
Subtitle A—General Provisions
Sec. 101. Declaration of policy and statement of purpose.
Sec. 102. Authorization of appropriations.
Sec. 103. Definitions.
Subtitle B—Service Delivery System
Sec. 111. Establishment of service delivery areas.
Sec. 112. Establishment of private industry council.
Sec. 113. Job training plan.
Sec. 114. Review and approval of plan.
Sec. 115. Performance standards.
Sec. 116. Selection of service providers.
Sec. 117. Limitation on certain costs.
Sec. 118. Recapture and reallotment of unobligated funds under title II.
Subtitle C—Additional State Responsibilities
Sec. 121. Governor's coordination and special services plan.
Sec. 122. State education coordination and grants.
Sec. 123. Identification of additional imposed requirements.
Sec. 124. State labor market information programs.
Subtitle D—Program Requirements for Service Delivery System
Sec. 131. General program requirements.
Sec. 132. Benefits.
Sec. 133. Labor standards.
Sec. 134. Grievance procedure.
Subtitle E—Federal and Fiscal Administrative Provisions
Sec. 141. Prompt allocation of funds.
Sec. 142. Fiscal controls; sanctions.
Sec. 143. Reports, recordkeeping, and investigations.
Sec. 144. Nondiscrimination.
Sec. 145. Utilization of services and facilities.
TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED
Sec. 201. Adult training program.
Sec. 202. Adult training program allotment and allocation.
Sec. 203. Adult training program eligibility and services.
Sec. 204. Summer youth employment and training program.
Sec. 205. Summer youth program transfer of funds.
Sec. 206. Youth training program.
Sec. 207. Youth training program allotment and allocation.
Sec. 208. Youth training program eligibility and services.
TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS
Sec. 301. State agency approval.
Sec. 302. Limitations on uses of funds.
Sec. 303. Demonstration programs.
TITLE IV—FEDERALLY ADMINISTERED PROGRAMS
Sec. 401. Native American and migrant programs.
Sec. 402. Job Corps.
Sec. 403. National activities.
Sec. 404. Uniform requirements.
Sec. 405. Labor market information.
Sec. 406. Establishment of the Youth Fair Chance program.
Sec. 407. Establishment of the microenterprise grants program.
Sec. 408. Establishment of the disaster relief program.
TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM
Sec. 501. Jobs for employable dependent individuals.
TITLE VI—STATE HUMAN RESOURCE INVESTMENT COUNCIL
Sec. 601. State human resource investment council.
TITLE VII—MISCELLANEOUS PROVISIONS
Sec. 701. Effective date and transition provisions.
Sec. 702. Technical and conforming amendments.

TITLE I—JOB TRAINING PARTNERSHIP REQUIREMENTS

Subtitle A—General Provisions

SEC. 101. DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

(a) DECLARATION OF POLICY.—In recognition of the training needs of low-income adults and youth, the Congress declares it to be the policy of the United States to—

(1) provide financial assistance to States and local service delivery areas to meet the training needs of such low-income adults and youth, and to assist such individuals in obtaining unsubsidized employment;

(2) increase the funds available for programs under title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.) by not less than 10 percent of the baseline each fiscal year to provide for growth in the percentage of eligible adults and youth served above the 5 percent of the eligible population that is currently served; and

(3) encourage the provision of longer, more comprehensive, education, training, and employment services to the eligible population, which also requires increased funding in order to maintain current service levels.

(b) STATEMENT OF PURPOSE.—Section 2 of the Job Training Partnership Act (29 U.S.C. 1501) (hereafter in this Act referred to as "the Act") is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 2. It is the purpose of this Act to establish programs to prepare youth and adults facing serious barriers to employment for participation in the labor force by providing job training and other services that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the work force and enhancing the productivity and competitiveness of the Nation.".

SEC. 102. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 3 of the Act (29 U.S.C. 1502) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

"(a)(1) There are authorized to be appropriated to carry out parts A and C of title II such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year. Of the sums appropriated to carry out parts A and C of title II for each such fiscal year, an amount not less than 40 percent of such sums shall be made available to carry out part A of such title and an amount not less than 40 percent of such sums shall be made available to carry out part C of such title.

"(2) There are authorized to be appropriated to carry out part B of title II such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year.";

(2) by redesignating subsection (c) as subsection (b);

(3) by inserting after such subsection (b) the following:

"(c)(1) There are authorized to be appropriated to carry out parts A, C, D, E, F, and G of title IV for fiscal year 1993 and each succeeding fiscal year an amount equal to not more than 7 percent of the total amount appropriated to carry out this Act for each such fiscal year.

"(2) From the amount appropriated under paragraph (1) for any fiscal year, the Secretary—

"(A) shall first reserve—

"(i) an amount of not less than 3.3 percent of the amount available for parts A and C of title II for such fiscal year to carry out section 401; and

"(ii) an amount of not less than 3.2 percent of the amount available for parts A and C of title II for such fiscal year to carry out section 402; and

"(B) after making such reservations, shall reserve—

"(i) an amount equal to 7 percent of the amount appropriated under paragraph (1) to carry out part C of title IV;

"(ii) $15,000,000 to carry out section 453, of which—

"(I) not less than 20 percent shall be used to carry out section 453(b);

"(II) not less than 20 percent shall be used to carry out section 453(c); and

"(III) $1,000,000 shall be used to carry out section 453(d);

"(iii) $6,000,000 to carry out subsections (e) and (f) of section 462; and

"(iv) $2,000,000 to carry out part F of title IV.

"(3) There are authorized to be appropriated to carry out part H of title IV $100,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"(4) There are authorized to be appropriated to carry out part I of title IV $5,000,000 for each of the fiscal years 1993 through 1997.

"(5) There are authorized to be appropriated to carry out part J of title IV, $15,000,000 for fiscal year 1993 and such sums as may be necessary for each succeeding fiscal year."; and

(4) in subsection (e)—

(A) by striking "(e)(1) Subject to paragraph (2), there" and inserting "(e) There";

(B) by striking "1994" and inserting "1996"; and

(C) by striking paragraphs (2) and (3).

(b) CONFORMING AMENDMENTS.—Subsections (a) and (e) of section 302 of the Act (29 U.S.C. 1652 (a) and (e)) and section 326(h) of the Act (1662e(h)) are amended by striking "3(c)" and inserting "3(b)".

SEC. 103. DEFINITIONS.

(a) IN GENERAL.—Section 4 of the Act (29 U.S.C. 1503) is amended—

(1) in paragraph (3), by striking "a program under part A" and inserting "programs under parts A and C"; and

(2) in paragraph (5)—

(A) by inserting "the Association of Farmworker Opportunity Programs, the Center for Employment Training, literacy organizations, agencies or organizations serving older individuals, organizations that provide service opportunities, youth corps programs," after "Jobs for Youth,"; and

(B) by striking "(including the National Urban Indian Council)";

(3) in paragraph (8)—

(A) in subparagraph (B)(i), by striking "the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget" and inserting "the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2))";

(B) in subparagraph (C), by inserting "(or has been determined within the 6-month period prior to the application for the program involved to be eligible to receive)" after "is receiving";

(C) in subparagraph (D), by inserting "subsections (a) and (c) of" after "under"; and

(D) in subparagraph (F), by striking "adult handicapped individual" and inserting "individual with a disability";

(4) in paragraph (10)—

(A) by striking "(10)" and inserting "(10)(A)";

(B) by striking "handicapped individual" and inserting "individual with a disability"; and

(C) by adding at the end the following:

"(B) The term 'individuals with disabilities' means more than one individual with a disability.";

(5) in paragraph (22), by striking "and the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau";

(6) in paragraph (24)—

(A) by inserting "financial assistance (except as a post-termination service), drug and alcohol abuse counseling and referral, individual and family counseling," after "health care,";

(B) by striking "materials for the handicapped," and inserting "materials for individuals with disabilities, job coaches,"; and

(C) by inserting "and dependent care" after "child care";

(7) by amending paragraph (29) to read as follows:

"(29) The term 'displaced homemaker' means an individual who has been providing unpaid services to family members in the home and who—

"(A) has been dependent either—

"(i) on public assistance and whose youngest child is within 2 years of losing eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

"(ii) on the income of another family member but is no longer supported by that income; and

"(B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment."; and

(8) by adding after paragraph (30) the following new paragraphs:

"(31) The term 'basic skills deficient' means, with respect to an individual, that the individual has English reading or computing skills at or below the 8th grade level on a generally accepted standardized test or a comparable score on a criterion-referenced test.

"(32) The term 'case management' means the provision of a client-centered approach in the delivery of services, designed to—

"(A) prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to the necessary training and supportive services, using, where feasible, computer-based technologies; and

"(B) provide job and career counseling during program participation and after job placement.

"(33) The term 'citizenship skills' means skills and qualities, such as teamwork, problem-solving ability, self-esteem, initiative, leadership, commitment to life-long learning, and an ethic of civic responsibility, that are characteristic of productive workers and good citizens.

"(34) The term 'family' means two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:

"(A) A husband, wife, and dependent children.

"(B) A parent or guardian and dependent children.

"(C) A husband and wife.

"(35) The term 'hard-to-serve individual' means an individual who is included in one or more of the categories described in section 203(b) or subsection (b) or (d) of section 263.

"(36) The term 'JOBS' means the Job Opportunities and Basic Skills Training Program authorized under part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.).

"(37) The term 'participant' means an individual who has been determined to be eligible to participate in and who is receiving services (except post-termination services authorized under sections 204(c)(4) and 264(d)(5) and followup services authorized under section 253(d)) under a program authorized by this Act. Participation shall be deemed to commence on the first day, following determination of eligibility, on which the participant began receiving subsidized employment, training, or other services provided under this Act.

"(38) The term 'school dropout' means an individual who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

"(39) The term 'termination' means the separation of a participant who is no longer receiving services (except post-termination services authorized under sections 204(c)(4) and 264(d)(5) and followup services authorized under section 253(d)) under a program authorized by this Act.

"(40) The term 'youth corps program' means a program, such as a conservation corps or youth service program, that offers productive work with visible community benefits in a natural resource or human service setting and that gives participants a mix of work experience, basic and life skills, education, training, and supportive services.".

(b) CONFORMING AMENDMENTS.—The Act (29 U.S.C. 1501 et seq.) is amended—

(1) in section 4 (29 U.S.C. 1503)—

(A) in paragraph (5), by striking "the handicapped" and inserting "individuals with disabilities";

(B) in paragraph (8)(F), by striking "adult handicapped individual" and inserting "individual with a disability"; and

(C) in paragraph (28), by striking "section 521(31)" and inserting "section 521(41)";

(2) in section 167(a)(2) (29 U.S.C. 1577(a)(2)), by striking "handicap" and inserting "disability";

(3) in the second section 172(b) (as added by Public Law 100-628) (29 U.S.C. 1583(b)), by striking "handicapped individuals" and inserting "individuals with disabilities"; and

(4) in section 423(1) (29 U.S.C. 1693(1)), by striking "handicapped individual" and inserting "individual with a disability".

Subtitle B—Service Delivery System

SEC. 111. ESTABLISHMENT OF SERVICE DELIVERY AREAS.

Section 101(c)(1) of the Act (29 U.S.C. 1511(c)(1)) is amended by inserting before the period at the end of the first sentence the following: ", except as provided for in sections 106(j)(4)(B) and 164(b)(1)(B)".

SEC. 112. ESTABLISHMENT OF PRIVATE INDUSTRY COUNCIL.

(a) COMPOSITION.—

(1) MEMBERSHIP.—Section 102(a) of the Act (29 U.S.C. 1512(a)(2)) is amended—

(A) by striking "and" at the end of paragraph (1); and

(B) by striking paragraph (2) and inserting the following:

"(2) representatives of organized labor and community-based organizations, who shall constitute not less than 15 percent of the membership of the council; and

"(3) representatives of each of the following:

"(A) Educational agencies (which agencies shall be representative of all educational agencies in the service delivery area).

"(B) Vocational rehabilitation agencies.

"(C) Public assistance agencies.

"(D) Economic development agencies.

"(E) The public employment service.

(2) NOMINATION.—Section 102(c)(2) of the Act (29 U.S.C. 1512(c)(2)) is amended to read as follows:

"(2) The education representatives on the council shall be selected from among individuals nominated by regional or local educational agencies, vocational education institutions, institutions of higher education (including entities offering adult education) or general organizations of such institutions, within the service delivery area.".

(3) RECOMMENDATIONS.—Section 102(c)(3) of the Act (29 U.S.C. 1512(c)(3)) is amended to read as follows:

"(3) The labor representatives on the council shall be selected from individuals recommended by recognized State and local labor federations. If the State or local labor federation fails to nominate a sufficient number of individuals to meet the labor representation requirements of subsection (a)(2), individual workers may be included on the council to complete the labor representation.".

(4) ADDITIONAL REPRESENTATIVES.—Section 102(c) of the Act (20 U.S.C. 1512(c)) is amended by adding at the end the following new paragraph:

"(4) The remaining members of the council shall be selected from individuals recommended by interested organizations.".

SEC. 113. JOB TRAINING PLAN.

(a) RESTRICTION OF PLANS TO TITLE II PROGRAMS.—Section 104(a) of the Act (29 U.S.C. 1514(a)) is amended by inserting "under title II" after "appropriated".

(b) CONTENTS OF JOB TRAINING PLANS.—Section 104(b) of the Act (29 U.S.C. 1514(b)) is amended to read as follows:

"(b) Each job training plan for the programs conducted under title II shall contain—

"(1) an identification of the entity that will administer the program and be the grant recipient of funds from the State;

"(2) if there is more than one service delivery area in a single labor market area, provisions

for coordinating particular aspects of the service delivery area program with other programs and service providers in the labor market area, including provisions for—

"(A) assessing needs and problems in the labor market that form the basis for program planning;

"(B) ensuring access by program participants in each service delivery area to skills training and employment opportunities throughout the entire labor market;

"(C) coordinating or jointly implementing job development, placement, and other employer outreach activities; and

"(D) entering into agreements and contracts, established pursuant to section 141(e)(2), between service delivery areas to pay or share the cost of services;

"(3) a description of methods of complying with the coordination criteria contained in the Governor's coordination and special services plan;

"(4) a description of linkages established with appropriate agencies, pursuant to sections 205 and 265, designed to enhance the provision of services and avoid duplication, including—

"(A) agreements with appropriate educational agencies;

"(B) arrangements with other education, training, and employment programs authorized by Federal law;

"(C) if appropriate, joint programs in which activities supported with assistance under this Act are coordinated with activities (such as service opportunities and youth corps programs) supported with assistance made available under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.); and

"(D) efforts to ensure the effective delivery of services to participants in coordination with local welfare agencies and other local agencies, community-based organizations, volunteer groups, business and labor organizations, and other training, education, employment, and social service programs;

"(5) goals and objectives for the programs, including—

"(A) a description of the manner in which the program will contribute to the economic self-sufficiency of participants, and the productivity of the local area and the Nation; and

"(B) performance standards established in accordance with standards prescribed under section 106;

"(6) procedures for identifying and selecting participants, including—

"(A) goals for the training and placement of hard-to-serve individuals, and a description of efforts to be undertaken to accomplish such goals;

"(B) outreach efforts to recruit and expand awareness of training and placement opportunities for such individuals; and

"(C) types of services to be provided to address the special needs of such individuals;

"(7)(A) goals for—

"(i) the training of women in nontraditional employment; and

"(ii) the training-related placement of women in nontraditional employment and apprenticeships; and

"(B) a description of efforts to be undertaken to accomplish the goals described in subparagraph (A), including efforts to increase awareness of such training and placement opportunities;

"(8) adult and youth program budgets for 2 program years and any proposed expenditures for the succeeding 2 program years;

"(9) a description of—

"(A) the assessment process that will identify participant skill levels;

"(B) the process for providing information and referrals for applicants and participants relating to appropriate programs and service providers;

"(C) the services to be provided, including the means for involving labor organizations and community-based organizations in the provision of services, the estimated duration of service, and the estimated training cost per participant;

"(D) the competency levels to be achieved by participants as a result of program participation; and

"(E) the procedures for evaluating the progress of participants in achieving competencies;

"(10) a description of the procedures and methods of carrying out title V, where applicable, relating to incentive bonus payments for the placement of individuals eligible under such title;

"(11) procedures, consistent with sections 107 and 164, for selecting service providers, which procedures shall take into account—

"(A) past performance of the providers regarding—

"(i) job training, basic skills training, or related activities;

"(ii) fiscal accountability; and

"(iii) ability to meet performance standards; and

"(B) the ability of the providers to provide services that can lead to achievement of competency standards for participants with identified deficiencies;

"(12) fiscal control (including procurement, monitoring, and management information system requirements), accounting, audit, and debt collection procedures, consistent with section 164, to assure the proper disbursal of, and accounting for, funds received under title II; and

"(13) procedures for the preparation and submission of an annual report to the Governor, which report shall include—

"(A) a description of activities conducted during the program year;

"(B) characteristics of participants;

"(C) information on the extent to which applicable performance standards were met;

"(D) information on the extent to which the service delivery area has met the goals of the area for the training and training-related placement of women in nontraditional employment and apprenticeships; and

"(E) a statistical breakdown of women trained and placed in nontraditional occupations, including information regarding—

"(i) the type of training received, by occupation;

"(ii) whether the participant was placed in a job or apprenticeship, and, if so, the occupation and wage at placement;

"(iii) the age of the participant;

"(iv) the race of the participant; and

"(v) retention of the participant in nontraditional employment.".

SEC. 114. REVIEW AND APPROVAL OF PLAN.

Section 105 of the Act (29 U.S.C. 1515) is amended—

(1) in subsection (a)(1)(B)(ii), by inserting "community-based organizations and" after "appropriate"; and

(2) in subsection (b)(1)(E), by striking "section 121(b)", and inserting "sections 121(b), 205, and 265".

SEC. 115. PERFORMANCE STANDARDS.

(a) IN GENERAL.—Section 106 of the Act (29 U.S.C. 1516) is amended to read as follows:

"PERFORMANCE STANDARDS

"SEC. 106. (a) FINDINGS.—The Congress recognizes that job training is an investment in human capital and not an expense. In order to determine whether that investment has been productive, the Congress finds that—

"(1) it is essential that criteria for measuring the return on this investment be developed; and

"(2) the basic return on the investment is to be measured by long-term economic self-sufficiency, increased employment and earnings, reductions in welfare dependency, and increased educational attainment and occupational skills.

"(b) TITLE II PERFORMANCE STANDARDS.—

"(1) GENERAL OBJECTIVE.—In prescribing performance standards for programs under parts A and C of title II, the Secretary shall ensure that States and service delivery areas will make efforts to increase services and positive outcomes for hard-to-serve individuals.

"(2) ACHIEVEMENT OF BASIC MEASURES.—In order to determine whether the basic measures described in subsection (a) are achieved for programs under parts A and C of title II, the Secretary, in consultation with the Secretary of Education and the Secretary of Health and Human Services, shall prescribe performance standards.

"(3) FACTORS FOR ADULT STANDARDS.—The Secretary shall base the performance standards for adult programs under part A of title II on appropriate factors, which may include—

"(A) placement in unsubsidized employment;

"(B) retention for not less than 6 months in unsubsidized employment;

"(C) an increase in earnings, including hourly wages;

"(D) a reduction in welfare dependency; and

"(E) acquisition of skills, including basic skills, required to promote continued employability in the local labor market (including attainment of the competency levels described in paragraph (5)), or acquisition of a high school diploma or the equivalent of the diploma, if the acquisition of such skills or diploma is in addition to obtaining one or more of the outcomes described in subparagraphs (A) through (D).

"(4) FACTORS FOR YOUTH STANDARDS.—

"(A) IN GENERAL.—The Secretary shall base the performance standards for youth programs under part C of title II on appropriate factors described in paragraph (3), and on factors including—

"(i) attainment of employment competencies (including attainment of the competency levels described in paragraph (5));

"(ii) dropout prevention and recovery;

"(iii) secondary and postsecondary school completion or the equivalent of such completion; and

"(iv) enrollment in other training programs, apprenticeships, or postsecondary education, or enlistment in the Armed Forces.

"(B) VARIATIONS.—The Secretary may prescribe variations in the standards described in subparagraph (A) to reflect the differences between in-school and out-of-school programs.

"(5) COMPETENCY LEVELS.—The private industry councils, in consultation with appropriate educational agencies, and, where appropriate, the private sector, labor organizations, and community-based organizations, shall establish youth and adult competency levels, based on such factors as entry level skills and other hiring requirements.

"(6) REQUIREMENTS.—The performance standards described in paragraphs (3) and (4) shall include provisions governing—

"(A) the base period prior to program participation that will be used for measurement of the factors in such paragraphs, as appropriate;

"(B) a representative period after termination from the program that is a reasonable indicator of postprogram employment, earnings, and cash welfare payment reductions; and

"(C) cost-effective methods for obtaining such data as are necessary to carry out this section and section 452(d) which, notwithstanding any other provision of law, may include access to earnings records, State employment security records, records collected under the Federal Insurance Contributions Act (chapter 21 of the Internal Revenue Code of 1986), State aid to families with dependent children records, statistical

sampling techniques, and similar records or measures, with appropriate safeguards to protect the confidentiality of the information obtained.

"(7) INCENTIVE GRANTS.—From funds available under section 202(c)(1)(B), and under section 262(c)(1)(B), for providing incentive grants under this paragraph, each Governor shall award incentive grants for programs under parts A and C of title II, other than programs under section 204(d), to service delivery areas that—

"(A) exceed the performance standards established by the Secretary under this subsection (except for the standards established under paragraph (8)) with respect to services to all participants;

"(B) exceed the performance standards established by the Secretary under this subsection (except for the standards established under paragraph (8)) with respect to services to populations of hard-to-serve individuals;

"(C) serve more than the minimum percentage of out-of-school youth required by section 263(f);

"(D) place participants in employment that—

"(i) provides post-program earnings exceeding the applicable performance criteria; and

"(ii) includes employer-assisted employment benefits, including health benefits, consistent with the requirements of section 143(a)(4) relating to subsidized employment; and

"(E) exceed the performance standards established by the Governor under subsection (e) for programs under title II, except that not more than 25 percent of the incentive grants shall be awarded on performance standards established under subsection (e).

"(8) PROGRAM EXPENDITURES.—The Secretary shall prescribe performance standards relating gross program expenditures to various performance measures under this subsection, excluding any cost per participant measure. The Governors shall not take performance standards prescribed under this paragraph into consideration in awarding incentive grants under paragraph (7).

"(c) TITLE III PERFORMANCE STANDARDS.—

"(1) IN GENERAL.—The Secretary shall prescribe performance standards for programs under title III based on placement and retention in unsubsidized employment.

"(2) NEEDS-RELATED PAYMENTS.—In prescribing performance standards under paragraph (1), the Secretary shall make appropriate allowance for the difference in cost resulting from serving workers receiving needs-related payments under section 314(e).

"(d) STATE VARIATION OF PERFORMANCE STANDARDS.—

"(1) AUTHORITY OF GOVERNOR.—Each Governor shall prescribe, and report in the Governor's coordination and special services plan, within parameters established by the Secretary, variations in the standards issued under subsections (b) and (c) based upon—

"(A) specific economic, geographic, and demographic factors in the State and in service delivery areas and substate areas within the State;

"(B) the characteristics of the population to be served;

"(C) the demonstrated difficulties in serving the population; and

"(D) the type of services to be provided.

"(2) RESPONSIBILITIES OF SECRETARY.—The Secretary shall—

"(A) provide information and technical assistance on performance standards adjustments;

"(B) collect data that identifies hard-to-serve individuals;

"(C) provide guidance on setting performance standards at the service provider level that encourages increased service to such individuals; and

"(D) review performance standards to ensure that such standards provide maximum incentive in serving such individuals.

"(e) ADDITIONAL STATE STANDARDS PERMITTED.—The Governor may prescribe performance standards for programs under title II and title III in addition to those standards established by the Secretary under subsections (b) and (c). Such additional standards may include criteria relating to establishment of effective linkages with other programs to avoid duplication and enhance the delivery of services, the provision of high quality services, and successful service to hard-to-serve individuals. The additional performance standards established for title II shall be reported in the Governor's coordination and special services plan.

"(f) TITLE IV STANDARDS.—The Secretary shall prescribe performance standards for programs under parts A and B of title IV.

"(g) ADJUSTMENT FOR SPECIAL POPULATIONS.—The Secretary shall prescribe a system for variations in performance standards for special populations to be served, including Native Americans, migrant and seasonal farmworkers, disabled and Vietnam era veterans, including veterans who served in the Indochina Theater between August 5, 1964 and May 7, 1975, older individuals, including those served under section 204(d), and offenders, taking into account their special circumstances.

"(h) MODIFICATIONS.—

"(1) IN GENERAL.—The Secretary may modify the performance standards under this section not more often than once every 2 program years. Such modifications shall not be retroactive.

"(2) JOB CORPS.—Notwithstanding paragraph (1), the Secretary may modify standards relating to programs under part B of title IV each program year.

"(i) FUNCTIONS OF NCEP.—The National Commission for Employment Policy shall—

"(1) advise the Secretary in the development of performance standards under this section for measuring results of participation in job training and in the development of parameters for variations of such standards referred to in subsection (d);

"(2) evaluate the usefulness of such standards as measures of desired performance; and

"(3) evaluate the impact of such standards (intended or otherwise) on the choice of who is served, what services are provided, and the cost of such services in service delivery areas.

"(j) FAILURE TO MEET STANDARDS.—

"(1) UNIFORM CRITERIA.—The Secretary shall establish uniform criteria for determining whether—

"(A) a service delivery area fails to meet performance standards under this section; and

"(B) the circumstances under which remedial action authorized under this subsection shall be taken.

"(2) TECHNICAL ASSISTANCE.—Each Governor shall provide technical assistance to service delivery areas failing to meet performance standards under the uniform criteria established under paragraph (1)(A).

"(3) PROCESS FOR CORRECTION.—Not later than 90 days after the end of each program year, each Governor shall report to the Secretary the final performance standards and performance for each service delivery area within the State, along with the plans of the Governor for providing the technical assistance required under paragraph (2).

"(4) REORGANIZATION PLAN.—

"(A) PLAN REQUIRED FOR CONTINUED FAILURE.—If a service delivery area continues to fail to meet such performance standards for 2 consecutive program years, the Governor shall notify the Secretary and the service delivery area of the continued failure, and shall develop and impose a reorganization plan.

"(B) ELEMENTS.—Such plan may restructure the private industry council, prohibit the use of designated service providers, merge the service delivery area into one or more other existing service delivery areas, or make other changes as the Governor determines to be necessary to improve performance, including the selection of an alternative administrative entity to administer the program for the service delivery area.

"(C) ALTERNATIVE ADMINISTRATIVE ENTITY SELECTION.—The alternative administrative entity described in subparagraph (B) may be a newly formed private industry council or any agency jointly selected by the Governor and the chief elected official of the largest unit of general local government in the service delivery area or substate area.

"(5) SECRETARIAL ACTION.—

"(A) PLAN.—If the Governor has not imposed a reorganization plan as required by paragraph (4) within 90 days of the end of the second program year in which a service delivery area has failed to meet its performance standards, the Secretary shall develop and impose such a plan.

"(B) RECAPTURE OR WITHHOLDING.—The Secretary shall recapture or withhold an amount not to exceed one-fifth of the State administration set-aside allocated under section 202(c)(1)(A) and under section 262(c)(1)(A), for the purposes of providing technical assistance under a reorganization plan imposed pursuant to subparagraph (A).

"(6) APPEAL BY SERVICE DELIVERY AREA.—

"(A) TIMING.—A service delivery area that is the subject of a reorganization plan under paragraph (4) may, within 30 days after receiving notice thereof, appeal to the Secretary to rescind or revise such plan.

"(B) RECAPTURE OR WITHHOLDING.—

"(i) DETERMINATION.—If the Secretary determines, upon appeal under subparagraph (A), that the Governor has not provided appropriate technical assistance as required under paragraph (2), the Secretary shall recapture or withhold an amount not to exceed one-fifth of the State administration set-aside allotted under section 202(c)(1)(A) and under section 262(c)(1)(A). The Secretary shall use funds recaptured or withheld under this subparagraph to provide appropriate technical assistance.

"(ii) BASIS.—If the Secretary approved the technical assistance plan provided by the Governor under paragraph (2), a determination under this subparagraph shall only be based on failure to effectively implement such plan and shall not be based on the plan itself.

"(7) APPEAL BY GOVERNOR.—A Governor of a State that is subject to recapture or withholding under paragraph (5) or (6)(B) may, within 30 days of receiving notice thereof, appeal such withholding to the Secretary.

"(k) CLARIFICATION OR REFERENCE.—For the purposes of this section, the term 'employment' means employment for 20 or more hours per week.".

(b) CONFORMING AMENDMENT.—Sections 311(a), 311(b)(8), and 322(a)(4) (29 U.S.C. 1661(a), 1661(b)(8), and 1662a(a)(4)) are each amended by striking "106(g)" and inserting "106(c)".

SEC. 116. SELECTION OF SERVICE PROVIDERS.

(a) SELECTION GUIDELINES.—Section 107(a) of the Act (29 U.S.C. 1517(a)) is amended—

(1) by inserting ", (in accordance with guidelines established by the Secretary)" in the first sentence after "demonstrated performance"; and

(2) by adding after the 1st sentence the following: "In addition, consideration shall be given to demonstrated performance in making available appropriate supportive services, including child care.".

(b) ADDITIONAL REQUIREMENTS FOR SELECTION.—Section 107 of the Act (29 U.S.C. 1517) is amended by adding at the end the following new subsection:

"(e) The selection of service providers shall be made on a competitive basis to the extent practicable, and shall include—

"(1) a determination of the ability of the service provider to meet program design specifications established by the administrative entity that take into account the purposes of the Act and the goals established in the Governor's coordination and special services plan; and

"(2) documentation of compliance with procurement standards established by the Governor under section 164, including the reasons for selection.".

SEC. 117. LIMITATION ON CERTAIN COSTS.

(a) APPLICATION OF COST LIMITATIONS.—Section 108(a) of the Act (29 U.S.C. 1518(a)) is amended to read as follows:

"(a) Except as provided in subparagraph (A) or (B) of section 141(d)(3), funds expended under this Act shall be charged to the appropriate cost categories.".

(b) COST CATEGORIES AND LIMITATIONS.—Section 108(b) of the Act (29 U.S.C. 1518(b)) is amended to read as follows:

"(b)(1) The cost limitations contained in this subsection shall apply separately to the funds allocated for programs under part A of title II, and to the funds allocated for programs under part C of such title.

"(2) Funds expended under parts A and C of title II shall be charged to one of the following categories:

"(A) Administration.

"(B) Training-related and supportive services.

"(C) Direct training services.

"(3) The Secretary shall, consistent with sections 204(b) and 264(c), define by regulation the cost categories specified in paragraph (2).

"(4) Of the funds allocated to a service delivery area for any program year under parts A or C of title II—

"(A) not more than 20 percent shall be expended for administration; and

"(B) not less than 50 percent shall be expended for direct training services.

"(5) Each service delivery area shall ensure that for all services provided to participants through contracts, grants, or other agreements with a service provider, such contract, grant, or agreement shall include appropriate amounts necessary for administration and supportive services.

"(6) For purposes of paragraph (4), the term 'allocated' means allocated for a program year, as adjusted for reallocations and reallotments under section 109 and for transfers of funds under sections 206, 256, and 266.".

(c) REFERENCE TO LIMITATIONS.—Section 108(c) of the Act (29 U.S.C. 1518(c)) is amended to read as follows:

"(c) Funds available under title III shall be expended in accordance with the limitations specified in section 315.".

SEC. 118. RECAPTURE AND REALLOTMENT OF UNOBLIGATED FUNDS UNDER TITLE II.

Part A of title I of the Act (29 U.S.C. 1511 et seq.) is amended by adding at the end the following new section:

"RECAPTURE AND REALLOTMENT OF UNOBLIGATED FUNDS

"SEC. 109. (a) WITHIN STATE REALLOCATIONS.—

"(1) IN GENERAL.—For program years beginning on or after July 1, 1993, the Governor shall, in accordance with the requirements of this subsection, reallocate to eligible service delivery areas within the State funds appropriated for such program year that are available for reallocation.

"(2) AMOUNT.—The amount available for reallocation is equal to the amount by which the unobligated balance of the service delivery area allocation under part A or C of title II for all service delivery areas within the State at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 15 percent of such allocation for the prior program year.

"(3) REALLOCATION.—The Governor shall reallocate the amounts available pursuant to paragraph (2) to eligible service delivery areas within the State that have the highest rates of unemployment for an extended period of time and to those with the highest poverty rates.

"(4) ELIGIBILITY.—For purposes of this subsection, an eligible service delivery area means a service delivery area that has obligated at least 85 percent of its allocation under part A or C of title II, respectively, for the program year prior to the program year for which the determination under this subsection is made.

"(b) REALLOTMENT AMONG STATES.—

"(1) IN GENERAL.—For program years beginning on or after July 1, 1993, the Secretary shall, in accordance with the requirements of this subsection, reallot to eligible States funds appropriated for such program year that are available for reallotment.

"(2) AMOUNT.—The amount available for reallotment is equal to the amount by which the unobligated balance of the State allotment under part A or C of title II, respectively, for all States at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 15 percent of such allotment for that prior program year.

"(3) REALLOTMENT.—The Secretary shall reallot the amounts available pursuant to paragraph (2) to each eligible State an amount based on the relative amount allotted to such eligible State under part A or C of title II, respectively, for the program year the determination under this subsection is made compared to the total amount allotted to all eligible States under part A or C of title II, respectively, for such program year.

"(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that has obligated at least 85 percent of its allocation under part A or C of title II, respectively, for the program year prior to the program year for which the determination under this subsection is made.

"(5) PROCEDURES.—The Governor of each State shall prescribe uniform procedures for the obligation of funds by service delivery areas within the State in order to avoid the requirement that funds be made available for reallotment under this subsection. The Governor shall further prescribe equitable procedures for making funds available from the State and service delivery areas in the event that a State is required to make funds available for reallotment under this subsection.

"(d) CALCULATION.—Funds obligated to carry out programs under section 204(d) shall not be counted in determining the amount available for reallocation under subsection (a)(2) or the amount available for reallotment under subsection (b)(2).".

Subtitle C—Additional State Responsibilities

SEC. 121. GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN.

(a) REQUIREMENTS FOR PLAN.—Section 121(b) of the Act (29 U.S.C. 1531(b)) is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) The plan shall describe the measures taken by the State to ensure coordination and avoid duplication between the State agencies administering the JOBS program and programs under title II in the planning and delivery of services. The plan shall describe the procedures developed by the State to ensure that the State JOBS plan is consistent with the coordination criteria specified in this plan and identify the procedures developed to provide for the review of the JOBS plan by the State Job Training Coordinating Council.";

(2) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (4), (5), (6), and (7), respectively; and

(3) by inserting the following new paragraph after paragraph (2):

"(3) The plan shall describe the projected use of resources, including oversight of program performance, program administration, and program financial management, capacity building, priorities and criteria for State incentive grants, and performance goals for State-supported programs. The description of capacity building shall include the Governor's plans for technical assistance to service delivery areas and service providers, interstate technical assistance and training arrangements, other coordinated technical assistance arrangements undertaken pursuant to the direction of the Secretary, and, where applicable, research and demonstration projects.

(b) CONFORMING AMENDMENTS.—Section 121(c) of the Act (29 U.S.C. 1531(c)) is amended—

(1) in paragraph (7), by inserting after the paragraph designation the following: "coordination of activities relating to part A of title II with";

(2) by striking "and" at the end of paragraph (10);

(3) by striking the period at the end of paragraph (11) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(12) making available to service delivery areas appropriate information and technical assistance to assist in developing and implementing joint programs, including youth corps programs, in which activities supported under this Act are coordinated with activities supported under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).".

SEC. 122. STATE EDUCATION COORDINATION AND GRANTS.

Section 123 of the Act (29 U.S.C. 1533) is amended to read as follows:

"STATE EDUCATION COORDINATION AND GRANTS

"SEC. 123. (a) ALLOTMENT.—

"(1) IN GENERAL.—The Secretary shall allot to the Governor for allocation to any State education agency the sums made available to carry out this section under sections 202(c)(1)(C) and 262(c)(1)(C) to pay for the Federal share of carrying out the projects described in paragraph (2). In allocating such funds to the State education agency, the Governor shall not establish requirements governing the geographic distribution of funds under this section.

"(2) PROJECTS.—Funds allocated under paragraph (1) may be used to pay for the Federal share of carrying out projects (in accordance with agreements under subsection (b)) that—

"(A) provide school-to-work transition services of demonstrated effectiveness that increase the rate of graduation from high school, or completion of the recognized equivalent thereof, including services that increase the rate at which school dropouts return to regular or alternative schooling and obtain a high school degree or its equivalent, and, which may include, services to support multiyear dropout prevention programs of demonstrated effectiveness;

"(B) provide literacy and lifelong learning opportunities and services of demonstrated effectiveness that—

"(i) enhance the knowledge and skills of educationally and economically disadvantaged individuals; and

"(ii) result in increasing the employment and earnings of such individuals;

"(C) provide statewide coordinated approaches, including model programs, to train, place, and retain women in nontraditional employment; and

"(D)(i) facilitate coordination of education and training services for eligible participants in projects described in subparagraphs (A), (B), and (C); or

"(ii)(I) support activities pertaining to a State human resources investment council that meets

the requirements of title VII and includes each of the programs described in clauses (i) through (vii) of section 701(b)(2)(A); or

"(II) support activities pertaining to a State council, which carries out functions similar to the functions of the State human resource investment council described in title VII, if such State council was established prior to July 1, 1992.

"(3) FEDERAL SHARE.—The Federal share of the cost of carrying out the projects described in paragraph (2) shall be 50 percent.

"(b) AGREEMENTS REQUIRED.—

"(1) PARTIES TO AGREEMENTS.—The projects described in subsection (a)(2) shall be conducted within a State in accordance with agreements that—

"(A) reflect the goals and services described in paragraphs (1), (2), and (3) of subsection (c); and

"(B) are developed between the State education agency, administrative entities in service delivery areas in the State, and other entities, such as other State agencies, local educational agencies, and alternative service providers (such as community-based and other nonprofit or for-profit organizations).

"(2) CONTENTS OF AGREEMENTS.—

"(A) CONTRIBUTION.—The agreements described in paragraph (1) shall provide for the contribution by the State, from funds other than the funds made available under this Act, of a total amount equal to the funds allotted under this section.

"(B) DIRECT COST OF SERVICES.—Such amount may include the direct cost of employment or training services—

"(i) provided by State or local programs or agencies; or

"(ii) provided by other Federal programs or agencies in accordance with applicable Federal law.

"(c) GOVERNOR'S PLAN REQUIREMENTS.—The State education agency shall submit for inclusion in the Governor's coordination and special services plan a description developed jointly by the State education agency and the Governor of—

"(1) the goals to be achieved and services to be provided by the school-to-work transition programs specified in subsection (a)(2)(A) that will receive the assistance, which description shall, at a minimum, include information regarding—

"(A) the activities and services that will result in increasing the number of youth staying in or returning to school and graduating from high school or the equivalent;

"(B) the work-based curriculum that will link classroom learning to work site experience and address the practical and theoretical aspects of work;

"(C) the opportunities that will be made available to participants to obtain career-path employment and postsecondary education;

"(D) the integration to be achieved, in appropriate circumstances, in the delivery of services between State and local educational agencies and alternative service providers, such as community-based and nonprofit organizations; and

"(E) the linkages that will be established, where feasible, to avoid duplication and enhance the delivery of services, with programs under—

"(i) title II and part B of title IV;

"(ii) the Elementary and Secondary Education Act (20 U.S.C. 2701 et seq.);

"(iii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(iv) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

"(v) the Adult Education Act (20 U.S.C. 1201 et seq.);

"(vi) the JOBS program;

"(vii) the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77; 101 Stat. 482); and

"(viii) the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

"(2) the goals to be achieved and services to be provided by literacy and lifelong learning programs specified in subsection (a)(2)(B) that will receive the assistance, which description shall, at a minimum, include information regarding—

"(A) the activities and services that will increase the knowledge and skills of educationally and economically disadvantaged individuals, and result in increased employment and earnings for such individuals;

"(B) the integration to be achieved between projects assisted under this section and the 4-year State plan (and related needs assessment carried out for the plan) developed in accordance with section 342 of the Adult Education Act (20 U.S.C. 1206a);

"(C) the variety of settings, including workplace settings, in which literacy training and learning opportunities will be provided; and

"(D) the linkages that will be established, where feasible, to avoid duplication and enhance the delivery of services, with programs under—

"(i) titles II and III;

"(ii) the Adult Education Act;

"(iii) the Carl D. Perkins Vocational and Applied Technology Education Act;

"(iv) the Stewart B. McKinney Homeless Assistance Act;

"(v) the JOBS program;

"(vi) the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

"(vii) the National Literacy Act of 1991 (Public Law 102-73);

"(viii) the Emergency Immigrant Education Act of 1984 (20 U.S.C. 3121 et seq.); and

"(ix) the National and Community Service Act of 1990;

"(3) the goals to be achieved and services to be provided by the nontraditional employment for women programs specified in subsection (a)(2)(C) that will receive the assistance; and

"(4) the proportion of funds received under this section that will be used to achieve the goals, and provide the services, described in paragraphs (1), (2), and (3).

"(d) SERVICE REQUIREMENTS.—

"(1) PERMITTED SERVICES.—Services funded under this section to carry out the projects described in subsection (a)(2) may include education and training, vocational education services, and related services, provided to participants under title II. In addition, services funded under this section may include services for offenders, veterans, and other individuals who the Governor determines require special assistance.

"(2) LIMITATIONS ON EXPENDITURES.—

"(A) COORDINATION OF SERVICES.—Not more than 20 percent of the funds allocated under this section may be expended to pay for the Federal share of projects described in subsection (a)(2)(D) at the State and local levels.

"(B) SCHOOL-TO-WORK SERVICES; LITERACY AND LIFELONG LEARNING SERVICES.—Not less than 80 percent of the funds allocated under this section shall be expended to pay for the Federal share of projects conducted in accordance with subparagraphs (A), (B), and (C) of subsection (a)(2).

"(C) ECONOMICALLY DISADVANTAGED INDIVIDUALS.—Not less than 75 percent of the funds allocated for projects under subparagraphs (A), (B), and (C) of subsection (a)(2) shall be expended for projects for economically disadvantaged individuals who experience barriers to employment. Priority for funds not expended for the economically disadvantaged shall be given to title III participants and persons with barriers to employment.

"(e) DISTRIBUTION OF FUNDS IN ABSENCE OF AGREEMENT.—If no agreement is reached in accordance with subsection (b) on the use of funds under this section, the funds shall be available to the Governor to achieve the goals and provide the services described in paragraph (1), (2), or (3) of subsection (c).

"(f) REPORTS AND RECORDS.—

"(1) REPORTS BY GOVERNORS.—The Governor shall prepare reports on the projects funded under this section, including such information as the Secretary may require to determine the extent to which the projects supported under this section result in achieving the goals specified in paragraphs (1), (2), and (3) of subsection (c). The Governor shall submit the reports to the Secretary at such intervals as shall be determined by the Secretary.

"(2) RECORDS AND REPORTS OF RECIPIENTS.—Each direct or indirect recipient of funds under this section shall keep records that are sufficient to permit the preparation of reports. Each recipient shall submit such reports to the Secretary, at such intervals as shall be determined by the Secretary.".

SEC. 123. IDENTIFICATION OF ADDITIONAL IMPOSED REQUIREMENTS.

Section 124 of the Act (29 U.S.C. 1534) is amended to read as follows:

"IDENTIFICATION OF ADDITIONAL IMPOSED REQUIREMENTS

"SEC. 124. If a State or service delivery area imposes a requirement, including a rule, regulation, policy, or performance standard, relating to the administration and operation of programs funded by this Act (including requirements based on State or service delivery area interpretation of any Federal law, regulation, or guideline) the State or area shall identify the requirement as a State- or service delivery area-imposed requirement.".

SEC. 124. STATE LABOR MARKET INFORMATION PROGRAMS.

Section 125(a) of the Act is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; and"; and

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

"(6) provide training and technical assistance to support comprehensive career guidance and participant activities for local programs assisted under this Act.".

Subtitle D—Program Requirements for Service Delivery System

SEC. 131. GENERAL PROGRAM REQUIREMENTS.

(a) RELOCATION.—Section 141(c) of the Act (29 U.S.C. 1551(c)) is amended to read as follows:

"(c)(1) No funds provided under this Act shall be used or proposed for use to encourage or induce the relocation, of an establishment or part thereof, that results in a loss of employment for any employee of such establishment at the original location.

"(2) No funds provided under this Act shall be used for customized or skill training, on-the-job training, or company specific assessments of job applicants or employees, for any establishment or part thereof, that has relocated, until 120 days after the date on which such establishment commences operations at the new location, if the relocation of such establishment or part thereof, results in a loss of employment for any employee of such establishment at the original location.

"(3) If a violation of paragraph (1) or (2) is alleged, the Secretary shall conduct an investigation to determine whether a violation has occurred.

"(4) If the Secretary determines that a violation of paragraph (1) or (2) has occurred, the Secretary shall require the State, service delivery area, or substate grantee that has violated paragraph (1) or (2) to—

"(A) repay to the United States an amount equal to the amount expended in violation of paragraph (1) or (2), in accordance with subsections (d) or (e) of section 164; and

"(B) pay an additional amount equal to the amount required to be repaid under subparagraph (A), unless the State, service delivery area, or substate grantee demonstrates to the Secretary that it neither knew nor reasonably could have known (after an inquiry undertaken with due diligence) that it provided funds in violation of paragraph (1) or (2).

"(5) Amounts received under paragraph (4)(B) shall be deposited in a special account in the Treasury for use by the Secretary for carrying out title III.".

(b) CHARGING OF COSTS.—Section 141(d)(3) of the Act (29 U.S.C. 1551(d)(3)) is amended—

(1) by inserting "(A)" after the paragraph (3) designation; and

(2) by inserting the following new subparagraphs:

"(B) Tuition charges for training or education provided by an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a))) or a proprietary institution of higher education (as defined in section 481(b) of such Act (20 U.S.C. 1088(b))), that are not more than the charges for such training or education made available to the general public, do not require a breakdown of cost components.

"(C) With respect to funds provided from the allocation to a service delivery area for any program year that are expended by any community-based organization or non-profit organization for the cost of administration under part A or C of title II, the service delivery area shall not be subject to the limitation contained in section 108(b)(4)(A) if—

"(i) such funds are expended pursuant to an agreement under which not less than 90 percent of the funds provided to the community-based organization or nonprofit organization are to be expended for the costs of direct training and training-related and supportive services;

"(ii) the expenditures of such funds are charged by the service delivery area to the appropriate cost category;

"(iii) the expenditure of such funds does not result in the service delivery area exceeding the limitation contained in section 108(b)(4)(A) by more than 25 percent of such limitation; and

"(iv) the service delivery area is in compliance with the limitation contained in section 108(b)(4)(B) for such program year, except that such limitation shall be reduced by a percentage equal to one-half of the percentage by which the expenditures of the service delivery area under this subparagraph exceed the limitation under section 108(b)(4)(A).".

(c) PLACEMENT.—Section 141(d) of the Act (29 U.S.C. 1551(d)) is amended by adding at the end the following new paragraph:

"(4) Placements made in unsubsidized employment shall be, to the extent practicable, in occupational areas related to the training provided to the participant.".

(d) SERVICE DELIVERY AREA AGREEMENTS.—Section 141(e) of the Act (29 U.S.C. 1551(e)) is amended—

(1) by inserting "(1)" after "(e)"; and

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

"(2) Any service delivery area may enter into an agreement or contract with another service delivery area (including a service delivery area that is a city or county within the same labor market) to pay or share the cost of educating, training, or placing individuals participating in programs assisted under this Act, including the provision of supportive services. Such agreement or contract shall be approved by each private industry council providing guidance to the service delivery area and shall be described in the job training plan under section 104.".

(e) ON-THE-JOB TRAINING.—Section 141(g) of the Act (29 U.S.C. 1551(g)) is amended—

(1) by inserting "(1)" after "(g)"; and

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

"(2) On-the-job training authorized under the Act for a participant shall be limited in duration to a period not in excess of that generally required for acquisition of skills needed for the position within a particular occupation, but in no event shall exceed 6 months, unless the total number of hours of such training is less than 500 hours. In determining the period generally required for acquisition of the skills, consideration shall be given to recognized reference material (such as the Dictionary of Occupational Titles), the content of the training of the participant, the prior work experience of the participant, and the service strategy of the participant.

"(3)(A) Each on-the-job training contract shall—

"(i) specify the types and duration of on-the-job training and the other services to be provided in sufficient detail to allow for a fair analysis of the reasonableness of proposed costs; and

"(ii) comply with the applicable requirements of section 164.

"(B) Each on-the-job training contract that is not directly contracted by a service delivery area with an employer (but instead is contracted through an intermediary brokering contractor) shall, in addition to meeting the requirements of subparagraph (A), specify the outreach, recruitment, participant training, counseling, placement, monitoring, followup, and other services to be provided directly by the brokering contractor within its own organization, the services to be provided by the employers conducting the on-the-job training, and the services to be provided, with or without cost, by other agencies and subcontractors.

"(C) If a brokering contractor enters into a contract with a subcontractor to provide training or other services, the brokering contractor shall ensure, through on-site monitoring, compliance with subcontract terms prior to making payment to the subcontractor.

"(4) In accordance with regulations issued by the Secretary, on-the-job training contracts under this Act shall not be entered into with employers who have received payments under previous contracts and have exhibited a pattern of failing to provide on-the-job training participants with continued long-term employment as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.".

(f) TRAINING SERVICES REQUIREMENT FOR SUBSIDIZED EMPLOYMENT.—Section 141(k) of the Act (29 U.S.C. 1551(k)) is amended by striking "section 205(d)(3)(B)" and inserting "subparagraphs (F) and (H) of section 264(c)(1)".

(g) PROGRAM INCOME.—Section 141(m) of the Act (29 U.S.C. 1551(m)) is amended to read as follows:

"(m)(1) Income under any program administered by a public or private nonprofit entity may be retained by such entity only if used to continue to carry out the program.

"(2) Income subject to the requirements of paragraph (1) shall include—

"(A) receipts from goods or services (including conferences) provided as a result of activities funded under the Act;

"(B) funds provided to a service provider under the Act that are in excess of the costs associated with the services provided; and

"(C) interest income earned on funds received under this Act.

"(3) For the purposes of this subsection, each entity receiving financial assistance under this Act shall maintain records sufficient to determine the amount of income received and the purposes for which such income is expended.".

(h) CROSS REFERENCE.—Section 141(p) of the Act (29 U.S.C. 1551(p)) is amended by striking "part A of title II" and inserting "part A or C of title II".

(i) ADDITIONAL REQUIREMENTS.—Section 141 of the Act is further amended by adding at the end the following new subsections:

"(q) No funds available under this Act shall be used for employment generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities. No funds under title II or III of this Act shall be used for foreign travel.

"(r) The Federal requirements governing the title, use, and disposition of real property, equipment, and supplies purchased with funds provided under this Act shall be the Federal requirements generally applicable to Federal grants to States and local governments.".

SEC. 132. BENEFITS.

Section 142 of the Act (29 U.S.C. 1552) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

"(4) References in paragraphs (2) and (3) to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1))—

"(A) shall be deemed to be references to section 6(c) of that Act for individuals in the Commonwealth of Puerto Rico;

"(B) shall be deemed to be references to 6(a)(3) of that Act for individuals in American Samoa; and

"(C) shall not be applicable for individuals in other territorial jurisdictions in which section 6 of the Fair Labor Standards Act of 1938 does not apply."; and

(2) in subsection (b), by striking "other than programs" and inserting "other than as provided".

SEC. 133. LABOR STANDARDS.

Section 143(b)(2) of the Act (29 U.S.C. 1553(b)(2)) is amended to read as follows:

"(2) No program under this Act shall impair—

"(A) existing contracts for services; or

"(B) existing collective bargaining agreements, unless the employer and the labor organization concur in writing with respect to any elements of the proposed activities which affect such agreement, or either such party fails to respond to written notification requesting its concurrence within 30 days of receipt thereof.".

SEC. 134. GRIEVANCE PROCEDURE.

(a) IN GENERAL.—Section 144 of the Act (29 U.S.C. 1554) is amended by adding at the end the following new subsections:

"(d)(1) If a person alleges a violation of section 143 and such person exhausts the recipient's grievance procedure or the 60-day time period described in subsection (a) has elapsed without a decision, either party to such procedure may submit the grievance to the Secretary. The Secretary shall investigate the allegations contained in the grievance and make a determination as to whether a violation of section 143 has occurred.

"(2) If the results of the investigation conducted pursuant to paragraph (1) indicate that a modification or reversal of the decision issued pursuant to the recipient's grievance procedure is warranted, or the 60-day time period described in subsection (a) has elapsed without a decision, the Secretary may modify or reverse the decision, or issue a decision if no decision has been issued, as the case may be, after an opportunity for a hearing in accordance with the procedures under section 166.

"(3) If the Secretary determines that the decision issued pursuant to the recipient's grievance procedure is appropriate, the determination shall become the final decision of the Secretary.

"(e)(1) A person alleging a violation of section 143 may, as an alternative to the procedures described in this section, submit the grievance involving such violation to a binding grievance procedure if a collective bargaining agreement covering the parties to the grievance so provides.

"(2) The remedies available under paragraph (1) shall be limited to the remedies available under subsection (f)(1)(C) and subsection (f)(2).

"(f)(1) Except as provided in paragraph (2), remedies available to grievants under this section for violations of section 143 shall be limited to—

"(A) suspension or termination of payments under this Act;

"(B) prohibition of placement of a participant, for an appropriate period of time, in a program under this Act with an employer that has violated section 143, as determined under subsection (d) or (e); and

"(C) appropriate equitable relief (other than back pay).

"(2) In addition to the remedies available under paragraph (1), remedies available under this section for violations of subsection (a)(4), paragraphs (1) and (3) of subsection (b), and subsection (d) of section 143 may include—

"(A) reinstatement of the grievant to the position held by such grievant prior to displacement;

"(B) payment of lost wages and benefits; and

"(C) reestablishment of other relevant terms, conditions, and privileges of employment.

"(g) Nothing in subsection (f) shall be construed to prohibit a grievant from pursuing a remedy authorized under another Federal, State, or local law for a violation of section 143.".

(b) CONFORMING AMENDMENT.—Section 166(a) of the Act (29 U.S.C. 1576(a)) is amended in the 3rd sentence by inserting "section 141(c), subsections (d) and (e) of section 144, or" after "Except to the extent provided for in".

Subtitle E—Federal and Fiscal Administrative Provisions

SEC. 141. PROMPT ALLOCATION OF FUNDS.

Section 162 of the Act (29 U.S.C. 1572) is amended by adding at the end the following new subsection:

"(f) When contracting with nonprofit organizations of demonstrated effectiveness, the Secretary, States, substate areas, and service delivery areas may make advance payments, provided that such payments are based on the financial need of such organization and are not in excess of 20 percent of the total contract amount.".

SEC. 142. FISCAL CONTROLS; SANCTIONS.

(a) FISCAL CONTROLS.—Section 164(a) of the Act (29 U.S.C. 1579(a)) is amended to read as follows:

"(a)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds paid to the recipient under titles II and III. Such procedures shall ensure that all financial transactions are conducted and records maintained in accordance with generally accepted accounting principles applicable in each State.

"(2) The Secretary shall prescribe regulations establishing uniform cost principles substantially equivalent to such principles generally applicable to recipients of Federal grants funds. At a minimum, such standards shall provide that, to be allowable, costs must—

"(A) be necessary and reasonable for proper and efficient administration of the program under this Act;

"(B) be allocable to the program under this Act; and

"(C) not be a general expense required to carry out the overall responsibilities of State, local, or federally recognized Indian tribal governments except as specifically provided by this Act.

"(3) The Governor, in accordance with minimum requirements established by the Secretary in regulations, shall prescribe and implement procurement standards to ensure fiscal accountability and prevent fraud and abuse in programs administered under this Act. The Secretary, in establishing such minimum requirements, shall consult with the Inspector General of the Department of Labor and take into consideration relevant aspects of the circulars issued by the Director of the Office of Management and Budget. Such minimum requirements shall include provisions to ensure that for States, substate areas, and service delivery areas—

"(A) procurements shall be conducted in a manner providing full and open competition;

"(B) the use of sole source procurements shall be minimized to the extent practicable, but in every case shall be justified;

"(C) procurements shall include an appropriate analysis of the reasonableness of costs and prices;

"(D) procurements shall not provide excess program income (for nonprofit and governmental entities) or excess profit (for private forprofit entities), and that appropriate factors shall be utilized in determining whether such income or profit is excessive, such as—

"(i) the complexity of the work to be performed;

"(ii) the risk borne by the contractor; and

"(iii) market conditions in the surrounding geographical area;

"(E) procurements shall clearly specify deliverables and the basis for payment;

"(F) written procedures shall be established for procurement transactions;

"(G) no grantee, contractor, subgrantee, or subcontractor shall engage in any conflict of interest, actual or apparent, in the selection, award, or administration of a contract or grant under this Act;

"(H) all grantees and subgrantees shall conduct oversight to ensure compliance with procurement standards; and

"(I) procurement transactions between units of State or local governments, and any other entities organized principally as the administrative entity for service delivery areas, shall be conducted on a cost reimbursable basis.

"(4) The Governor shall annually conduct onsite monitoring of each service delivery area and substate area within the State to ensure compliance with the procurement standards established pursuant to paragraph (3).

"(5) If the Governor determines that a service delivery area or substate area is not in compliance with the procurement standards established pursuant to paragraph (3), the Governor shall—

"(A) require corrective action to secure prompt compliance; and

"(B) impose the sanctions provided under subsection (b) in the event of failure to take the required corrective action.

"(6) The Governor shall biennially certify to the Secretary that—

"(A) the State has implemented the procurement standards established under paragraph (3);

"(B) the State has monitored substate areas and service delivery areas to ensure compliance with the procurement standards as required under paragraph (4); and

"(C) the State has taken appropriate action to secure compliance pursuant to paragraph (5).

"(7) If the Secretary determines that the Governor has not fulfilled the requirements of this subsection, the Secretary shall—

"(A) require corrective action to secure prompt compliance; and

"(B) impose the sanctions provided under subsection (f) in the event of failure of the Governor to take the required corrective action.

"(8) The Secretary, in consultation with the Inspector General, shall review the implementation of this subsection and submit a report to the appropriate committees of the Congress, not later than October 1, 1995, evaluating the effectiveness of this subsection in ensuring fiscal accountability and containing such recommendations as the Secretary determines to be appropriate.".

(b) CONSEQUENCES OF FAILURES.—Section 164(b) of the Act (29 U.S.C. 1574(b)) is amended to read as follows:

"(b)(1) If, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this Act or the regulations under this Act, and corrective action has not been taken, the Governor shall—

"(A) issue a notice of intent to revoke approval of all or part of the plan affected; or

"(B) impose a reorganization plan, which may include—

"(i) restructuring the private industry council involved;

"(ii) prohibiting the use of designated service providers;

"(iii) selecting an alternative entity to administer the program for the service delivery area involved;

"(iv) merging the service delivery area into 1 or more other existing service delivery areas; or

"(v) other such changes as the Secretary or Governor determines necessary to secure compliance.

"(2)(A) The actions taken by the Governor pursuant to paragraph (1)(A) may be appealed to the Secretary under the same terms and conditions as the disapproval of the plan and shall not become effective until—

"(i) the time for appeal has expired; or

"(ii) the Secretary has issued a decision.

"(B) The actions taken by the Governor pursuant to paragraph (1)(B) may be appealed to the Secretary, who shall make a final decision not later than 60 days of the receipt of the appeal.

"(3) If the Governor fails to promptly take the actions required under paragraph (1), the Secretary shall take such actions.".

SEC. 143. REPORTS, RECORDKEEPING, AND INVESTIGATIONS.

(a) STANDARDIZED RECORDS.—Section 165(a) of the Act (29 U.S.C. 1575(a)) is amended by adding at the end the following new paragraphs:

"(3) In order to allow for the preparation of national estimates necessary to meet the requirements of subsection (c), recipients shall maintain standardized records for all individual participants and provide to the Secretary a sufficient number of such records to provide for an adequate analysis.

"(4)(A) Except as provided in subparagraph (B), records maintained by recipients pursuant to this subsection shall be made available to the public upon request.

"(B) Subparagraph (A) shall not apply to—

"(i) information, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; and

"(ii) trade secrets, or commercial or financial information, obtained from a person and privileged or confidential.

"(C) Recipients may charge fees sufficient to recover costs applicable to the processing of requests for records under subparagraph (A).".

(b) AUDIT NOTICE.—Section 165(b) is amended by adding the following new paragraph:

"(3)(A) In carrying out any audit under this Act (other than any initial audit survey or any

audit investigating possible criminal or fraudulent conduct), either directly or through grant or contract, the Secretary, the Inspector General, or the Comptroller General shall furnish to the State, administrative entity, recipient, or other entity to be audited, advance notification of the overall objectives and purposes of the audit, and any extensive recordkeeping or data requirements to be met, not fewer than 14 days (or as soon as practicable), prior to the commencement of the audit.

"(B) If the scope, objectives, or purposes of the audit change substantially during the course of the audit, the entity being audited shall be notified of the change as soon as practicable.

"(C) The reports on the results of such audits shall cite the law, regulation, policy, or other criteria applicable to any finding.

"(D) Nothing contained in this Act shall be construed so as to be inconsistent with the Inspector General Act of 1978 (5 U.S.C. App.) or government auditing standards issued by the Comptroller General.".

(c) MONITORING OF SERVICE PROVIDERS.—Section 165(c) of the Act (29 U.S.C. 1575(c)) is amended to read as follows:

"(c) Each State, each administrative entity, and each recipient (other than a subrecipient, grantee or contractor of a recipient) receiving funds under this Act shall—

"(1) make readily accessible reports concerning its operations and expenditures as shall be prescribed by the Secretary;

"(2) prescribe and maintain comparable management information systems, in accordance with guidelines that shall be prescribed by the Secretary, designed to facilitate the uniform compilation, cross tabulation, and analysis of programmatic, participant, and financial data, on statewide and service delivery area bases, necessary for reporting, monitoring, and evaluating purposes, including data necessary to comply with section 167; and

"(3) monitor the performance of service providers in complying with the terms of grants, contracts, or other agreements made pursuant to this Act.".

(d) REPORT INFORMATION; RECORD RETENTION.—Section 165 of the Act is further amended by adding the following new subsections:

"(d)(1) The reports required in subsection (c) shall include information pertaining to—

"(A) the relevant demographic characteristics (including race, ethnicity, sex, and age) and other related information regarding participants;

"(B) the activities in which participants are enrolled, and the length of time that participants are engaged in such activities;

"(C) program outcomes, including occupations, for participants;

"(D) specified program costs; and

"(E) information necessary to prepare reports to comply with section 167.

"(2) The Secretary shall ensure that all elements of the information required for the reports described in paragraph (1) are defined and reported uniformly.

"(e) The Governor shall ensure that requirements are established for retention of all records pertinent to all grants awarded, and contracts and agreements entered into, under this Act, including financial, statistical, property and participant records and supporting documentation. For funds allotted to a State for any program year, records shall be retained for 2 years following the date on which the annual expenditure report containing the final expenditures charged to such program year's allotment is submitted to the Secretary. Records for nonexpendable property shall be retained for a period of 3 years after final disposition of the property.

"(f)(1) Each substate grantee and service delivery area shall submit quarterly financial reports to the Governor with respect to programs under this Act. Such reports shall include information identifying all program costs by cost category in accordance with generally accepted accounting principles and by year of the appropriation.

"(2) Each State shall submit a summary of the reports submitted pursuant to paragraph (1) to the Secretary on a quarterly basis.

"(g) Each State, substate grantee, and service delivery area shall maintain records with respect to programs under this Act that identify—

"(1) any program income or profits earned, including such income or profits earned by subrecipients; and

"(2) any costs incurred (such as stand-in costs) that are otherwise allowable except for funding limitations.

"(h)(1) The Secretary shall conduct a biennial study on the provision of supportive services under programs conducted pursuant to title II. Such study shall identify—

"(A) the amount and proportion of funds expended for supportive services under title II;

"(B) the types of supportive services provided;

"(C) the relative share of funds expended for each type of supportive service;

"(D) the characteristics of the participants receiving supportive services; and

"(E) such other factors as the Secretary determines to be appropriate.

"(2) The Secretary shall submit a report to the Congress containing the results of each study conducted pursuant to paragraph (1).".

SEC. 144. NONDISCRIMINATION.

Section 167 of the Act (29 U.S.C. 1577) is amended by adding at the end the following new subsections:

"(e)(1) The head of the office of the Department of Labor referred to as the 'Directorate for Civil Rights' shall annually prepare a report on the administration and enforcement of this section.

"(2) The report required by paragraph (1) shall include—

"(A) an identification of the service delivery areas and States that have been determined, during the preceding program year, not to be in compliance with this section;

"(B) for each such identification, the date on which the inquiry was begun and whether the inquiry was initiated on the basis of a complaint or at the initiative of the Department;

"(C) an identification of the service delivery areas and States awaiting findings by the Directorate;

"(D) the number of service delivery areas and States that, during the preceding year, were determined not to be in compliance with this section, and the number for which insufficient data prevented the making of such a determination, identifying the type of data which is missing or inadequate;

"(E) a statistical summary, broken down by race, sex, national origin, disability, or age, of the number of inquiries undertaken and their outcomes;

"(F) an identification of any service delivery area or State that has been determined, during the preceding year, to have failed to conduct objective assessments as required by sections 204 and 264 on a nondiscriminatory basis;

"(G) the amount expended by the Directorate for the administration and enforcement of this section, and the number and percentage of full-time employees, and the full-time equivalent of the part-time employees, engaged in such administration and enforcement;

"(H) the number of onsite visits conducted each year, and whether the visits were initiated by the Department or by complaint;

"(I) the number of cases referred to the Attorney General, and for such cases—

"(i) the civil actions taken by the Attorney General thereon; and

"(ii) the use, by the Secretary, of the authority of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), the Age Discrimination Act of 1975 (29 U.S.C. 621 et seq.), or section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

"(J) a description of any other actions taken by the Secretary under or related to the administration and enforcement of this section.

"(3) The report required by this subsection shall be submitted to the Congress as part of the Secretary's annual report under section 169(d).

"(f) In addition to any other sums authorized to be appropriated under Federal law, there are authorized to be appropriated for the operations and expenses of the Directorate such sums as may be necessary for the purpose of increasing the number of full time equivalent personnel available to the Directorate in order to comply with the requirements of this section.

"(g) The Secretary shall issue final regulations implementing this section not later than 90 days after the date of the enactment of the Job Training Reform Amendments of 1992.".

SEC. 145. UTILIZATION OF SERVICES AND FACILITIES.

Section 170 of the Act (29 U.S.C. 1580) is amended by striking "and to the extent" and inserting "under the same conditions applicable under section 169(c) or to the extent".

TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

SEC. 201. ADULT TRAINING PROGRAM.

The Act (29 U.S.C. 1501 et seq.) is amended by striking title II and inserting the following:

"TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

"Part A—Adult Training Program

"SEC. 201. STATEMENT OF PURPOSE.

"It is the purpose of this part to establish programs to prepare adults for participation in the labor force by increasing their occupational and educational skills, resulting in improved long-term employability, increased employment and earnings, and reduced welfare dependency.".

SEC. 202. ADULT TRAINING PROGRAM ALLOTMENT AND ALLOCATION.

Title II of the Act (as amended by section 201) is further amended by adding at the end the following:

"SEC. 202. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Of the amount appropriated under section 3(a)(1) for each fiscal year and available to carry out this part, not more than one-quarter of 1 percent shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATE RESERVATION.—After determining the amounts to be allotted under paragraph (1), the Secretary shall allot 77 percent of the remainder to the States for allocation to service delivery areas within each State. Each State shall allocate to each service delivery area within the State the amount determined by the Secretary for such service delivery area pursuant to the formula contained in subsection (b). The remaining 23 percent shall be allotted in accordance with subsection (c).

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—Subject to the provisions of paragraph (2), of the amounts allocated to service delivery areas for this part for each fiscal year—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each service delivery area as

compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all service delivery areas in all States;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals within each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in all States; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged adults within each service delivery area as compared to the total number of economically disadvantaged adults in all service delivery areas in all States, except that for any service delivery area described in section 101(a)(4)(A)(iii), the allocation shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area shall be allocated less than 90 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(B) MAXIMUM PERCENTAGE.—No service delivery area shall be allocated more than 130 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) STATE MINIMUM.—Notwithstanding subparagraphs (A) and (B), the total allocation for all service delivery areas within any one State shall not be less than one-quarter of 1 percent of the total allocated to all service delivery areas in all States.

"(D) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 23 percent of funds available for allotment to States under this part for each fiscal year—

"(A) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (3);

"(C) 8 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2) to carry out section 123; and

"(D) 5 percent of the funds available for such allotment under this part shall be allotted to carry out section 204(d).

"(2) FORMULA FOR ALLOTMENT.—The allotments to each State described in paragraph (1) shall be based on the relative amount of funds allocated to all service delivery areas within such State under subsection (b) as compared to the amount of funds allocated to all service delivery areas in all States under subsection (b).

"(3) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—

"(1) DEFINITIONS.—As used in this section:

"(A) ECONOMICALLY DISADVANTAGED ADULT.—The term 'economically disadvantaged adult' means an individual who is age 22 through 72 and who has, or is a member of a family that has, received a total family income that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The term 'excess number' means, with respect to the excess number of unemployed individuals within a service delivery area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area, or the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

"(C) STATE.—The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged adults.".

SEC. 203. ADULT TRAINING PROGRAM ELIGIBILITY AND SERVICES.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 203. ELIGIBILITY FOR SERVICES.

"(a) IN GENERAL.—Except as provided in subsection (c), an individual shall be eligible to participate in the program under this part only if such individual is—

"(1) 22 years of age or older; and

"(2) economically disadvantaged.

"(b) HARD-TO-SERVE INDIVIDUALS.—Not less than 65 percent of the participants in the program under this part, other than participants served under section 204(d), in each service delivery area shall be individuals who are included in 1 or more of the following categories:

"(1) Individuals who are basic skills deficient.

"(2) Individuals who are school dropouts.

"(3) Individuals who are recipients of cash welfare payments, including recipients under the JOBS program.

"(4) Individuals who are offenders.

"(5) Individuals with disabilities.

"(6) Individuals who are homeless.

"(7) Individuals who are in a category established under subsection (d).

"(c) SPECIAL RULE.—Not more than 10 percent of participants in a program assisted under this part, other than participants served under section 204(d), in each service delivery area may be individuals who are not economically disadvantaged if such individuals are age 22 or older and within 1 or more categories of individuals who face serious barriers to employment. Such categories may include the categories described in subsection (b), or categories such as displaced homemakers, veterans, alcoholics, or addicts.

"(d) ADDITIONAL CATEGORY.—A service delivery area conducting a program assisted under this part may add one category of individuals who face serious barriers to employment to the categories of eligible individuals described in subsection (b) if—

"(1) the service delivery area submits a request to the Governor identifying the additional category of individuals and justifying the inclusion of such category;

"(2) the additional category of individuals is not solely comprised of—

"(A) individuals with a poor work history; or

"(B) individuals who are unemployed; and

"(3) the Governor approves the request submitted under paragraph (1) and transmits a description of the approved request to the Secretary, as part of the Governor's coordination and special services plan under section 121.

"SEC. 204. PROGRAM DESIGN.

"(a) ESSENTIAL ELEMENTS.—

"(1) IN GENERAL.—The programs under this part shall include—

"(A) an objective assessment of the skill levels and service needs of each participant, which shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), and supportive service needs, except that a new assessment of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program (such as the JOBS program);

"(B) development of service strategies that shall identify the employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for participants taking into account the assessments conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program);

"(C) a review of the progress of each participant in meeting the objectives of the service strategy; and

"(D) each of the following services, which shall be provided either directly or through arrangement with other programs to a participant where the assessment and the service strategy indicate such services are appropriate:

"(i) Basic skills training.

"(ii) Occupational skills training.

"(iii) Supportive services.

"(2) ADDITIONAL REQUIREMENTS.—

"(A) INFORMATION AND REFERRALS.—Each service delivery area shall ensure that each participant or applicant who meets the minimum income eligibility criteria shall be provided—

"(i) information on the full array of applicable or appropriate services that are available through the service delivery area or other service providers, including those receiving funds under this Act; and

"(ii) referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis.

"(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—

"(i) SERVICE PROVIDERS.—Each service provider shall ensure that an eligible applicant who

does not meet the enrollment requirements of its particular program or who cannot be served shall be referred to the service delivery area for further assessment, as necessary, and referral to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

"(ii) SERVICE DELIVERY AREA.—The service delivery area shall ensure that appropriate referrals are made pursuant to clause (i), and shall maintain appropriate records of such referrals and the basis for such referrals.

"(b) AUTHORIZED SERVICES.—Subject to the limitations contained in subsection (c), services that may be made available to each participant under this part may include—

"(1) direct training services, including—

"(A) basic skills training, including remedial education, literacy training, and English-as-a-second-language instruction;

"(B) institutional skills training;

"(C) on-the-job training;

"(D) assessment of the skill levels and service needs of participants;

"(E) counseling, such as job counseling and career counseling;

"(F) case management services;

"(G) education-to-work transition activities;

"(H) programs that combine workplace training with related instruction;

"(I) work experience;

"(J) programs of advanced career training that provide a formal combination of on-the-job and institutional training and internship assignments that prepare individuals for career employment;

"(K) training programs operated by the private sector, including programs operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply;

"(L) skill upgrading and retraining;

"(M) bilingual training;

"(N) entrepreneurial training;

"(O) vocational exploration;

"(P) training programs to develop work habits to help individuals obtain and retain employment;

"(Q) attainment of certificates of high school equivalency;

"(R) preapprenticeship programs;

"(S) on-site, industry-specific training programs supportive of industrial and economic development;

"(T) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training; and

"(U) use of advanced learning technology for education, job preparation, and skills training; and

"(2) training-related and supportive services, including—

"(A) job search assistance;

"(B) outreach to make individuals aware of, and encourage the use of, employment and training services, including efforts to expand awareness of training and placement opportunities for limited-English proficient individuals and individuals with disabilities;

"(C) outreach, to develop awareness of, and encourage participation in, education, training services, and work experience programs to assist women in obtaining nontraditional employment, and to facilitate the retention of women in nontraditional employment, including services at the site of training or employment;

"(D) specialized surveys not available through other labor market information sources;

"(E) dissemination of information on program activities to employers;

"(F) development of job openings;

"(G) programs coordinated with other Federal employment-related activities;

"(H) supportive services, as defined in section 4(24), necessary to enable individuals to participate in the program;

"(I) needs-based payments and financial assistance;

"(J) followup services with participants placed in unsubsidized employment; and

"(K) services to obtain job placements for individual participants.

"(c) DESIGN OF SERVICES.—

"(1) WORKPLACE CONTEXT AND INTEGRATION.—Basic skills training provided under this part shall, in appropriate circumstances, have a workplace context and be integrated with occupational skills training.

"(2) BASIC EDUCATION OR OCCUPATIONAL SKILLS.—

"(A) ADDITIONAL SERVICES.—Except as provided in subparagraph (B), work experience, job search assistance, job search skills training, and job club activities provided under this part shall be accompanied by additional services designed to increase the basic education or occupational skills of a participant.

"(B) LACK OF APPROPRIATENESS AND AVAILABILITY.—Each program assisted under this part may only provide job search assistance, job search skills training, and job club activities to a participant without the additional services described in subparagraph (A) if—

"(i) the assessment and service strategy of a participant indicate that the additional services are not appropriate; and

"(ii) the activities are not available to the participant through the employment service or other public agencies.

"(3) NEEDS-BASED PAYMENTS.—Needs-based payments and financial assistance provided under this part shall be limited to payments necessary for participation in the program assisted under this part in accordance with a locally developed formula or procedure.

"(4) COUNSELING AND SUPPORTIVE SERVICES.—Counseling and supportive services provided under this part may be provided to a participant for a period up to 1 year after the date on which the participant completes the program.

"(5) PROHIBITION ON PRIVATE ACTIONS.—Nothing in this section shall be construed to establish a right for a participant to bring an action to obtain services described in the assessment or service strategy developed under subsection (a)(1).

"(6) VOLUNTEERS.—The service delivery area shall make opportunities available for individuals who have successfully participated in programs under this part to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

"(d) SERVICES FOR OLDER INDIVIDUALS.—

"(1) IN GENERAL.—The Governor is authorized to provide for job training programs that are developed in conjunction with service delivery areas within the State and that are consistent with the plan for the service delivery area prepared and submitted in accordance with section 104, and designed to ensure the training and placement of older individuals in employment opportunities with private business concerns. The Governor shall ensure that the program under this subsection provides services throughout the State to older individuals on an equitable basis, taking into account the relative share of the population of older individuals described in paragraph (6)(A) within the State, residing in each service delivery area.

"(2) AGREEMENTS.—

"(A) IN GENERAL.—In carrying out this subsection, the Governor shall, after consultation with appropriate private industry councils and chief elected officials, enter into agreements with public agencies, nonprofit private organizations (including veterans organizations), private industry councils, service delivery areas, and private business concerns.

"(B) PRIORITY.—In entering into the agreements described in subparagraph (A), the Governor shall give priority to national, State, and local agencies and organizations that have a record of demonstrated effectiveness in providing training and employment services to such older individuals.

"(3) CONSIDERATIONS.—The Governor shall give consideration to assisting programs involving training for jobs in growth industries and jobs reflecting the use of new technological skills.

"(4) COORDINATION.—In providing the services required by this subsection, the Governor shall make efforts to coordinate the delivery of such services with the delivery of services under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

"(5) ELIGIBILITY.—

"(A) ECONOMICALLY DISADVANTAGED.—Except as provided in subparagraph (B), an individual shall be eligible to participate in a job training program under this subsection only if the individual is economically disadvantaged and is an older individual.

"(B) SPECIAL RULE.—

"(i) INDIVIDUALS FACING SERIOUS BARRIERS TO EMPLOYMENT.—An individual who is not economically disadvantaged as described in subparagraph (A) shall be eligible to participate in a job training program under this subsection if the individual faces serious barriers to employment, is an older individual, and meets income eligibility requirements under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.) subject to clause (ii).

"(ii) LIMITATION.—Not more than 10 percent of all participants in a program assisted under this subsection shall be individuals who are not economically disadvantaged.

"(6) APPLICABLE REQUIREMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the requirements of this Act applicable to programs conducted under this subsection shall be the same requirements applicable to the other programs conducted under this part.

"(B) EXCEPTIONS.—

"(i) PROVISIONS NOT APPLICABLE.—The provisions of section 104, subsections (b)(7) and (j) of section 106, section 109, section 203, and section 204(a)(2) shall not be applicable to programs conducted under this subsection.

"(ii) GOVERNOR.—With respect to the application of sections 106(b), 108(b), 141(d)(3)(C), and 205 to programs conducted under this subsection, the term 'service delivery area', as used in such provisions, means the Governor.

"(7) DEFINITION.—As used in this subsection, the term 'older individual' means an individual age 55 or older.

"SEC. 205. LINKAGES.

"(a) IN GENERAL.—In conducting the program assisted under this part, service delivery areas shall establish appropriate linkages with other Federal programs. Such programs shall include, where feasible, programs assisted under—

"(1) the Adult Education Act (20 U.S.C. 1201 et seq.);

"(2) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(3) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(4) part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.);

"(5) the employment program established under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4));

"(6) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

"(7) the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

"(8) title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.);

"(9) chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.);

"(10) the Stewart B. McKinney Homeless Assistance Act (Public Law 100–77; 101 Stat. 482);

"(11) the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.);

"(12) the National Literacy Act of 1991 (Public Law 102–73);

"(13) the Head Start Act (42 U.S.C. 9831 et seq.) (for purposes of child care services); and

"(14) any other provisions of this Act.

"(b) OTHER APPROPRIATE LINKAGES.—In addition to the linkages required under subsection (a), each service delivery area receiving financial assistance under this part shall establish other appropriate linkages to enhance the provision of services under this part. Such linkages may be established with local educational agencies, local service agencies, public housing agencies, community-based organizations, business and labor organizations, volunteer groups working with disadvantaged adults, and other training, education, employment, economic development, and social service programs.

"SEC. 206. TRANSFER OF FUNDS.

"A service delivery area may transfer up to 10 percent of the amounts allocated to the service delivery area under section 202(b) to the program under part C if such transfer is—

"(1) described in the job training plan; and

"(2) approved by the Governor.".

SEC. 204. SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"Part B—Summer Youth Employment and Training Program

"SEC. 251. PURPOSE.

"It is the purpose of programs assisted under this part—

"(1) to enhance the basic educational skills of youth;

"(2) to encourage school completion or enrollment in supplementary or alternative school programs;

"(3) to provide eligible youth with exposure to the world of work; and

"(4) to enhance the citizenship skills of youth.

"SEC. 252. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION.

"(a) TERRITORIAL AND NATIVE AMERICAN ALLOCATION.—From the funds appropriated under section 3(a)(2), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, Palau, the Commonwealth of the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made.

"(b) USE OF PART C FORMULA FOR ALLOTMENT AND ALLOCATION.—The remainder of funds appropriated under section 3(a)(2) shall, for each fiscal year, be allotted among States and allocated among service delivery areas in accordance with section 262, except that no portion of such funds shall be reserved to carry out subsection (a)(1) or (c) of such section.

"SEC. 253. USE OF FUNDS.

"(a) IN GENERAL.—Funds available under this part may be used for—

"(1) basic and remedial education, institutional and on-the-job training, work experience programs, youth corps programs, employment counseling, occupational training, preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search assistance and job club activities, activities under programs described in section 265(b), and any other employment or job training activity designed to give employment to eligible individuals or prepare the individuals for, and place the individuals in, employment;

"(2) supportive services necessary to enable such individuals to participate in the program; and

"(3) administrative costs, not to exceed 15 percent of the funds available under this part.

"(b) BASIC AND REMEDIAL EDUCATION.—

"(1) IN GENERAL.—A service delivery area shall expend funds (available under this Act or otherwise available to the service delivery area) for basic and remedial education and training as described in the job training plan under section 104.

"(2) EDUCATION OR TRAINING.—The education and training authorized by paragraph (1) may be provided by—

"(A) the year-round program under part C;

"(B) the Job Corps;

"(C) the JOBS program;

"(D) youth corps programs;

"(E) alternative or secondary schools; or

"(F) other education and training programs.

"(c) ASSESSMENT AND SERVICE STRATEGY.—

"(1) ASSESSMENT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the programs under this part shall include an objective assessment of the basic skills and supportive services needs of each participant, which may include a review of occupational skills, prior work experience, employability, interests, and aptitudes.

"(B) RECENT ASSESSMENT.—A new assessment, or a factor of such assessment, of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program (such as the JOBS program or a regular high school academic program).

"(2) SERVICE STRATEGY.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the programs under this part shall include a service strategy for participants, which may identify achievement objectives, appropriate employment goals, and appropriate services for participants, taking into account the assessments conducted under paragraph (1).

"(B) RECENT SERVICE STRATEGY.—A new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program or a regular high school academic program).

"(d) FOLLOWUP SERVICES.—Service delivery areas shall make followup services available for participants if the service strategy indicates such services are appropriate.

"SEC. 254. LIMITATIONS.

"(a) USE DURING SUMMER MONTHS OR EQUIVALENT VACATION PERIOD.—

"(1) SUMMER MONTHS.—Except as provided in paragraph (2), programs under this part shall be conducted during the summer months.

"(2) VACATION PERIOD.—A service delivery area may, within the jurisdiction of any local educational agency that operates schools on a year-round, full-time basis, offer the programs under this part to participants during a vacation period treated as the equivalent of a summer vacation.

"(b) ELIGIBILITY.—An individual shall be eligible to participate in the program assisted under this part if such individual—

"(1) is age 14 through 21; and

"(2)(A) is economically disadvantaged; or

"(B) has been determined to meet the eligibility requirements for free meals under the National School Lunch Act (42 U.S.C. 1751 et seq.) during the most recent school year.

"(c) CONCURRENT ENROLLMENT.—

"(1) IN GENERAL.—An eligible individual participating in a program assisted under this part may concurrently be enrolled in programs under part C. Appropriate adjustment to the youth performance standards (regarding attainment of competencies) under paragraphs (4)(A)(i) and (5) of section 106(b) shall be made to reflect the limited period of participation.

"(2) CONCURRENT ENROLLMENT AND TRANSFERS.—Youth being served under this part or part C youth programs are not required to be terminated from participation in one program in order to enroll in the other. The Secretary shall provide guidance to service delivery areas on simplified procedures for concurrent enrollment and transfers for youth from one program to the other.

"SEC. 255. APPLICABLE PROVISIONS.

"(a) COMPARABLE FUNCTIONS OF AGENCIES AND OFFICIALS.—Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this part as the private industry councils, chief elected officials, State job training coordinating councils, and Governors have with respect to funds available under parts A and C.

"(b) PROGRAM GOALS AND OBJECTIVES.—Each service delivery area shall establish written program goals and objectives that shall be used for evaluating the effectiveness of programs conducted under this part. Such goals and objectives may include—

"(1) improvement in school retention and completion;

"(2) improvement in academic performance, including mathematics and reading comprehension;

"(3) improvement in employability skills; and

"(4) demonstrated coordination with other community service organizations such as local educational agencies, law enforcement agencies, and drug and alcohol abuse prevention and treatment programs.".

SEC. 205. SUMMER YOUTH PROGRAM TRANSFER OF FUNDS.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 256. TRANSFER OF FUNDS.

"A service delivery area may transfer up to 10 percent of the funds provided under this part to the program under part C if such transfer is approved by the Governor.".

SEC. 206. YOUTH TRAINING PROGRAM.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"Part C—Youth Training Program

"SEC. 261. STATEMENT OF PURPOSE.

"It is the purpose of the programs assisted under this part to improve the long-term employability of youth, enhance the educational, occupational, and citizenship skills of youth, encourage school completion or enrollment in alternative school programs, increase the employment and earnings of youth, reduce welfare dependency, and assist youth in addressing problems that impair the ability of youth to make successful transitions from school to work, apprenticeship, the military, or postsecondary education and training.".

SEC. 207. YOUTH TRAINING PROGRAM ALLOTMENT AND ALLOCATION.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 262. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Of the amount appropriated under section 3(a)(1) for each fiscal year and available to carry out this part, not more than one-quarter of 1 percent shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATE RESERVATION.—After determining the amounts to be allotted under paragraph (1), the Secretary shall allot 82 percent of the remainder to the States for allocation to service delivery areas within each State. Each State shall allocate to each service delivery area within the State the amount determined by the Secretary for such service delivery area pursuant to the formula contained in subsection (b). The remaining 18 percent shall be allotted in accordance with subsection (c).

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—Subject to the provisions of paragraph (2), of the amounts allocated to service delivery areas for this part for each fiscal year—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all service delivery areas in all States;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals within each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in all States; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged youth within each service delivery area as compared to the total number of economically disadvantaged youth in all service delivery areas in all States except that, for any service delivery area described in section 101(a)(4)(A)(iii), the allocation shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area shall be allocated less than 90 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(B) MAXIMUM PERCENTAGE.—No service delivery area shall be allocated more than 130 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) STATE MINIMUM.—Notwithstanding subparagraphs (A) and (B), the total allocation for all service delivery areas within any one State shall not be less than one-quarter of 1 percent of the total allocated to all service delivery areas in all States.

"(D) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 18 percent of funds available for allotment to States under this part for each fiscal year—

"(A) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (3); and

"(C) 8 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2) to carry out section 123.

"(2) FORMULA FOR ALLOCATION.—The allotments to each State described in paragraph (1) shall be based on the relative amount of funds allocated to all service delivery areas within such State under subsection (b) as compared to the amount of funds allocated to all service delivery areas in all States under subsection (b).

"(3) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—

"(1) DEFINITIONS.—As used in this section:

"(A) ECONOMICALLY DISADVANTAGED YOUTH.—The term 'economically disadvantaged youth' means an individual who is age 16 through 21 and who has, or is a member of a family that has, received a total family income that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The terms 'excess number' and 'State' shall have the meanings given the terms in subparagraphs (B) and (C), respectively, of section 202(d)(1).

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged youth.".

SEC. 208. YOUTH TRAINING PROGRAM ELIGIBILITY AND SERVICES.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 263. ELIGIBILITY FOR SERVICES.

"(a) IN-SCHOOL YOUTH.—Except as provided in subsections (e) and (g), an individual who is in school shall be eligible to participate in the program under this part if such individual—

"(1)(A) is age 16 through 21; or

"(B) if provided in the job training plan, is age 14 through 21; and

"(2)(A) is economically disadvantaged;

"(B) is participating in a compensatory education program under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.); or

"(C) has been determined to meet the eligibility requirements for free meals under the National School Lunch Act (42 U.S.C. 1751 et seq.) during the most recent school year.

"(b) HARD-TO-SERVE INDIVIDUALS WHO ARE IN-SCHOOL YOUTH.—Not less than 65 percent of the in-school individuals who participate in a program under this part shall be individuals who are included in one or more of the following categories:

"(1) Individuals who are basic skills deficient.

"(2) Individuals with educational attainment that is 1 or more grade levels below the grade level appropriate to the age of the individuals.

"(3) Individuals who are pregnant or parenting.

"(4) Individuals with disabilities, including a learning disability.

"(5) Individuals who are homeless or runaway youth.

"(6) Individuals who are offenders.

"(7) Individuals within a category established under subsection (h).

"(c) OUT-OF-SCHOOL YOUTH.—Except as provided in subsection (e), an individual who is out of school shall be eligible to participate in the program under this part if such individual is—

"(1) age 16 through 21; and

"(2) economically disadvantaged.

"(d) HARD-TO-SERVE INDIVIDUALS WHO ARE OUT-OF-SCHOOL YOUTH.—Not less than 65 percent of the out-of-school individuals who participate in a program under this part shall be individuals who are included in 1 or more of the following categories:

"(1) Individuals who are basic skills deficient.

"(2) Individuals who are school dropouts (subject to the conditions described in section 264(d)(2)).

"(3) Individuals who are pregnant or parenting.

"(4) Individuals with disabilities, including a learning disability.

"(5) Individuals who are homeless or runaway youth.

"(6) Individuals who are offenders.

"(7) Individuals in a category established under subsection (h).

"(e) EXCEPTIONS.—Not more than 10 percent of participants in a program assisted under this part in each service delivery area may be individuals who do not meet the requirements of subsection (a)(2) or (c)(2), if such individuals are within one or more categories of individuals who face serious barriers to employment. Such categories may include the categories described in subsections (b) and (d), or categories such as individuals with limited-English language proficiency, alcoholics, or drug addicts.

"(f) RATIO OF OUT-OF-SCHOOL TO IN-SCHOOL YOUTH.—

"(1) IN GENERAL.—Except as provided in paragraph (2), not less than 50 percent of the participants in the program under this part in each service delivery area shall be out-of-school individuals who meet the requirements of subsection (c), (d), or (e).

"(2) COUNTING OF IN-SCHOOL INDIVIDUALS.—In-school individuals served as a part of a schoolwide project under subsection (g) shall not be counted as a part of the ratio of in-school individuals to out-of-school individuals.

"(g) SCHOOLWIDE PROJECTS FOR LOW-INCOME SCHOOLS.—

"(1) IN GENERAL.—In addition to the individuals described in subsection (e), an individual who does not meet the requirements of subsection (a)(2) may participate in the programs assisted under this part if such individual is enrolled in a public school—

"(A) that is located in a poverty area;

"(B) that is served by a local educational agency that is eligible for assistance under

chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.);

"(C) in which not less than 70 percent of the students enrolled are included in the categories described in subsection (b); and

"(D) that conducts a program under a cooperative arrangement that meets the requirements of section 265(d).

"(2) DEFINITION.—For the purposes of paragraph (1), the term 'poverty area' means an urban census tract or a nonmetropolitan county with a poverty rate of 30 percent or more, as determined by the Bureau of the Census.

"(h) ADDITIONAL CATEGORY.—A service delivery area conducting a program assisted under this part may add one category of youth who face serious barriers to employment to the categories of eligible individuals specified in subsection (b) and one category to the categories of eligible individuals described in subsection (d) if—

"(1) the service delivery area submits a request to the Governor identifying the additional category of individuals and justifying the inclusion of such category;

"(2) the additional category of individuals is not solely comprised of—

"(A) individuals with a poor work history; or

"(B) individuals who are unemployed; and

"(3) the Governor approves the request submitted under paragraph (1) and transmits a description of the approved request to the Secretary, as part of the Governor's coordination and special services plan under section 121.

"SEC. 264. PROGRAM DESIGN.

"(a) YEAR-ROUND OPERATION.—The programs under this part shall be conducted on a year-round basis. Services shall be made available on a multiyear basis as appropriate.

"(b) ESSENTIAL ELEMENTS.—

"(1) IN GENERAL.—The programs under this part shall include—

"(A) an objective assessment of the skill levels and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), and supportive service needs, except that a new assessment of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted under another education or training program (such as the JOBS program);

"(B) development of service strategies that shall identify the employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for participants taking into account the assessments conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program);

"(C) a review of the progress of each participant in meeting the objectives of the service strategy; and

"(D) each of the following services, which shall be provided either directly or through arrangement with other programs to a participant where the assessment and the service strategy indicate such services are appropriate:

"(i) Basic skills training.

"(ii) Occupational skills training.

"(iii) Preemployment and work maturity skills training.

"(iv) Work experience combined with skills training.

"(v) Supportive services.

"(2) ADDITIONAL REQUIREMENTS.—

"(A) INFORMATION AND REFERRALS.—Each service delivery area shall ensure that each participant or applicant who meets the minimum income eligibility criteria shall be provided—

"(i) information on the full array of applicable or appropriate services that are available through the service delivery area or other service providers, including those receiving funds under this Act; and

"(ii) referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis.

"(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—

"(i) SERVICE PROVIDERS.—Each service provider shall ensure that an eligible applicant who does not meet the enrollment requirements of its particular program or who cannot be served shall be referred to the service delivery area for further assessment, as necessary, and referral to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

"(ii) SERVICE DELIVERY AREA.—The service delivery area shall ensure that appropriate referrals are made pursuant to clause (i), and shall maintain appropriate records of such referrals and the basis for such referrals.

"(c) AUTHORIZED SERVICES.—Subject to the limitations contained in subsection (d), services which may be made available to youth with funds provided under this part may include—

"(1) direct training services, including—

"(A) the services described in section 204(b)(1);

"(B) tutoring and study skills training;

"(C) alternative high school services within programs that meet the requirements of section 141(o)(1);

"(D) instruction leading to high school completion or the equivalent;

"(E) mentoring;

"(F) limited internships in the private sector;

"(G) training or education that is combined with community and youth service opportunities in public agencies, nonprofit agencies, and other appropriate agencies, institutions, and organizations, including youth corps programs;

"(H) entry employment experience programs;

"(I) school-to-work transition services;

"(J) school-to-postsecondary education transition services;

"(K) school-to-apprenticeship transition services; and

"(L) preemployment and work maturity skills training; and

"(2) training-related and supportive services, including—

"(A) the services described in section 204(b)(2);

"(B) drug and alcohol abuse counseling and referral;

"(C) services encouraging parental, spousal, and other significant adult involvement in the program of the participant; and

"(D) cash incentives and bonuses based on attendance and performance in a program.

"(d) ADDITIONAL REQUIREMENTS.—

"(1) STRATEGIES AND SERVICES.—In developing service strategies and designing services for the program under this part, the service delivery area and private industry council shall take into consideration exemplary program strategies and practices, including the strategies and practices of model programs selected for replication under section 453(c).

"(2) SCHOOL DROPOUTS.—

"(A) PARTICIPATION REQUIREMENTS.—In order to participate in a program assisted under this part, except for interim periods, an individual who is under the age of 18 and a school dropout shall enroll in and attend a school, course, or program described in clause (ii) or (iii) of subparagraph (B).

"(B) SERVICE DELIVERY REQUIREMENTS.—

"(i) IN GENERAL.—Each service delivery area shall make available, in accordance with this subparagraph, to each participant in the program who is under the age of 18 and is a school dropout, at least 2 options for school attendance. Such options shall be provided concurrently or sequentially with other services provided under this part to each such participant as a part of the training of such participant.

"(ii) SCHOOL ATTENDANCE.—Each service delivery area shall provide, as one of the options for school attendance, an option for each such participant to enroll in and attend a high school equivalency program.

"(iii) ADDITIONAL OPTION.—Each service delivery area shall provide, as a second option for school attendance for each such participant—

"(I) an option to reenroll in and attend school;

"(II) an option to enroll in and attend an alternative high school; or

"(III) an option to enroll in and attend an alternative course of study approved by the local educational agency.

"(3) SKILLS TRAINING.—

"(A) PREEMPLOYMENT AND WORK MATURITY SKILLS TRAINING.—Preemployment and work maturity skills training authorized by this part shall be accompanied by either work experience or other additional services designed to increase the basic education or occupational skills of a participant. The additional services may be provided, concurrently or sequentially, under other education and training programs, including the Job Corps and the JOBS program.

"(B) ADDITIONAL SERVICES.—Work experience, job search assistance, job search skills training, and job club activities provided under this part shall be accompanied by additional services designed to increase the basic education or occupational skills of a participant. The additional services may be provided, concurrently or sequentially, under other education and training programs, including the Job Corps and the JOBS program.

"(C) ON-THE-JOB TRAINING.—

"(i) POSITIONS.—On-the-job training authorized under this part shall only be available in positions that—

"(I) pay the participant a wage that equals or exceeds the average wage at placement in the service delivery area for participants under part A; and

"(II) have career advancement potential.

"(ii) FORMAL PROGRAM OR STRUCTURED JOB TRAINING.—On-the-job training authorized under this part shall include a formal program of structured job training that will provide participants with an orderly sequence of instruction in work maturity skills, general employment competencies, and occupationally specific skills.

"(iii) PARTICIPATION REQUIREMENT.—In order to participate in on-the-job training authorized under this part, except for interim periods, an individual who has not attained a high school diploma or its equivalent shall concurrently enroll in and attend a school, course, or program described in clause (ii) or (iii) of paragraph (2)(B).

"(4) NEEDS-BASED PAYMENTS.—Needs-based payments and financial assistance provided under this part shall be limited to payments necessary for participation in the program assisted under this part in accordance with a locally developed formula or procedure.

"(5) COUNSELING AND SUPPORTIVE SERVICES.—Counseling and supportive services provided under this part may be provided to a participant for a period of up to 1 year after the date on which the participant completes the program.

"(6) PROHIBITION ON PRIVATE ACTIONS.—Nothing in this section shall be construed to establish a right for a participant to bring an action to obtain services described in the assessment or service strategy developed under subsection (b)(1).

"(7) VOLUNTEERS.—The service delivery area shall make opportunities available for successful individuals who have previously participated in programs under this part to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

"SEC. 265. LINKAGES.

"(a) EDUCATIONAL LINKAGES.—In conducting the program assisted under this part, service delivery areas shall establish linkages with the appropriate educational agencies responsible for service to participants. Such linkages shall include—

"(1) formal agreements with local educational agencies that will identify—

"(A) the procedures for referring and serving in-school youth;

"(B) the methods of assessment of in-school youth; and

"(C) procedures for notifying the program when a youth drops out of the school system;

"(2) arrangements to ensure that the program under this part supplements existing programs provided by local educational agencies to in-school youth;

"(3) arrangements to ensure that the program under this part utilizes, to the extent possible, existing services provided by local educational agencies to out-of-school youth; and

"(4) arrangements to ensure that for in-school participants there is a regular exchange of information between the program and the educational agency relating to participant progress, problems, and needs, including, in appropriate circumstances, interim assessment results.

"(b) EDUCATION AND TRAINING PROGRAM LINKAGES.—In conducting the program assisted under this part, service delivery areas shall establish appropriate linkages with other education and training programs authorized under Federal law. Such programs shall include, where feasible, programs assisted under—

"(1) part B of title IV (the Job Corps);

"(2) parts A through D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.);

"(3) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(4) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

"(5) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(6) part F of title IV of the Social Security Act (JOBS) (42 U.S.C. 681 et seq.);

"(7) the Food Stamp Act (7 U.S.C. 2011 et seq.);

"(8) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

"(9) the Stewart B. McKinney Homeless Assistance Act (Public Law 100–77; 101 Stat. 482); and

"(10) any other provisions of this Act.

"(c) OTHER PROGRAMS.—In addition to the linkages required under subsections (a) and (b), service delivery areas receiving financial assistance under this part shall establish other appropriate linkages to enhance the provision of services under this part. Such linkages may be established with State and local service agencies, public housing agencies, community-based organizations, business and labor organizations, volunteer groups working with at-risk youth, parents and family members, juvenile justice systems, and other training, education, employment and social service programs, including programs conducted under part A.

"(d) SCHOOLWIDE PROJECTS FOR LOW-INCOME SCHOOLS.—In conducting a program serving individuals specified in section 263(g), the service delivery area shall establish a cooperative arrangement with the appropriate local educational agency that shall, in addition to the other requirements of this section, include—

"(1) a description of the ways in which the program will supplement the educational program of the school;

"(2) identification of measurable goals to be achieved by the program and provision for assessing the extent to which such goals are met;

"(3) a description of the ways in which the program will use resources provided under this part and resources provided under other education programs to achieve the goals identified in paragraph (2);

"(4) a description of the number of individuals to be served; and

"(5) assurances that the resources provided under this part shall be used to supplement and not supplant existing sources of funds.

"SEC. 266. TRANSFER OF FUNDS.

"A service delivery area may transfer up to 10 percent of the amounts allocated to the service delivery area under section 262(b) to the program under part A if such transfer is—

"(1) described in the job training plan; and

"(2) approved by the Governor.".

TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

SEC. 301. STATE AGENCY APPROVAL.

Section 314(f) of the Act (29 U.S.C. 1661c(f)) is amended—

(1) by inserting "(1)" before "Funds"; and

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

"(2) An eligible dislocated worker participating in training (except for on-the-job training) under this title shall be deemed to be in training with the approval of the State agency for purposes of section 3304(a)(8) of the Internal Revenue Code of 1986.".

SEC. 302. LIMITATIONS ON USES OF FUNDS.

(a) RETRAINING SERVICES.—Section 315(a)(1) of the Act (29 U.S.C. 1661d(a)(1)) is amended to read as follows:

"(a) RETRAINING SERVICES.—(1) Of the funds allocated to a substate grantee under part A of this title for any program year, not less than 50 percent shall be expended for retraining services specified under section 314(d).".

(b) NEEDS-RELATED PAYMENTS AND SUPPORTIVE SERVICES.—Section 315(b) of the Act is amended to read as follows:

"(b) Of the funds allocated to a substate grantee or to the Governor under part A of this title for any program year, not more than 25 percent may be expended to provide needs-related payments and other supportive services.".

(c) ADMINISTRATIVE COST.—The first sentence of section 315(c) of the Act is amended to read as follows: "Of the funds allocated to a substate grantee or to the Governor under part A of this title for any program year, not more than 15 percent may be expended to cover the administrative cost of programs.".

(d) COMBINATION OF FUNDS.—Section 315 of the Act is further amended by adding at the end the following new subsection:

"(d) COMBINATION OF FUNDS.—Substate grantees within a State may combine funds under this title for the provision of services to eligible dislocated workers from 2 or more substate areas.".

(e) REALLOTMENT.—Section 315 of the Act is further amended by adding at the end the following new subsection:

"(e) DEFINITION.—As used in this section, the term 'allocated', means allocated for a program year, as adjusted for reallocations between substate areas, and for reallotments in accordance with section 303.".

SEC. 303. DEMONSTRATION PROGRAMS.

Section 324(a) of the Act (29 U.S.C. 1662c(a)) is amended by striking "1989, 1990, and 1991," and inserting "1992 through 1996,".

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

SEC. 401. NATIVE AMERICAN AND MIGRANT PROGRAMS.

(a) PERFORMANCE STANDARDS.—Section 401(h)(1) of the Act (29 U.S.C. 1671(h)(1)) is amended by inserting "pursuant to section 106" after "performance standards".

(b) NATIVE AMERICAN PROGRAMS.—Section 401(j) of the Act (29 U.S.C. 1671(j)) is amended to read as follows:

"(j)(1) The Secretary shall designate a single organizational unit that shall have as its primary responsibility the administration of all Native American programs authorized under this Act.

"(2) Such organizational unit shall—

"(A) be responsible for administering the provisions of the Native American programs authorized under this Act, including monitoring such programs and making recommendations regarding the selection of the recipients of financial assistance;

"(B) be responsible for the development of the policies and procedures related to the implementation of such programs; and

"(C) coordinate the development of policy and procedures for the employment and training programs within the Department relating to services for Native American workers.

"(3) In the hiring and promotion of the professional staff for the organizational unit designated under paragraph (1), special consideration shall be given to individuals who have field experience in the daily operation of service and training programs for Native Americans, and individuals who are Indians or Alaskan Natives. The Secretary shall take such additional actions as may be necessary to promote the recruitment and promotion of Indians, Alaskan Natives, and Hawaiian Natives to positions in such unit.".

(c) PERMANENT ADVISORY COUNCIL.—Section 401 of the Act (29 U.S.C. 1671) is amended by adding at the end the following new subsection:

"(k)(1) There is hereby established a Native American Employment and Training Council (referred to in this subsection as the 'Council'), which shall consist of not fewer than 17 Indians, Alaskan Natives, and Hawaiian Natives appointed by the Secretary from among individuals nominated by Indian tribes or Indian, Alaskan Native, or Hawaiian Native organizations. The membership of the Council shall represent all geographic areas of the United States with a substantial Indian, Alaskan Native, or Hawaiian Native population and shall include representatives of tribal governments and of nonreservation Native American organizations who are service providers under this Act. A majority of the members of the Council shall have field experience in the daily operation of the program authorized under this section.

"(2) The Council shall select a chairperson from among its members by a majority vote. The Council shall meet not less often than twice each program year.

"(3) Members of the Native American Programs Advisory Committee that existed before the date of enactment of this subsection—

"(A) shall serve as members of the Council until their successors are appointed; and

"(B) may be appointed as members of the Council, if such appointment is consistent with the provisions of this subsection.

"(4) Each member of the Council shall serve for a term of 2 years, except that—

"(A) one-half of the members initially appointed (as designated by the Secretary) shall serve for terms of 1 year;

"(B) any vacancy occurring in the membership of the Council shall be filled in the same manner as the original appointment, and shall not affect the power of the remaining members to execute the duties of the Council;

"(C) any member appointed to such a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed; and

"(D) members may be reappointed.

"(5) The initial membership of the Council shall be appointed not later than the beginning of program year 1993.

"(6) The Council shall—

"(A) solicit the views of a wide variety of Indian tribes and Native American groups, including groups operating employment and training programs funded under this section, on issues affecting the operation and administration of such programs;

"(B) advise the Secretary with respect to the implementation of programs under this section and other programs providing services to Native American youth and adults under this Act;

"(C) advise and make recommendations to the Secretary with respect to the design and implementation of performance standards developed under section 106(f);

"(D) advise and make recommendations to the Secretary with respect to the services obtained or to be obtained by the Department of Labor through contracts or arrangements with non-Federal agencies or entities that involve the program authorized by this section;

"(E) evaluate the effectiveness of Native American job training programs and make recommendations with respect to the improvement of such programs;

"(F) advise the Secretary with respect to individuals to be considered to fill the position of the official in charge of the organizational unit designated under subsection (j)(1) whenever a vacancy in such position occurs; and

"(G) prepare and submit directly to the Secretary and to the Congress, not later than January 1 of each even numbered year, a report containing information on the progress of Native American job training programs and recommendations for improving their administration and effectiveness.

"(7) Members of the Council shall serve without compensation. Each member of the Council shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

"(8) The Secretary shall provide the Council with such administrative support as may be necessary to perform its functions.".

(d) COMPETITION.—Section 401 of the Act (29 U.S.C. 1671), as amended by subsection (c), is further amended by adding at the end the following new subsection:

"(l) The competition for grants under this section shall be conducted every 2 years, except that if a recipient of such a grant has performed satisfactorily under the terms of the existing grant agreement, the Secretary may waive the requirement for such competition on receipt from the recipient of a satisfactory 2-year program plan for the succeeding 2-year grant period.".

(e) MIGRANT AND SEASONAL FARMWORKER PROGRAMS.—Section 402(c)(2) of the Act (29 U.S.C. 1672(c)(2)) is amended to read as follows:

"(c)(2) The competition for grants under this section shall be conducted every 2 years, except that if a recipient of such a grant has performed satisfactorily under the terms of the existing grant agreement, the Secretary may waive the requirement for such competition upon receipt from the recipient of a satisfactory 2-year program plan for the succeeding 2-year grant period.".

(f) RESERVATION.—Section 402 of the Act (29 U.S.C. 1672) is amended by striking subsection (f).

(g) GRANT PROCEDURES.—Part A of title IV of the Act (29 U.S.C. 1671 et seq.) is amended by adding at the end the following new section:

"GRANT PROCEDURES

"SEC. 403. Grants under sections 401 and 402 shall be subject to the Single Audit Act of 1984 (31 U.S.C. 7501 et seq.) and charging of costs under such sections shall be subject to appropriate circulars issued by the Office of Management and Budget.".

SEC. 402. JOB CORPS.

(a) ELIGIBILITY.—Section 423(1) of the Act (29 U.S.C. 1693(1)) is amended by inserting after "except that", the following: "not more than 20 percent of the individuals enrolled may be age 22 through 24, and that either".

(b) CLARIFICATION OF AUTHORITY TO TRANSFER PARTICIPANTS TO AND FROM PROGRAMS UNDER TITLE II.—Section 426 of the Act (29 U.S.C. 1696) is amended by adding at the end the following new subsection:

"(d) Nothing in this Act shall be construed to prohibit an individual who has been a participant in the Job Corps from concurrently or subsequently participating in programs under title II, or to prohibit an individual who has been a participant in programs under title II from concurrently or subsequently participating in the Job Corps.".

(c) NONRESIDENTIAL PARTICIPANTS.—Section 427(a)(2) of the Act (29 U.S.C. 1697(a)(2)) is amended by—

(1) striking "10 percent" and inserting "20 percent"; and

(2) adding at the end the following new sentences: "In enrolling individuals who are to be nonresidential participants, priority shall be given to those eligible individuals who are single parents with dependent children. The Secretary shall not reduce the number of residential participants in Job Corps programs under this part during any program year below the number of residential participants during program year 1991 in order to increase the number of individuals who are nonresidential participants in the Job Corps.".

(d) CONSERVATION CENTERS.—Section 427 of the Act (29 U.S.C. 1697) is amended by adding at the end the following new subsection:

"(c) No funds appropriated to the Department of Labor for any fiscal year may be used to carry out any contract with a nongovernmental entity to administer or manage a Civilian Conservation Center of the Job Corps.".

(e) ADDITIONAL SUPPORT SERVICES REQUIRED.—Section 428 of the Act (29 U.S.C. 1698) is amended by adding at the end the following new subsections:

"(e) The Secretary shall, to the extent practicable, provide child care at or near Job Corps centers, for individuals who require child care for their children in order to participate in the Job Corps.

"(f) Each Job Corps center shall provide to enrollees who are dependent on, or who have a history of abuse of, alcohol or drugs, with counseling and referral to related services necessary to prevent the continuance or recurrence of such dependency or abuse.".

(f) MANAGEMENT FEES.—Section 437 of the Act (29 U.S.C. 1707) is amended by adding at the end the following new subsection:

"(d) The Secretary shall provide all Job Corps contractors with an equitable and negotiated management fee of not less than 1 percent of the contract amount.".

SEC. 403. NATIONAL ACTIVITIES.

(a) IN GENERAL.—Part D of title IV (29 U.S.C. 1731 et seq.) is amended—

(1) in section 451, to read as follows:

"NATIONAL PARTNERSHIP AND SPECIAL TRAINING PROGRAMS

"SEC. 451. (a) STATEMENT OF PURPOSE.—It is the purpose of this section to—

"(1) improve access to employment and training opportunities for individuals with special needs;

"(2) help alleviate skill shortages and enhance the competitiveness of the labor force;

"(3) meet special training needs that are best addressed on a multistate or industry-wide basis; and

"(4) encourage the participation and support of all segments of society to further the purposes of this Act.

"(b) PROGRAM AUTHORIZED.—The Secretary may establish a system of, and award, special grants to eligible entities to carry out programs that are most appropriately administered at the national level.

"(c) PROGRAMS.—Programs that are most appropriately administered at the national level include—

"(1) partnership programs with national organizations with special expertise in developing, organizing, and administering employment and training programs at the national, State, and local levels, such as industry and labor associations, public interest groups, community-based organizations representative of groups that encounter special difficulties in the labor market, and other organizations with special knowledge or capabilities in education and training;

"(2) programs that—

"(A) address industry-wide skill shortages;

"(B) meet training needs that are best addressed on a multistate basis; and

"(C) further the goals of increasing the competitiveness of the United States labor force; and

"(3) programs that require technical expertise available at the national level to serve specialized needs of particular client groups, including at-risk youth, offenders, individuals of limited-English language proficiency, individuals with disabilities, women, immigrants, single parents, substance abusers, displaced homemakers, youth, older individuals, veterans, school dropouts, public assistance recipients, and other individuals who the Secretary determines require special assistance.";

(2) in section 452, to read as follows:

"RESEARCH, DEMONSTRATION, AND EVALUATION

"SEC. 452. (a) STATEMENT OF PURPOSE.—It is the purpose of this section to assist the United States in expanding employment opportunities and ensuring access to such opportunities for all who desire such opportunities.

"(b) PROGRAM ESTABLISHED.—

"(1) IN GENERAL.—The Secretary shall establish a comprehensive program of training and employment research, utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the employment and training problems of the United States.

"(2) STUDIES.—The program established under this section may include studies concerning—

"(A) the development or improvement of Federal, State, local, and privately supported employment and training programs;

"(B) labor market processes and outcomes, including improving workplace literacy;

"(C) policies and programs to reduce unemployment and the relationships of the policies and programs with price stability and other national goals;

"(D) productivity of labor;

"(E) improved means of using projections of labor supply and demand, including occupational and skill requirements and areas of labor shortages at the national and subnational levels;

"(F) methods of improving the wages and employment opportunities of low-skilled, disadvantaged, and dislocated workers, and workers with obsolete skills;

"(G) methods of addressing the needs of at-risk populations, such as youth, homeless indi-

viduals and other dependent populations, older individuals, and other groups with multiple barriers to employment;

"(H) methods of developing information on immigration, international trade and competition, technological change, and labor shortages; and

"(I) methods of easing the transition from school to work, from transfer payment receipt to self-sufficiency, from one job to another, and from work to retirement.

"(c) PILOT AND DEMONSTRATION PROGRAMS.—

"(1) PROGRAM ESTABLISHED.—

"(A) IN GENERAL.—The Secretary shall establish a program of pilot and demonstration programs for the purpose of developing and improving techniques and demonstrating the effectiveness of specialized methods in addressing employment and training needs. The Secretary may award grants and enter into contracts with entities to carry out the programs.

"(B) PROJECTS.—Such programs may include projects in such areas as—

"(i) school-to-work transition;

"(ii) new methods of imparting literacy skills and basic education;

"(iii) new training techniques (including projects undertaken with the private sector);

"(iv) methods to eliminate artificial barriers to employment;

"(v) approaches that foster participation of groups that encounter special problems in the labor market (such as displaced homemakers, teen parents, welfare recipients, and older individuals);

"(vi) processes that demonstrate effective methods for alleviating the adverse effects of dislocations and plant closings on workers and their communities; and

"(vii) cooperative ventures among business, industry, labor, trade associations, community-based organizations or nonprofit organizations to develop new and cost-effective approaches to improving work force literacy.

"(2) EVALUATION COMPONENT.—Demonstration programs assisted under this subsection shall include a formal, rigorous evaluation component. Pilot programs assisted under this subsection shall include an appropriate evaluation component.

"(3) SPECIAL RULE.—No demonstration program under this subsection shall be assisted under this section for a period of more than 7 years. No pilot program under this subsection shall be assisted under this section for a period of more than 3 years.

"(d) EVALUATION.—

"(1) PROGRAMS.—

"(A) JOB TRAINING PROGRAMS.—The Secretary shall provide for the continuing evaluation of programs conducted under this Act, including the cost effectiveness of the program in achieving the purposes of this Act.

"(B) OTHER PROGRAMS.—The Secretary may conduct evaluations of other federally funded employment-related activities including programs administered under—

"(i) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(ii) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

"(iii) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.);

"(iv) chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.); and

"(v) the Federal unemployment insurance program under titles III, IX, and XII of the Social Security Act (42 U.S.C. 501 et seq., 1101 et seq., and 1321 et seq.).

"(2) TECHNIQUES.—

"(A) METHODS.—Evaluations conducted under paragraph (1) shall utilize sound statistical methods and techniques of the behavioral and social sciences, including random assignment methodologies if feasible.

"(B) ANALYSIS.—Such evaluations may include cost-benefit analysis of programs, the impact of the programs on community and participants, the extent to which programs meet the needs of various demographic groups, and the effectiveness of the delivery systems used by various programs.

"(C) EFFECTIVENESS.—The Secretary shall evaluate the effectiveness of programs authorized under this Act with respect to—

"(i) the statutory goals;

"(ii) the performance standards established by the Secretary; and

"(iii) the extent to which such programs enhance the employment and earnings of participants, reduce income support costs, improve the employment competencies of participants in comparison to comparable persons who did not participate in such programs, and, to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs.";

(3) in section 453, to read as follows:

"CAPACITY BUILDING, INFORMATION, DISSEMINATION, AND REPLICATION ACTIVITIES

"SEC. 453. (a) NATIONAL STRATEGY.—The Secretary shall develop a national strategy for carrying out the activities described in subsection (b)(2) and the replication of programs described in subsection (c), and shall ensure the implementation of the national strategy.

"(b) NETWORK.—

"(1) ESTABLISHMENT.—

"(A) IN GENERAL.—The Secretary shall establish a Capacity Building and Information and Dissemination Network (referred to in this section as the 'Network') to enhance the effectiveness of and to strengthen the caliber of services provided through programs authorized under this Act and other Federal, State, and local employment and training programs.

"(B) ADMINISTRATION.—The Secretary shall establish and maintain such Network—

"(i) directly;

"(ii) under an interagency agreement; or

"(iii) through a grant or contract awarded on a competitive basis to a single entity, or to a system of entities coordinated by the Secretary, with appropriate expertise.

"(2) ACTIVITIES.—The Network shall—

"(A) provide, coordinate, and support the development of, appropriate training, technical assistance, staff development, and other activities that will—

"(i) enhance the skills, knowledge, and expertise of the personnel who staff employment and training and other closely related human service systems, including service providers;

"(ii) improve the quality of services provided to individuals served under this Act and other Federal employment and training programs and encourage integrated service delivery under such programs using—

"(I) where cost effective, interactive communication systems and satellite technology; and

"(II) where possible, staff trained in a variety of Federal human resource programs;

"(iii) improve the planning, procurement, and contracting practices pursuant to this Act; and

"(iv) provide broad human services policy and planning training to—

"(I) private industry council volunteers; and

"(II) where appropriate, members of State human resource investment councils and other State councils;

"(B) prepare and disseminate staff training curricula and materials, primarily using computer-based technologies, for employment and training professionals and support staff, that focus on enhancing staff competencies and professionalism, including instruction on the administrative requirements of this Act, such as procurement and contracting standards and regulations; and

"(C)(i) identify, develop, disseminate, and provide training in the techniques learned from, innovative and successful program models, materials, methods, and information, by using computer-based technologies for organizing a data base and dissemination and communication system for the Network, and establishing a computer-based communications and dissemination methodology to share information among employment and training personnel and institutions; and

"(ii) in identifying such program models, ensure that consideration shall be given to—

"(I) the size and scope of the program;

"(II) the length of time that the program has been operating;

"(III) the nature and reliability of measurable outcomes for the program;

"(IV) the capacity of the sponsoring organization to provide the technical assistance necessary for States and service delivery areas to replicate the program; and

"(V) the likelihood that the program will be successful in diverse economic, geographic, and cultural environments.

"(3) CHARGES.—The Network may require cost-sharing to offset the actual costs of institute training, materials acquisition, or information dissemination. Any resulting income shall be used in accordance with section 141(m).

"(4) COORDINATION.—

"(A) IN GENERAL.—The Secretary shall consult with the Secretaries of Education and Health and Human Services, as appropriate, to coordinate the activities of the Network with other relevant institutes, centers, laboratories, clearinghouses, or dissemination networks, such as the National Diffusion Network.

"(B) COORDINATION WITH REPLICATION GRANT PROGRAM.—To the extent possible, the Network shall coordinate the activities of the Network with activities assisted under the replication grant program conducted under subsection (c).

"(c) REPLICATION.—

"(1) REPLICATION PROGRAM AUTHORIZED.—The Secretary shall make competitive grants to public or private nonprofit organizations for technical assistance, and to States and service delivery areas for planning and program development, to promote the replication of employment and training programs that are successful in improving the employment prospects of populations served under this Act and that are replicable on a large scale. In making such grants, the Secretary shall consider the recommendations described in paragraph (2)(B) of the review panel established under paragraph (2)(A) regarding such programs.

"(2) REVIEW PANEL.—

"(A) ESTABLISHMENT.—The Secretary shall establish a review panel comprised of not more than 6 individuals appointed by the Secretary who are recognized experts in the operation and evaluation of employment and training programs for economically disadvantaged youth and adults, and dislocated workers.

"(B) RECOMMENDATIONS.—The review panel shall make recommendations to the Secretary regarding model programs that the panel considers likely to be successful in improving such employment prospects of populations served under this Act and to be replicable on a large scale.

"(C) CONSIDERATIONS.—In recommending such programs the review panel shall use the considerations described in subsection (b)(2)(C)(ii).

"(D) MEETINGS.—The review panel shall meet not more than once each year to carry out the responsibilities described in this paragraph.

"(E) CONFLICT OF INTEREST.—No member of such panel shall have a direct financial interest in or affiliation with a potential recipient of funds under the program authorized by this section.

"(3) APPLICATIONS.—

"(A) NONPROFIT ORGANIZATION.—Any public or private nonprofit organization desiring to receive such a grant to provide the technical assistance necessary for program replication may submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(B) STATE; SERVICE DELIVERY AREA.—Any State or service delivery area desiring to receive such a grant for planning and program development associated with a replication effort shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(C) CONTENTS.—Each application described in subparagraph (A) or (B) shall contain—

"(i) a description of the program proposed for replication and available evidence of the success of the program in improving the employment prospects of economically disadvantaged youth and adults, and dislocated workers, within each such service delivery area; and

"(ii) in the case of applications described in subparagraph (A), an assurance that the organization will enter into an agreement with the service delivery areas in which the program is to be replicated, to participate in the replication program.

"(4) GRANT LIMITATIONS.—

"(A) LIMITATION.—In any 3-year period the Secretary shall not approve grants for the same replication activities in more than 10 States or communities. During such 3-year period, the results of such limited replication efforts shall be carefully evaluated and examined by the Secretary regarding the advisability of replicating the model program in more than 10 States or communities or for longer than 3 years.

"(B) WAIVER.—The Secretary may waive the limitation set forth in subparagraph (A) for a program if immediate replication efforts on a larger scale are warranted by extensive evaluation of the program prior to designation as a model program under this subsection.

"(5) COORDINATION.—To the extent possible, the Secretary shall coordinate the activities assisted under the replication grant program conducted under this subsection with the activities of the Network under subsection (b). The Secretary shall ensure that information on the programs replicated under this subsection shall be available through the Network.

"(d) MANAGEMENT CAPABILITY.—

"(1) GRANTS.—From the amounts reserved under section 3(c)(2)(B)(ii)(III) for each fiscal year to carry out this subsection, the Secretary may award grants to States for the purpose of assisting the States in carrying out the activities described in section 202(c)(1)(A).

"(2) ELIGIBILITY.—A State that receives an amount under section 202(c)(1)(A) for a fiscal year that is less than $500,000 shall be eligible to receive a grant under this subsection for the fiscal year.

"(3) AMOUNT OF GRANT.—The amount of a grant awarded to a State for a fiscal year under paragraph (1) shall not exceed the lesser of—

"(A) $100,000; or

"(B) the difference obtained by subtracting from $500,000 the amount received by the State for the fiscal year under section 202(c)(1)(A).

"(4) AWARD OF GRANTS.—In determining whether to award a grant to a State under paragraph (1), and in determining the amount of such a grant, the Secretary shall take into account the demonstrated need of the State to receive such a grant, as indicated by—

"(A) the number of service delivery areas in the State; and

"(B) the demonstrated insufficiency of resources of the State to administer State responsibilities under sections 121 and 122.

"(5) APPLICATION.—To be eligible to receive a grant under this subsection for a fiscal year, a State shall submit an application at such time, in such manner, and containing such information as the Secretary may require, including sufficient information to enable the Secretary to make the determinations described in paragraph (4).

"(6) USE OF FUNDS.—The Secretary shall make available to carry out subsections (b) and (c) any amounts reserved under section 3(c)(2)(B)(ii)(III) for a fiscal year and not expended to make grants under paragraph (1) for such year.";

(4) striking sections 454 through 456; and

(5)(A) redesignating section 457 as section 456; and

(B) striking the heading for section 456 (as redesignated by subparagraph (A)) and inserting "NONTRADITIONAL EMPLOYMENT DEMONSTRATION PROGRAM".

(b) TRAINING AND TECHNICAL ASSISTANCE.—Part D of title IV of the Act (29 U.S.C. 1671 et seq.) is amended by inserting after section 453 the following:

"GUIDANCE ON ELIGIBILITY VERIFICATION

"SEC. 454. (a) ESTABLISHMENT.—The Secretary shall provide guidance and technical assistance, to States and service delivery areas, relating to the documentation required to verify the eligibility of participants under parts A, B, and C of title II of this Act, particularly the hard-to-serve individuals specified in section 203(b) and subsections (b) and (d) of section 263. Such documentation shall, to the extent practicable, be uniform and standard.

"(b) GUIDANCE.—The guidance provided pursuant to subsection (a), while maintaining program integrity, shall—

"(1) limit the documentation burden to the minimum necessary to adequately verify such eligibility; and

"(2) ensure, to the extent practicable, that the documentation requirements shall not discourage the participation of eligible individuals.

"(c) CONTENTS.—The guidance provided pursuant to subsection (a) shall specifically address income eligibility, assessment, the determination regarding whether an individual is a hard-to-serve individual, and specific uniform or standardized documentation forms or procedures (including simplified standardized forms, automated intake procedures, and self-certification documents) and other documentation proxies (such as JOBS and Job Corps eligibility forms).

"(d) DATE.—The Secretary shall provide the guidance described in subsection (a) not later than December 18, 1992.".

SEC. 404. UNIFORM REQUIREMENTS.

(a) REPORTING; TRAINING NETWORK.—Part D of title IV of the Act (29 U.S.C. 1731 et seq.), is amended by inserting after section 454 (as added by section 403) the following new section:

"UNIFORM REPORTING REQUIREMENTS

"SEC. 455. (a) FINDING.—Congress finds that closer coordination and more effective use of resources among a variety of employment and training programs can be facilitated if the programs have common data elements and definitions.

"(b) DATA ELEMENTS.—The Secretaries of Labor, Education, and Health and Human Services, in consultation with other appropriate departments and with the National Occupational Information Coordinating Committee, shall identify a core set of consistently defined data elements for employment and training programs, including those funded under titles II, III, and IV of this Act, the Wagner-Peyser Act (29 U.S.C. 49 et seq.), the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), the JOBS program, and title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

"(c) REPORT.—The Secretary shall prepare and submit to Congress not later than January 1, 1994, a report listing recommended data elements and their definitions, and containing an analysis of the benefits of the adoption of the data elements and definitions.

"(d) CONSULTATION.—The Secretary shall consult with experts and practitioners, at the Federal, State, and local levels and in the various program areas, in fulfilling the requirements of this section. The Secretary shall also consult with the General Accounting Office in fulfilling the requirements of this section.".

SEC. 405. LABOR MARKET INFORMATION.

(a) COOPERATIVE LABOR MARKET INFORMATION.—Section 462 of the Act (29 U.S.C. 1752) is amended by adding at the end the following new subsection:

"(g)(1) Taking into consideration research previously conducted by the National Commission for Employment Policy and other entities, the Commissioner of Labor Statistics, in cooperation with the States, shall determine appropriate procedures for establishing a nationwide database containing information on the quarterly earnings, establishment and industry affiliation, and geographic location of employment, for all individuals for whom such information is collected by the States.

"(2) The Commissioner of Labor Statistics shall determine appropriate procedures for maintaining such information in a longitudinal manner and for making such information available for policy research or program evaluation purposes or both, while ensuring the confidentiality of information and the privacy of individuals.

"(3) The Secretary shall prepare and submit to the Congress, not later than 12 months after the date of enactment of the Job Training Reform Amendments of 1992, a report that shall describe the costs and benefits, including savings on program followup surveys, of a nationwide database containing the information described in paragraph (1) and a schedule that would allow for the establishment of such a database.

(b) SPECIAL FEDERAL RESPONSIBILITIES.—Section 463(a) of the Act (29 U.S.C. 1753(a)) is amended by inserting "the Secretary of Health and Human Services," after "the Secretary of Education,".

(c) NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE.—Section 464 of the Act (29 U.S.C. 1754) is amended—

(1) in subsection (a)—

(A) in paragraph (1) by striking "not more than $5,000,000" and inserting "$6,000,000"; and

(B) in paragraph (2) by striking "for Manpower, Reserve Affairs, and Logistics" and inserting "Force Management and Personnel"; and

(2) in subsection (b)—

(A) in paragraph (2) by inserting after "give special attention to the" the following: "career development and"; and

(B) in paragraph (5) by inserting after "any aspect of occupational and career information systems" the following: "and coordination and compatibility of human resources data systems operated by Federal agencies or the States, including systems to assist economic development activities and, where appropriate, provide support to States in the implementation of such system improvements.".

SEC. 406. ESTABLISHMENT OF THE YOUTH FAIR CHANCE PROGRAM.

Title IV of the Act (29 U.S.C. 1671 et seq.) is amended by adding at the end the following new part:

"Part H—Youth Fair Chance Program

"SEC. 491. STATEMENT OF PURPOSE.

"It is the purpose of the Youth Fair Chance program under this part to—

"(1) ensure access to education and job training assistance for youth residing in high poverty areas of urban and rural communities;

"(2) provide a comprehensive range of education, training, and employment services to disadvantaged youth who are not currently served or are underserved by Federal education and job training programs;

"(3) enable communities with high concentrations of poverty to establish and meet goals for improving the opportunities available to youth within the community; and

"(4) facilitate the coordination of comprehensive services to serve youth in such communities.

"SEC. 492. PROGRAM AUTHORIZED.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary is authorized to establish a national program of Youth Fair Chance grants to pay the Federal share attributable to this part of providing comprehensive services to youth living in high poverty areas in the cities and rural areas of the Nation.

"(b) ELIGIBILITY FOR GRANTS.—

"(1) RECIPIENTS.—The Secretary may only award grants under this part to—

"(A) the service delivery area (on behalf of the participating community) in which a target area is located;

"(B) in the case of a grant involving a target area located in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; or

"(C) in the case of a grant involving a target area located in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.

"(2) NUMBER OF GRANTS.—

"(A) IN GENERAL.—The Secretary may award not more than 25 grants during the first fiscal year that the program is authorized.

"(B) INDIAN RESERVATIONS AND ALASKA NATIVE VILLAGES.—In awarding grants under this part during the first 5 fiscal years that the program is assisted, the Secretary shall award—

"(i) at least 1 grant to a grantee or consortium described in paragraph (1)(B); and

"(ii) at least 1 grant to a grantee or consortium described in paragraph (1)(C).

"(c) RENEWABILITY OF GRANTS.—

"(1) IN GENERAL.—Grants awarded under this part shall be for a 1-year period. Such a grant shall be renewable for each of the 2 succeeding fiscal years if the Secretary determines the grant recipient complied with conditions of the grant during the previous fiscal year.

"(2) EXTENSION.—The Secretary may extend the renewal period set forth in paragraph (1) for an additional 2 fiscal years on reapplication.

"(d) FACTORS FOR AWARDS.—In awarding grants under this part, the Secretary shall consider the quality of the proposed project, the goals to be achieved, the likelihood of successful implementation, the extent of community support, other Federal and non-Federal funds available for similar purposes, and additional State, local, or private resources that will be provided. The Secretary shall give priority to participating communities with the highest poverty rates.

"SEC. 493. APPLICATION.

"(a) ELIGIBILITY TO APPLY.—Participating communities that have the highest concentrations of poverty, as determined by the Secretary based on the latest Bureau of the Census estimates, shall be eligible to apply for a Youth Fair Chance grant.

"(b) CONTENTS OF APPLICATION.—

"(1) IN GENERAL.—Each participating community desiring a grant under this part shall, through the individuals set forth in subsection (c), submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each such application shall—

"(A) include a comprehensive plan for the Youth Fair Chance initiative designed to achieve identifiable goals for youth in the target area;

"(B) set forth measurable program goals and outcomes, which may include increasing the proportion of—

"(i) youth completing high school or its equivalent;

"(ii) youth entering into postsecondary institutions, apprenticeships, or other advanced training programs;

"(iii) youth placed in jobs; or

"(iv) youth participating in education, training, and employment services;

"(C) include supporting goals for the target area such as increasing security and safety, or reducing the number of drug-related arrests;

"(D) provide assurances that the applicant will comply with the terms of the agreement described in section 494;

"(E) demonstrate how the participating community will make use of the resources, expertise, and commitment of institutions of higher education, educational agencies, and vocational and technical schools and institutes;

"(F) provide an assurance that all youth in the target areas will have access to a coordinated and comprehensive range of education and training opportunities that serve the broadest range of youth interests and needs and simultaneously mobilizes the diverse range of education and training providers in the participating community;

"(G) provide assurances that the youth in the target area will have access to supportive services necessary for successful participation, including such services as child care, transportation, and assistance in resolving personal or family crises, such as crises related to substance abuse, homelessness, migration, and family violence;

"(H) include a description of a system of common intake procedures or sites, individualized assessment, and case management to be used by the program;

"(I) demonstrate how the participating community will make use of the resources, expertise, and commitment of such programs and service providers as—

"(i) community-based organizations providing vocational skills, literacy skills, remedial education, and general equivalency preparation, including community-based organizations serving youth with limited-English proficiency;

"(ii) youth corps programs, including youth conservation and human service corps;

"(iii) Job Corps centers;

"(iv) apprenticeship programs; and

"(v) other projects and programs funded under this Act;

"(J) include an estimate of the expected number of youth in the target area to be served;

"(K) include a description of the resources available in the participating community from private, local government, State, and Federal sources that will be used to achieve the goals of the program;

"(L) include an estimate of funds required to ensure access to appropriate education, training, and support services for all youth in the target area who seek such opportunities; and

"(M) provide evidence of support for accomplishing the stated goals of the participating community from—

"(i) local elected officials;

"(ii) the local school system;

"(iii) appropriate postsecondary education and training institutions;

"(iv) the applicable private industry council;

"(v) local community leaders;

"(vi) business;

"(vii) labor organizations; and

"(viii) other appropriate organizations.

"(c) SUBMISSION OF APPLICATION.—The application for funds described in subsection (b) may only be submitted to the Secretary on behalf of a participating community by—

"(1) the mayor of a city or the chief elected official in a metropolitan statistical area, after the Governor of the State has had an opportunity to comment on the application;

"(2) the chief elected official of a nonmetropolitan county or the designated chief elected official of contiguous nonmetropolitan counties, after the Governor of the State has had an opportunity to comment on the application; or

"(3) a grantee or consortium described in subparagraph (B) or (C) of section 492(b)(1) in applications for Native American or migrant or seasonal farmworker communities, respectively.

"SEC. 494. GRANT AGREEMENT.

"(a) IN GENERAL.—Each grant recipient receiving a grant under this part on behalf of a participating community shall enter into an agreement with the Secretary.

"(b) CONTENTS.—Each such agreement shall—

"(1) designate a target area that—

"(A) will be the focus of the demonstration project; and

"(B) shall have a population of—

"(i) not more than 25,000; or

"(ii) in an appropriate case, not more than 50,000,

except that in the event that the population of an area from which a high school draws a substantial portion of its enrollment exceeds either limit, the target area may encompass such boundary;

"(2) contain assurances that funds provided under this part will be used to support education, training, and supportive activities selected from a set of youth program models designated by the Secretary or from alternative models described in the application and approved by the Secretary, such as—

"(A) nonresidential learning centers;

"(B) alternative schools;

"(C) combined activities including summer remediation, work experience and work readiness training, and school-to-work, apprenticeship, or postsecondary education programs;

"(D) teen parent programs;

"(E) special programs administered by community colleges;

"(F) youth centers;

"(G) initiatives aimed at increased rural student enrollment in postsecondary institutions;

"(H) public-private collaborations to assure private sector employment and continued learning opportunities for youth; and

"(I) initiatives, such as youth corps programs, that combine community and youth service opportunities with education and training activities;

"(3) provide that funds received under this part will be used for services to youth ages 14 through 21 at the time of enrollment;

"(4) contain assurances that the local educational agency and any other educational agency that operates secondary schools in the target area shall provide such activities and resources as are necessary to achieve the educational goals specified in the application;

"(5) contain assurances that the participating community will provide such activities and local resources as are necessary to achieve the goals specified in the application;

"(6) contain assurances that the participating community will undertake outreach and recruitment efforts in the target area to encourage, to the maximum extent possible, participation by the disadvantaged youth who are currently unserved, or underserved, by education and

training programs, including targeted measures specifically designed to enlist the participation of youth, particularly males, under the jurisdiction of the child welfare, juvenile justice, and criminal justice systems;

"(7) provide that the participating community will carry out special efforts to establish coordination with Federal, State, or local programs that serve the target population;

"(8) provide assurances that funds provided under this part for a fiscal year will be used only to pay the Federal share attributable to this part of the cost of programs and services not otherwise available in the target area and will supplement, and not supplant, funding from other local, State, and Federal sources available to youth in the target area during the previous year; and

"(9) permit funds provided under this part to be used to support paid work experience programs if such programs are combined with other education and training activities.

"SEC. 495. JOB GUARANTEES.

"(a) PROGRAM AUTHORITY.—The Secretary shall permit a reasonable number of the grant recipients under this part to enter into an agreement to provide, in accordance with this section, a job guarantee program to youths meeting prior school attendance and performance standards.

"(b) GUARANTEE AGREEMENTS.—A grant recipient providing such a job guarantee program shall enter into an agreement with the Secretary, which agreement shall—

"(1) provide that the program be available to youth age 16 to 19 who undertake a commitment to continue and complete their high school education;

"(2) require the grant recipient to guarantee employment to each youth undertaking the commitment if such youth meets school attendance and performance standards for the previous school semester, as established by the Secretary in consultation with the Secretary of Education;

"(3) provide that the grant recipient will make additional services available to support the undertaking of any such youth, which shall include counseling, job development and placement, and supportive services (including child care and transportation);

"(4) specify the conditions under which funds provided under this part may be used to provide wage subsidies of up to 50 percent through employers, which conditions shall—

"(A) encourage subsidies to employers who provide advanced or specialized training, or who provide a structured and integrated learning experience involving the school and employer; and

"(B) limit the duration of such subsidies to not more than 1 year;

"(5) require that the employment provided to any such youth shall not exceed 15 hours per week during the school year;

"(6) permit employment to continue through the summer following high school graduation, or until the youth reaches age 19, whichever is later; and

"(7) contain such other terms and conditions as the Secretary requires by regulation.

"(c) SELECTION OF GRANT RECIPIENTS.—In determining which grant recipients to permit to enter an agreement under this section, the Secretary shall seek to target funds to areas with the highest poverty rates.

"(d) YOUTH ELIGIBILITY.—All youth, regardless of income, residing in an eligible high poverty area shall be eligible to participate in the job guarantee program.

"(e) PRIVATE FUNDS.—Nothing in this section shall be construed to prohibit the grant recipient from raising funds to augment such grant if such funds are utilized under the conditions of the grant, except that such funds shall not be used for administration.

"SEC. 496. PAYMENTS; FEDERAL SHARE.

"(a) PAYMENTS REQUIRED.—In any fiscal year, the amount of a grant awarded under this part shall be based on the size of the target area and the extent of the poverty in such area, and shall be of sufficient size and scope to carry out an effective program under this part.

"(b) FEDERAL SHARE.—The Federal share attributable to this part of the cost of providing comprehensive services as provided in section 492(a) shall be not less than 70 percent for each fiscal year a grant recipient receives assistance under this Act.

"(c) OTHER FEDERAL SOURCES.—In providing for the remaining share of such cost, each grant recipient may provide not more than 20 percent of such cost from Federal sources other than funds received pursuant to this part.

"(d) NON-FEDERAL SHARE.—A grant recipient shall provide non-Federal funds in an amount not less than 10 percent of such cost, an in-kind contribution equivalent to such percent (as determined by the Secretary), or a combination thereof.

"SEC. 497. REPORTING.

"The Secretary is authorized to establish such reporting procedures as are necessary to carry out the purposes of this part.

"SEC. 498. FEDERAL RESPONSIBILITIES.

"(a) IN GENERAL.—The Secretary shall provide assistance to participating communities in implementing the projects assisted under this part.

"(b) INDEPENDENT EVALUATION.—

"(1) IN GENERAL.—The Secretary shall provide for a thorough, independent evaluation of the Youth Fair Chance program to assess the outcomes of youth participating in programs assisted under this part.

"(2) EVALUATION MEASURES.—In conducting the evaluation described in paragraph (1) the Secretary shall include an assessment of—

"(A) the impact on youth residing in target areas, including the rates of school completion, enrollment in advanced education or training, and employment of the youth;

"(B) the extent to which participating communities fulfilled the goal of guaranteed access to appropriate education, training, and supportive services to all eligible youth residing in target areas who seek to participate;

"(C) the effectiveness of guaranteed access to comprehensive services combined with outreach and recruitment efforts in enlisting the participation of previously unserved or underserved youth residing in target areas;

"(D) the effectiveness of efforts to integrate service delivery in target areas, including systems of common intake, assessment, and case management; and

"(E) the feasibility of extending guaranteed access to comprehensive education, training and support services for youth in all areas of the United States, including possible approaches to incremental extension of such access over time.

"(c) REPORT.—The Secretary shall prepare a report detailing the results of the independent evaluation described in subsection (b) and shall submit such report to the Congress not later than December 31, 1996, along with an analysis of expenditures made, results achieved, and problems in the operations and coordination of programs assisted under this part.

"(d) RESERVATION OF FUNDS.—The Secretary may reserve not more than 5 percent of the amount appropriated under this part in each fiscal year to carry out the provisions of this section.

"SEC. 498A. DEFINITIONS.

"For the purposes of this part—

"(1) PARTICIPATING COMMUNITY.—The term 'participating community'—

"(A) in the case of a community conducting a project in an urban area, means a city in a metropolitan statistical area;

"(B) in the case of a community conducting a project in a rural area, means a nonmetropolitan county or contiguous nonmetropolitan counties;

"(C) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; or

"(D) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.

"(2) HIGH POVERTY AREA.—The term 'high poverty area' means an urban census tract, a nonmetropolitan county, a Native American Indian reservation, or an Alaska Native village, with a poverty rate of 30 percent or more, as determined by the Bureau of the Census, or a migrant or seasonal farmworker community.

"(3) TARGET AREA.—The term 'target area' means a high poverty area or set of contiguous high poverty areas that will be the focus of the program in each participating community.".

SEC. 407. ESTABLISHMENT OF THE MICROENTERPRISE GRANTS PROGRAM.

Title IV of the Act (29 U.S.C. 1671 et seq.), as amended by section 406, is further amended by adding at the end the following new part.

"Part I—Microenterprise Grants Program

"SEC. 499. MICROENTERPRISE GRANTS.

"(a) PROGRAM AUTHORITY.—From the amount appropriated to carry out this section for fiscal years 1993 through 1997, the Secretary of Labor shall make grants of not more than $500,000 per year to not more than 10 States per year to implement and enhance community-based microenterprise activities. Such grants shall be an amount adequate to ensure that the activities will be of sufficient size and scope to produce substantial benefits. Such activities shall be for the benefit of economically disadvantaged persons.

"(b) USE OF FUNDS.—Such funds shall be used, notwithstanding section 141(q)—

"(1) to train program staff in such entrepreneurial activities as business plan development, business management, resource inventory design, and marketing approaches, and other activities necessary to provide effective entry level training to persons developing a microenterprise;

"(2) to provide to owners or potential owners of a microenterprise such technical assistance (including technical assistance with respect to business planning, securing funding, marketing, and production of marketing materials) and other assistance as may be necessary to develop microenterprise activities; and

"(3) to provide microenterprise support (such as peer support programs and counseling).

"(c) APPLICATION AND SELECTION.—The Secretary shall award grants competitively under this section on the basis of—

"(1) the State commitment, as evidenced by existing or proposed related programs and support;

"(2) evidence of ability to conduct and monitor the microenterprise activities;

"(3) evidence of linkage to private, community-based credit and technical assistance providers; and

"(4) size of the non-Federal match.

"(d) TIMING.—Not later than April 1 of any fiscal year, a State may submit to the Secretary an application. Not later than the following June 1, the Secretary shall approve not more than 10 of the applications. Not later than the following July 1, the Secretary shall authorize the applicant to begin the programs. The Secretary may consider making multiyear grants.

"(e) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—No State shall receive a grant under this section unless the State agrees

to provide, to carry out the microenterprise programs, non-Federal contributions in an amount equal to 100 percent of Federal funds provided under such grant.

"(2) DETERMINATION.—The non-Federal contribution may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

"(f) REPORTS.—Each State receiving a grant under this section shall, for each fiscal year for which funds are received, submit to the Secretary a report that describes—

"(1) the programs that have been established and developed with such funds, including a description of the persons participating and the microenterprises developed;

"(2) the quantitative and qualitative benefits of such programs; and

"(3) the contributions of such programs to economic self-sufficiency and economic development.

"(g) DEFINITIONS.—As used in this section:

"(1) MICROENTERPRISE.—The term 'microenterprise' means a commercial enterprise if—

"(A) the enterprise has 5 or fewer employees, 1 or more of whom owns the enterprise; and

"(B) each of the owners of the enterprise is economically disadvantaged.

"(2) STATE.—The term 'State' includes—

"(A) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; and

"(B) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.".

SEC. 408. ESTABLISHMENT OF THE DISASTER RELIEF PROGRAM.

Title IV of the Act (29 U.S.C. 1671 et seq.), as amended by sections 406 and 407, is further amended by adding at the end the following new part:

"Part J—Disaster Relief Employment Assistance

"SEC. 499A. GENERAL AUTHORITY.

"(a) QUALIFICATION FOR FUNDS.—Funds appropriated to carry out this part shall be made available in a timely manner by the Secretary to the Governor of any State within which is located an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of the Disaster Relief Act of 1974 (42 U.S.C. 5122 (1) and (2)) (referred to in this part as the 'disaster area').

"(b) SUBSTATE ALLOCATION.—Not less than 80 percent of the funds made available to any Governor under subsection (a) shall be allocated by the Governor to units of general local government located, in whole or in part, within such disaster areas. The remainder of such funds may be reserved by the Governor for use, in concert with State agencies, in cleanup, rescue, repair, renovation, and rebuilding activities associated with such major disaster.

"(c) COORDINATION—Funds made available under this part to Governors and units of general local government shall be expended in consultation with—

"(1) agencies administering programs for disaster relief provided under the Disaster Relief Act of 1974; and

"(2) the administrative entity and the private industry council in each service delivery area within which disaster employment programs will be conducted under this part.

"SEC. 499B. USE OF FUNDS.

"(a) PROJECTS RESTRICTED TO DISASTER AREAS.—Funds made available under this part to any unit of general local government in a disaster area—

"(1) shall be used exclusively to provide employment on projects to provide food, clothing, shelter, and other humanitarian assistance for disaster victims and on projects regarding demolition, cleanup, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area; and

"(2) may be expended through public and private agencies and organizations engaged in such projects.

"(b) ELIGIBLE PARTICIPANTS.—An individual shall be eligible to be offered disaster employment under this part if such individual is—

"(1)(A) eligible to participate or enroll, or is a participant or enrolled, under title III of this Act, other than an individual who is actively engaged in a training program; or

"(B) eligible to participate in programs or activities assisted under section 401 or 402; and

"(2) unemployed as a consequence of the disaster.

"(c) LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.—No individual shall be employed under this part for more than 6 months for work related to recovery from a single natural disaster.

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to promote the fiscal integrity of programs conducted with funds made available under this part.

"SEC. 499C. DEFINITIONS.

"As used in this part, the term 'unit of general local government' includes—

"(1) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; and

"(2) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.".

TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

SEC. 501. JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS.

Title V of the Act (29 U.S.C. 1791 et seq.) is amended to read as follows:

"TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

"SEC. 501. STATEMENT OF PURPOSE.

"It is the purpose of this title to provide incentives to reduce welfare dependency, promote self-sufficiency, increase child support payments, and increase employment and earnings of individuals by providing to each participating State a bonus for providing job training to—

"(1) absent parents of children receiving aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), who subsequent to such training pay child support for their children; and

"(2) blind or disabled individuals receiving supplemental security income under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), who subsequent to such training are successfully placed in and retain employment.

"SEC. 502. PAYMENTS.

"(a) IN GENERAL.—For each program year for which funds are appropriated to carry out this title, the Secretary shall pay to each participating State the amount that State is eligible to receive under this title.

"(b) RATABLE REDUCTIONS.—If the amount so appropriated is not sufficient to pay each State the amount each State is eligible to receive, the Secretary shall ratably reduce the amount paid to each State.

"(c) RATABLE INCREASES.—If any additional amount is made available for carrying out this title for any program year after the application of subsection (b), such additional amount shall be allocated among the States by increasing such payments in the same manner as they were reduced, except that no such State shall be paid an amount that exceeds the amount that the State is eligible to receive under this title.

"(d) REPROGRAMMING.—If the amount appropriated for a program year is in excess of the amount necessary to pay each State the amount each State is eligible to receive, the Secretary shall allot the excess amount to the States for allocation to the service delivery areas in accordance with section 202 to carry out part A of title II.

"SEC. 503. AMOUNT OF INCENTIVE BONUS.

"The amount of the incentive bonus paid to each State shall be the sum of—

"(1) an amount equal to the total of the amounts of child support paid by each individual eligible under section 506(1) within the State, for up to 2 years after the termination of the individual from activities provided under this Act; and

"(2) an amount equal to the total reduction in the Federal contribution to the amounts received under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) by each individual eligible under section 506(2) within the State, for up to 2 years after the termination of the individual from activities provided under this Act.

"SEC. 504. USE OF INCENTIVE BONUS FUNDS.

"(a) IN GENERAL.—

"(1) ALLOCATION.—

"(A) ADMINISTRATIVE COSTS.—During any program year, the Governor may use an amount not to exceed 5 percent of the total bonus payments of a State for administrative costs incurred under this title, including data and information collection and compilation, recordkeeping, or the preparation of applications for incentive bonuses.

"(B) DISTRIBUTION OF PAYMENTS.—The amount of incentive bonus payments that remains after the deduction of administrative costs under subparagraph (A) shall be distributed to service delivery areas and Job Corps centers within the State in accordance with an agreement between the Governor and representatives of such areas and centers. Such agreement shall reflect an equitable method of distribution that is based on the degree to which the efforts of such area or center contributed to the qualification of the State for an incentive bonus payment under this title.

"(2) SPECIAL RULE.—Not more than 10 percent of the amounts received under this title in any program year by each service delivery area and Job Corps center may be used for the administrative costs of establishing and maintaining systems necessary for operation of programs under this title, including the costs of providing incentive payments described in subsection (b), technical assistance, data and information collection and compilation, management information systems, post-program followup activities, and research and evaluation activities. The balance of funds not so expended shall be used by each service delivery area for activities described in sections 204 and 264, and by each Job Corps center for activities authorized under part B of title IV.

"(b) INCENTIVE PAYMENTS TO SERVICE PROVIDERS.—Each service delivery area or Job Corps center may make incentive payments to service providers, including participating State and local agencies, and community-based organizations, that demonstrate effectiveness in delivering employment and training services to individuals such as those described in section 506.

"(c) APPLICATION OF SECTION RELATING TO ADMINISTRATIVE ADJUDICATIONS.—Section 166

(relating to administrative adjudication) shall apply to the distribution of incentive bonus payments under this section.

"SEC. 505. NOTICE AND APPLICATION.

"(a) NOTICE OF INTENT TO PARTICIPATE.—Any State seeking to participate in the incentive bonus program established under this title shall notify the Secretary of the intent of the State to participate not later than 30 days before the beginning of the first program year of participation.

"(b) APPLICATION.—

"(1) IN GENERAL.—Any State seeking to receive an incentive bonus under this title shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require in order to ensure compliance with this title.

"(2) CONTENTS.—Each such application shall contain, at a minimum—

"(A) a list of the eligible individuals in the State who satisfied the requirements of section 506 during the program year;

"(B) the amount of the incentive bonus attributable to each eligible individual and due the State under section 503; and

"(C) certification that documentation is available to verify the eligibility of participants and the amount of the incentive bonus claimed by the State.

"(c) NOTICE OF APPROVAL OR DENIAL.—The Secretary shall promptly inform a State after receipt of the application as to whether or not the application of the State has been approved.

"SEC. 506. ELIGIBILITY FOR INCENTIVE BONUSES.

"An individual shall be eligible to participate in a program established under this title if—

"(1) the individual—

"(A) was an absent parent of any child receiving aid to families with dependent children under part A of title IV of the Social Security Act at the time such individual was determined to be eligible to participate in activities provided under this Act;

"(B) has participated in education, training or other activities (including the Job Corps) provided under this Act; and

"(C) pays child support for a child specified in subparagraph (A) following termination from activities provided under this Act; or

"(2) the individual—

"(A) is blind or disabled;

"(B) was receiving benefits under title XVI of the Social Security Act (relating to supplemental security income) at the time such individual was determined to be eligible to participate in activities under this Act;

"(C) has participated in education, training, or other activities (including the Job Corps) provided under this Act; and

"(D) earns from employment a wage or income.

"SEC. 507. INFORMATION AND DATA COLLECTION.

"(a) TECHNICAL ASSISTANCE.—In order to facilitate the collection, exchange, and compilation of data and information required by this title, the Secretary is authorized to provide technical assistance to the States. Such assistance may include cost-effective methods for using State and Federal records to which the Secretary has lawful access.

"(b) JOINT REGULATIONS.—

"(1) IN GENERAL.—The Secretary and the Secretary of Health and Human Services shall jointly issue regulations regarding the sharing, among public agencies participating in the programs assisted under this title, of the data and information necessary to fulfill the requirements of this title.

"(2) SUBJECTS.—Such regulations shall ensure—

"(A) the availability of information necessary to verify the eligibility of participants and the amount of the incentive bonus payable; and

"(B) the maintenance of confidentiality of the information so shared in accordance with Federal and State privacy laws.

"SEC. 508. EVALUATION AND REPORT.

"(a) EVALUATION.—

"(1) IN GENERAL.—The Secretary shall conduct or provide for an evaluation of the incentive bonus program assisted under this title.

"(2) CONSIDERATIONS.—The Secretary shall consider—

"(A) whether the program results in increased service under this Act to absent parents of children receiving aid to families with dependent children under part A of title IV of the Social Security Act and to recipients of supplemental security income under title XVI of the Social Security Act;

"(B) whether the program results in increased child support payments;

"(C) whether the program is administratively feasible and cost effective;

"(D) whether the services provided to other eligible participants under part A of title II are affected by the implementation and operation of the incentive bonus program; and

"(E) such other factors as the Secretary determines to be appropriate.

"(b) REPORT TO CONGRESS.—Not later than January 1, 1997, the Secretary shall submit a report to the appropriate committees of the Congress on the effectiveness of the incentive bonus program assisted under this title. Such report shall include an analysis of the costs of such program and the results of program activities.

"SEC. 509. IMPLEMENTING REGULATIONS.

"The Secretary shall promulgate regulations implementing this title not later than January 31, 1993.".

TITLE VI—STATE HUMAN RESOURCE INVESTMENT COUNCIL

SEC. 601. STATE HUMAN RESOURCE INVESTMENT COUNCIL

(a) IN GENERAL.—The Act (29 U.S.C. 1501 et seq.) is amended by adding at the end the following new title:

"TITLE VII—STATE HUMAN RESOURCE INVESTMENT COUNCIL

"SEC. 701. ESTABLISHMENT AND FUNCTIONS.

"(a) IN GENERAL.—Each State may, in accordance with the requirements of this title, establish a single State human resource investment council (in this title referred to as the 'State Council') that—

"(1) shall review the provision of services and the use of funds and resources under applicable Federal human resource programs and advise the Governor on methods of coordinating such provision of services and use of funds and resources consistent with the laws and regulations governing such programs;

"(2) shall advise the Governor on the development and implementation of State and local standards and measures relating to applicable Federal human resource programs and coordination of such standards and measures;

"(3) shall carry out the duties and functions prescribed for existing State councils described under the laws relating to the applicable Federal human resource programs;

"(4) may identify the human investment needs in the State and recommend to the Governor goals for meeting such needs;

"(5) may recommend to the Governor goals for the development and coordination of the human resource system in the State;

"(6) may prepare and recommend to the Governor a strategic plan to accomplish the goals developed pursuant to paragraphs (4) and (5); and

"(7) may monitor the implementation of and evaluate the effectiveness of the strategic plan prepared pursuant to paragraph (6).

"(b) APPLICABLE FEDERAL HUMAN RESOURCE PROGRAM DEFINED.—

"(1) IN GENERAL.—(A) Except as provided in subparagraph (B), for purposes of this title, the term 'applicable Federal human resource program' includes any program authorized under the provisions of law described under paragraph (2)(A) that the Governor and the head of the State agency responsible for the administration of such program jointly agree to include within the jurisdiction of the State Council.

"(B) With respect to a program authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) under paragraph (2)(A)(ii), the term 'applicable Federal human resource program' shall only apply to such program if, in addition to meeting the requirements of subparagraph (A), the State council on vocational education agrees to include such program under the jurisdiction of the State Council.

"(2) PROGRAMS.—In accordance with the requirements of paragraph (1), applicable Federal human resource programs—

"(A) may include the programs authorized under—

"(i) this Act;

"(ii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(iii) the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

"(iv) the Adult Education Act (20 U.S.C. 1201 et seq.);

"(v) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(vi) part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.); and

"(vii) the employment program established under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)); and

"(B) may not include programs authorized under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

"SEC. 702. COMPOSITION.

"(a) IN GENERAL.—Each State Council shall be composed as follows:

"(1) Each State Council shall include the head of each State agency responsible for the administration of an applicable Federal human resource program.

"(2)(A) Each State Council shall include one or more representatives, appointed by the Governor to the State Council for a minimum of 2 years, from each of the following:

"(i) Local public education.

"(ii) A postsecondary institution.

"(iii) A secondary or postsecondary vocational educational institution.

"(iv) A community-based organization.

"(B) The total number of representatives appointed under clause (i), (ii), and (iii) of subparagraph (A) shall constitute not less than 15 percent of the membership of the State Council.

"(3)(A) Each State Council shall include individuals, appointed by the Governor to the State Council for a minimum of 2 years, from among the following:

"(i) Representatives of business and industry, who shall constitute not less than 15 percent of the membership of the State Council, including individuals who are representatives of business and industry on private industry councils established within the State under section 102.

"(ii) Representatives of organized labor who—

"(I) shall be selected from among individuals nominated by recognized State labor federations; and

"(II) shall constitute not less than 15 percent of the membership of the State Council.

"(B) If the State labor federation fails to nominate a sufficient number of individuals under subclause (I) of subparagraph (A)(ii) to satisfy the requirement under subclause (II) of such subparagraph, individual workers may be included on the State Council to satisfy such requirement.

"(b) ADDITIONAL MEMBERS.—Each State Council may also include additional qualified members, who may be selected from—

"(1) representatives from local welfare agencies;

"(2) representatives from public housing agencies;

"(3) representatives from units of general local government or consortia of such units, appointed from nominations made by the chief elected officials of such units or consortia;

"(4) representatives from the State legislature;

"(5) representatives from any State or local program that receives funding under an applicable Federal human resource program that the Governor determines to have a direct interest in the utilization of human resources within the State; and

"(6) individuals who have special knowledge and qualifications with respect to special education and career development needs of hard-to-serve individuals.

"(c) ADDITIONAL REQUIREMENTS.—

"(1) PERCENTAGE LIMITATION.—None of the following categories of individuals may constitute more than 60 percent of the membership of each State Council:

"(A) Individuals selected under subsection (a)(1).

"(B) Individuals appointed under subsection (a)(2).

"(C) Individuals appointed under subsection (a)(3)(A)(i).

"(D) Individuals appointed under subsection (a)(3)(A)(ii).

"(E) Individuals selected under subsection (b).

"(2) EXPERTISE.—The Governor shall ensure that both the State Council and the staff of the State Council have sufficient expertise to effectively carry out the duties and functions of existing State councils described under the laws relating to the applicable Federal human resource programs. Such expertise shall include, where appropriate, knowledge of—

"(A) the long-term needs of individuals preparing to enter the workforce;

"(B) the needs of local, State, and regional labor markets; and

"(C) the methods for evaluating the effectiveness of vocational training programs in serving varying populations.

"SEC. 703. ADMINISTRATION.

"(a) FUNDING.—In order to carry out the functions of the State Council, each State establishing a State Council that meets the requirements of this title may—

"(1) use funds otherwise available for State councils under the applicable Federal human resource programs;

"(2) use funds otherwise available under the applicable Federal human resource programs, consistent with the laws and regulations governing such programs, including funds available to carry out section 123(a)(2)(D), except that, with respect to the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), such State may use funds only to the extent provided under section 112(g) of such Act; and

"(3) use funds, services, personnel, facilities and information provided by State and local public agencies, with the consent of such agencies.

"(b) PERSONNEL.—Each State Council may obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions.

"(c) CERTIFICATION.—Each State shall certify to the Secretary the establishment and membership of the State Council at least 90 days before the beginning of each period of 2 program years for which a job training plan is submitted under this Act.

"(d) EQUITABLE FUNDING.—Each State agency participating in a State Council under this title is encouraged to provide funds to support such Council in a manner consistent with its representation on such Council.".

(b) CONFORMING AMENDMENTS.—

(1) CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT AMENDMENTS.—Section 112 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2322) is amended—

(A) in subsection (a), by striking "Each" and inserting "Except as provided in subsection (g), each"; and

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

"(g)(1) In lieu of establishing the State council required under subsection (a), each State may satisfy the requirements of this section by designating the State human resource investment council established in accordance with title VII of the Job Training Partnership Act (in this subsection referred to as the 'State Council') to carry out the duties described in subsection (d).

"(2) Funds available under subsection (f) may be allotted to the State Council to carry out such duties and the other duties of the State Council if the Governor and head of the State agency responsible for administration of the programs under this Act agree to such an allotment. Only funds available under subsection (f) may be so allotted.".

(2) ADULT EDUCATION ACT AMENDMENT.—Section 332(d) of the Adult Education Act (20 U.S.C. 1205a(d)) is amended by adding at the end the following new subsection:

"(g) DESIGNATION OF STATE HUMAN RESOURCE INVESTMENT COUNCIL UNDER THE JOB TRAINING PARTNERSHIP ACT.—(1) The requirements in this section shall be satisfied if a State designates the State human resource investment council established under title VII of the Job Training Partnership Act (in this subsection referred to as the 'State Council') to carry out the duties described in subsection (f).

"(2) Funds under this part may be allotted to the State Council to carry out such duties and the other duties of the State Council if the Governor and the head of the State agency responsible for carrying out programs under this Act agree to such an allotment.".

(3) STATE JOB TRAINING COORDINATING COUNCIL.—Section 122 of the Act (29 U.S.C. 1532) is amended—

(A) in subsection (a) by striking "Any" and inserting "Except as provided in subsection (d), any"; and

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

"(d)(1) In lieu of establishing the State council required under subsection (a), each State may satisfy the requirements of this section by designating the State human resource investment council established in accordance with title VII (in this subsection referred to as the 'State Council') to carry out the duties described in subsection (b).

"(2) Funding provided to carry out this section may be allotted to the State Council to carry out such functions and the other functions of the State Council if the Governor and the head of the State agency responsible for administration of programs under this Act agree to such an allotment.".

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. EFFECTIVE DATE AND TRANSITION PROVISIONS.

(a) IN GENERAL.—Except as otherwise provided in this section, this Act and the amendments made by this Act shall take effect on July 1, 1993.

(b) PERFORMANCE STANDARDS.—The Secretary of Labor shall issue revised performance standards under the amendments made by section 115 as soon as the Secretary determines sufficient data are available, but not later than July 1, 1994, except that with respect to the factor of retention in unsubsidized employment specified in section 106(b)(3)(B) of the Job Training Partnership Act (as amended by section 115), the requirement that such retention be for not less than 6 months shall take effect not later than July 1, 1995.

(c) INTERIM TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for fiscal year 1993 is less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 202 of this Act shall not take effect on July 1, 1993, and section 202 of the Job Training Partnership Act shall be amended to read as follows:

"SEC. 202. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Not more than $5,000,000 of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATES.—Subject to the provisions of paragraph (3), of the remainder of the amount available for this part for each fiscal year—

"(A) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

"(B) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States; and

"(C) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged adults within each State compared to the total number of economically disadvantaged adults in all States, except that, for the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii), the allotment shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

"(3) LIMITATIONS.—

"(A) STATE MINIMUM.—No State shall receive less than one-quarter of 1 percent of the amounts available for allotment to the States under this subsection from the remainder described in paragraph (2) for each fiscal year.

"(B) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) ALLOTMENT PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (B), the allotment percentage of a State for a fiscal year shall be the percentage of funds allotted to the State under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (B), the allocation percentage of a State for fiscal year 1992 shall be the percentage of funds allotted to the State under section 201, as in effect on the day before the date of enactment of the Job Training Reform Amendments of 1992.

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—The Governor shall, in accordance with section 162, allocate 77 percent of the allotment of the State under subsection (a) for each fiscal year among service delivery areas within the State, and shall ensure that, subject to the provisions of paragraph (3), of the amount allocated under this subsection—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged adults within each service delivery area compared to the total number of economically disadvantaged adults in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area within any State shall be allocated an amount equal to less than 90 percent of the average of its allocation percentage for the 2 preceding fiscal years preceding the fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(a)(1) for a fiscal year and available to carry out this part are not sufficient to provide an amount equal to at least 90 percent of such allocation percentage to each such area, the amounts allocated to each area shall be ratably reduced.

"(B) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (A), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (A), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 23 percent of the allotment of the State under subsection (a) for each fiscal year—

"(A) 5 percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of such allotment of each State for each fiscal year shall be available to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (2);

"(C) 8 percent of the allotment of each State for each fiscal year shall be available to carry out section 123; and

"(D) 5 percent of such allotment of each State for each fiscal year shall be available to carry out section 204(d).

"(2) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—As used in this section:

"(1) DEFINITIONS.—

"(A) ECONOMICALLY DISADVANTAGED ADULT.—The term 'economically disadvantaged adult' means an individual who is age 22 through 72 and who has, or is a member of a family that has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The term 'excess number' means—

"(i) with respect to the excess number of unemployed individuals within a State—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

"(ii) with respect to the excess number of unemployed individuals within a service delivery area—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

"(C) STATE.—The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged adults.".

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on July 1, 1993.

(d) PERMANENT TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If section 202 of the Job Training Partnership Act is amended in accordance with subsection (c) and the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for a fiscal year is not less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 202 of this Act shall take effect.

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on October 1 of the fiscal year described in paragraph (1).

(e) SUMMER YOUTH PROGRAM TRANSFERS.—

(1) IN GENERAL.—Section 205 and the amendment made by such section 205 shall take effect on the date of enactment of this Act.

(2) TRANSITION.—A service delivery area may transfer up to 10 percent of the amounts allocated for such area for the summer of 1992 under part B of title II of the Job Training Partnership Act for program year 1992 to provide services to youth pursuant to the program under part A of such title, to provide services to youth under such part A, if such transfer is approved by the Governor.

(f) INTERIM TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for fiscal year 1993 is less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 207 of this Act shall not take effect on July 1, 1993, and title II of the Job Training Partnership Act shall be amended by inserting after section 261 of such Act the following:

"SEC. 262. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Not more than $5,000,000 of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATES.—Subject to the provisions of paragraph (3), of the remainder of the amount available for this part for each fiscal year—

"(A) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

"(B) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States; and

"(C) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged youth within each State compared to the total number of economically disadvantaged youth in all States, except that, for the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii), the allotment shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(3) LIMITATIONS.—

"(A) STATE MINIMUM.—No State shall receive less than one-quarter of 1 percent of the amounts available for allotment to the States under this subsection from the remainder described in paragraph (2) for each fiscal year.

"(B) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) ALLOTMENT PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (B), the allotment percentage of a State for a fiscal year shall be the percentage of funds allotted to the State under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (B), the allocation percentage of a State for fiscal year 1992 shall be the percentage

of funds allotted to the State under section 201, as in effect on the day before the date of enactment of the Job Training Reform Amendments of 1992.

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—The Governor shall, in accordance with section 162, allocate 82 percent of the allotment of the State under subsection (a) for each fiscal year among service delivery areas within the State, and shall ensure that, subject to the provisions of paragraph (3), of the amount allocated under this subsection—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged youth within each service delivery area compared to the total number of economically disadvantaged youth in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area within any State shall be allocated an amount equal to less than 90 percent of the average of its allocation percentage for the 2 preceding fiscal years preceding the fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(a)(1) for a fiscal year and available to carry out this part are not sufficient to provide an amount equal to at least 90 percent of such allocation percentage to each such area, the amounts allocated to each area shall be ratably reduced.

"(B) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (A), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (A), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 18 percent of the allotment of the State under subsection (a) for each fiscal year—

"(A) 5 percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of such allotment of each State for each fiscal year shall be available to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (2); and

"(C) 8 percent of the allotment of each State for each fiscal year shall be available to carry out section 123.

"(2) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—As used in this section:

"(1) DEFINITIONS.—

"(A) ECONOMICALLY DISADVANTAGED YOUTH.—The term 'economically disadvantaged youth' means an individual who is age 16 through 21 and who has, or is a member of a family that has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The term 'excess number' means—

"(i) with respect to the excess number of unemployed individuals within a State—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

"(ii) with respect to the excess number of unemployed individuals within a service delivery area—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

"(C) STATE.—The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged youth.".

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on July 1, 1993.

(g) PERMANENT TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If title II of the Job Training Partnership Act is amended in accordance with subsection (f) and the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for a fiscal year is not less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 207 of this Act shall take effect.

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on October 1 of the fiscal year described in paragraph (1).

(h) EVALUATION.—The Secretary of Labor shall evaluate the impact of programs under title II of the Job Training Partnership Act on participant employment, earnings and welfare dependency in multiple sites, using the random assignment of individuals to groups receiving services under programs authorized under the Job Training Reform Amendments of 1992 to groups not receiving such services.

(i) RULES AND PROCEDURES.—

(1) IN GENERAL.—The Secretary of Labor may establish such rules and procedures as may be necessary to provide for an orderly implementation of the amendments made by this Act.

(2) REVIEW.—The Secretary of Labor, the Governors, and the service delivery areas shall conduct a comprehensive review of the current policies, practices, procedures, and delivery systems relating to programs authorized under the Job Training Partnership Act for the purpose of ensuring the effective implementation of the amendments made by this Act. Such review shall include consideration of the appropriateness of current service delivery area designations, the representativeness of current State and local councils, the adequacy of current administrative systems, the effectiveness of current outreach, service delivery, and coordination activities, and other relevant matters.

(j) IMPLEMENTING REGULATIONS.—The Secretary of Labor shall issue final regulations relating to the implementation of the amendments made by this Act not later than December 18, 1992.

SEC. 702. TECHNICAL AND CONFORMING AMENDMENTS.

(a) JOB TRAINING PARTNERSHIP ACT.—

(1) Section 4(14) of the Act (29 U.S.C. 1503(14)) is amended by striking "section 521(19)" and inserting "section 521(22)".

(2) Section 4(23) of the Act (29 U.S.C. 1503(23)) is amended by striking "section 1201(h) of the Higher Education Act of 1965" and inserting "section 1471(23) of the Elementary and Secondary Education Act of 1965".

(3) Subparagraph (C) of section 4(27) of the Act (29 U.S.C. 1503(27)) is amended by indenting, and aligning the margin of, such subparagraph so as to align with subparagraph (B) of such section.

(4) Section 121(b)(1) is amended by striking "and 203" and inserting "203, or 263".

(5) Section 122 of the Act (29 U.S.C. 1532) is amended—

(A) in subsection (a)(1), by striking "section 202(b)(4)" and inserting "sections 202(c)(1)(A) and 262(c)(1)(A)";

(B) in subsection (b)(2), by striking "section 202(a)" and inserting "section 202(b) or 262(b)"; and

(C) in subsection (b)(11)(B), by striking "section 113(b)(9)" and inserting "section 113(b)(14)".

(6) Section 125(a) of the Act (29 U.S.C. 1535(a)) is amended by striking "section 202(b)(4) and".

(7) Section 161(b)(2) of the Act (29 U.S.C. 1571(b)(2)) is amended by striking "sections 452 through 455" and inserting "section 452".

(8) Section 161(c) of the Act (29 U.S.C. 1571(c)) is repealed.

(9) Section 172 of the Act is redesignated the second place it appears as section 173.

(10) Section 181 of the Act (29 U.S.C. 1591) is repealed.

(11) Section 302(b)(2) of the Act (29 U.S.C. 1652(b)(2)) is amended by striking "part B and this part" and inserting "part A".

(12) Section 311(f) of the Act (29 U.S.C. 1661(f)) is amended by striking "section" and inserting "sections".

(13) Section 433(c)(1) of the Act (29 U.S.C. 1703(c)(1)) is amended by striking "sections 452 and 455" and inserting "sections 452 and 453".

(14) Section 433A of the Act (29 U.S.C. 1703a) is amended—

(A) in subsection (c)(2), by striking "may be over the maximum age permitted by section 423(1), but"; and

(B) in subsection (e), by striking "section 454" and inserting "section 452(d)".

(15) Section 436(a)(1) of the Act (29 U.S.C. 1706(a)(1)) is amended by striking "1954" and inserting "1986".

(16) Section 462(f)(2) of the Act (29 U.S.C. 1752(f)(2)) is amended by adding at the end a period.

(17) Section 472(a) of the Act (29 U.S.C. 1772(a)) is amended by striking the 4th sentence.

(18) Section 473(7) of the Act (29 U.S.C. 1773(7)) is amended—

(A) by striking "(A)";

(B) by striking ", after consultation with the National Council on Vocational Education,";

(C) by striking "; and" and inserting a period; and

(D) by striking subparagraph (B).

(19) Section 481(a) of the Act (29 U.S.C. 1781(a)) is amended by striking "section 203(a)(1)" and inserting "section 203, 263".

(20) Title VI of the Act is amended by redesignating section 505 (29 U.S.C. 1505) as section 605.

(b) FOOD STAMP ACT OF 1977.—Section 5(l) of the Food Stamp Act of 1977 (7 U.S.C. 2014(l)) is amended by striking "section 204(5)" and inserting "section 204(b)(1)(C) or section 264(c)(1)(A)".

(c) TABLE OF CONTENTS.—The table of contents relating to the Act is amended to read as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Statement of purpose.
"Sec. 3. Authorization of appropriations.
"Sec. 4. Definitions.

"TITLE I—JOB TRAINING PARTNERSHIP

"PART A—SERVICE DELIVERY SYSTEM

"Sec. 101. Establishment of service delivery areas.
"Sec. 102. Establishment of private industry council.
"Sec. 103. Functions of private industry council.
"Sec. 104. Job training plan.
"Sec. 105. Review and approval of plan.
"Sec. 106. Performance standards.
"Sec. 107. Selection of service providers.
"Sec. 108. Limitation on certain costs.
"Sec. 109. Recapture and reallotment of unobligated funds.

"PART B—ADDITIONAL STATE RESPONSIBILITIES

"Sec. 121. Governor's coordination and special services plan.
"Sec. 122. State job training coordinating council.
"Sec. 123. State education coordination and grants.
"Sec. 124. Identification of additional imposed requirements.
"Sec. 125. State labor market information programs.
"Sec. 126. Authority of State legislature.
"Sec. 127. Interstate agreements.

"PART C—PROGRAM REQUIREMENTS FOR SERVICE DELIVERY SYSTEM

"Sec. 141. General program requirements.
"Sec. 142. Benefits.
"Sec. 143. Labor standards.
"Sec. 144. Grievance procedure.
"Sec. 145. Prohibition against Federal control of education.

"PART D—FEDERAL AND FISCAL ADMINISTRATIVE PROVISIONS

"Sec. 161. Program year.
"Sec. 162. Prompt allocation of funds.
"Sec. 163. Monitoring.
"Sec. 164. Fiscal controls; sanctions.
"Sec. 165. Reports, recordkeeping, and investigations.
"Sec. 166. Administrative adjudication.
"Sec. 167. Nondiscrimination.
"Sec. 168. Judicial review.
"Sec. 169. Administrative provisions.
"Sec. 170. Utilization of services and facilities.
"Sec. 171. Obligational authority.
"Sec. 172. Presidential awards for outstanding private sector involvement in job training programs.
"Sec. 173. Construction.

"PART E—MISCELLANEOUS PROVISIONS

"Sec. 182. Criminal provisions.
"Sec. 183. Reference.
"Sec. 184. Repealers.

"TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

"PART A—ADULT TRAINING PROGRAM

"Sec. 201. Statement of purpose.
"Sec. 202. Allotment and allocation.
"Sec. 203. Eligibility for services.
"Sec. 204. Program design.
"Sec. 205. Linkages.
"Sec. 206. Transfer of funds.

"PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS

"Sec. 251. Purpose.
"Sec. 252. Authorization of appropriations; allotment and allocation.
"Sec. 253. Use of funds.
"Sec. 254. Limitations.
"Sec. 255. Applicable provisions.
"Sec. 256. Transfer of funds.

"PART C—YOUTH TRAINING PROGRAM

"Sec. 261. Statement of purpose.
"Sec. 262. Allotment and allocation.
"Sec. 263. Eligibility for services.
"Sec. 264. Program design.
"Sec. 265. Linkages.
"Sec. 266. Transfer of funds.

"TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

"Sec. 301. Definitions.
"Sec. 302. Allotment.
"Sec. 303. Recapture and reallotment of unexpended funds.

"PART A—STATE DELIVERY OF SERVICES

"Sec. 311. State plan.
"Sec. 312. Substate grantees.
"Sec. 313. Substate plan.
"Sec. 314. Use of funds; services to be provided.
"Sec. 315. Limitations on uses of funds.
"Sec. 316. Retraining services availability.
"Sec. 317. Functions of State job training coordinating council.

"PART B—FEDERAL RESPONSIBILITIES

"Sec. 321. Federal administration.
"Sec. 322. Federal delivery of dislocated worker services.
"Sec. 323. Allowable activities.
"Sec. 324. Demonstration programs.
"Sec. 325. Defense conversion adjustment program.
"Sec. 326. Clean Air Employment Transition Assistance.

"TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

"PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

"Sec. 401. Native American programs.
"Sec. 402. Migrant and seasonal farmworker programs.
"Sec. 403. Grant procedures.

"PART B—JOB CORPS

"Sec. 421. Statement of purpose.
"Sec. 422. Establishment of the job corps.
"Sec. 423. Individuals eligible for the job corps.
"Sec. 424. Screening and selection of applicants: general provisions.
"Sec. 425. Screening and selection: special limitations.
"Sec. 426. Enrollment and assignment.
"Sec. 427. Job corps centers.
"Sec. 428. Program activities.
"Sec. 429. Allowances and support.
"Sec. 430. Standards of conduct.
"Sec. 431. Community participation.
"Sec. 432. Counseling and job placement.
"Sec. 433. Experimental and developmental projects and coordination with other programs.
"Sec. 433A. Job corps centers for homeless families.
"Sec. 434. Advisory boards and committees.
"Sec. 435. Participation of the States.
"Sec. 436. Application of provisions of Federal law.
"Sec. 437. Special provisions.
"Sec. 438. General provisions.
"Sec. 439. Donations.

"PART C—VETERANS' EMPLOYMENT PROGRAMS

"Sec. 441. Programs authorized.

"PART D—NATIONAL ACTIVITIES

"Sec. 451. National partnership and special training programs.
"Sec. 452. Research, demonstration, and evaluation.
"Sec. 453. Capacity building, information, dissemination, and replication activities.
"Sec. 454. Guidance and technical assistance.
"Sec. 455. Uniform requirements.
"Sec. 456. Nontraditional employment demonstration program.

"PART E—LABOR MARKET INFORMATION

"Sec. 461. Labor market information; availability of funds.
"Sec. 462. Cooperative labor market information program.
"Sec. 463. Special Federal responsibilities.
"Sec. 464. National occupational information coordinating committee.
"Sec. 465. Job bank program.

"PART F—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

"Sec. 471. Statement of purpose.
"Sec. 472. Commission established.
"Sec. 473. Functions of the commission.
"Sec. 474. Administrative provisions.
"Sec. 475. Reports.

"PART G—TRAINING TO FULFILL AFFIRMATIVE ACTION OBLIGATIONS

"Sec. 481. Affirmative action.

"PART H—YOUTH FAIR CHANCE PROGRAM

"Sec. 491. Statement of purpose.
"Sec. 492. Program authorized.
"Sec. 493. Application.
"Sec. 494. Grant agreement.
"Sec. 495. Job guarantees.
"Sec. 496. Payments; Federal share.
"Sec. 497. Reporting.
"Sec. 498. Federal responsibilities.
"Sec. 498A. Definitions.

"PART I—MICROENTERPRISE GRANTS PROGRAM

"Sec. 499. Microenterprise grants.

"PART J—DISASTER RELIEF EMPLOYMENT ASSISTANCE

"Sec. 499A. General authority.
"Sec. 499B. Use of funds.
"Sec. 499C. Definitions.

"TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

"Sec. 501. Statement of purpose.
"Sec. 502. Payments.
"Sec. 503. Amount of incentive bonus.

"Sec. 504. Use of incentive bonus funds.
"Sec. 505. Notice and application.
"Sec. 506. Eligibility for incentive bonuses.
"Sec. 507. Information and data collection.
"Sec. 508. Evaluation and report.
"Sec. 509. Implementing regulations.
"TITLE VI—MISCELLANEOUS PROVISIONS
"Sec. 601. Amendments to the Wagner-Peyser Act.
"Sec. 602. Amendments to part C of title IV of the Social Security Act.
"Sec. 603. Earnings disregard.
"Sec. 604. Enforcement of Military Selective Service Act.
"Sec. 605. State job bank systems.
"TITLE VII—STATE HUMAN RESOURCE INVESTMENT COUNCIL
"Sec. 701. Establishment and functions.
"Sec. 702. Composition.
"Sec. 703. Administration.".

And the Senate agrees to the same.

That the Senate recedes from its amendment to the title of the bill.

WILLIAM D. FORD,
PAT WILLIAMS,
CARL C. PERKINS,
ROBERT E. ANDREWS,
JOHN W. OLVER,
BILL GOODLING,
STEVE GUNDERSON,
PAUL B. HENRY,
Managers on the Part of the House.

EDWARD M. KENNEDY,
HOWARD METZENBAUM,
PAUL SIMON,
ORRIN HATCH,
STROM THURMOND,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3033) to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

1. Bill Titles. The House Bill is titled, "Job Training Reform Amendments," while the Senate Amendment is titled, "Job Training and Basic Skills Act of 1992".

The Senate recedes with an amendment to add "of 1992" after the word "Amendments".

TABLE OF CONTENTS

2. Table of Contents. There are technical differences between the House Bill and Senate Amendment lists.

The House recedes with an amendment to conform the Table of Contents to the contents of the Conference bill.

3. References. The Senate Amendment, but not the House Bill, includes a standard reference provision to the Job Training Partnership Act.

The Senate recedes.

TITLE I—JOB TRAINING PARTNERSHIP REQUIREMENTS

4. Statement of Purpose. The Senate Amendment, but not the House Bill, adds a clause in the statement of purpose on improving the quality of the workforce and enhancing productivity.

The House recedes.

5. Authorization of Appropriations. A. The House Bill, but not the Senate Amendment, authorizes appropriations to carry out parts A and C of title II (the adult and youth year round programs) with an amount "equal to" 60 percent of such sum for part A and an amount equal to 40 percent for part C.

B. The Senate Amendment, but not the House Bill, also authorizes appropriations to carry out parts A and C of title II, but requires that "not less than" 40 percent shall be made available to part C (the year round youth program).

The House recedes with an amendment on parts A and B. The Conferees agree to authorize appropriations to carry out parts A and C of title II and require that not less than 40 percent be made available for part A and not less than 40 percent be made available for part C. The remainder may be allocated between either part A or part C.

6. Statistical Data Authorization. The House Bill, but not the Senate Amendment, authorizes $6 million for any fiscal year to carry out section 462 (e) and (f) of current law, which directs the Secretary to develop statistical data on permanent lay-offs and plant closings and to develop, with the Secrtary of Agriculture, statistical data on the permanent dislocation of farmers and ranchers.

The Senate recedes.

7. Replication of Programs. The Senate Amendment, but not the House Bill, authorizes $10 million for FY93 and such sums thereafter for the Replication of Successful Programs.

The Senate recedes. See comment 8 for authorization language under title IV for "Capacity Building, Information, Dissemination, and Replication Activities."

8. Title IV Program Authorizations. The House Bill, but not the Senate Amendment, authorizes:

$5 million for each fiscal year 1993 through 1997 for title IV–I, the Microenterprise Grants:

$15 million for fiscal year 1993 and such sums thereafter for title IV–J, for Disaster Relief Employment;

$15 million for fiscal year 1993 and such sums thereafter for section 457, for Training Networks.

The Senate recedes on the authorizations for Microenterprise Grants and Disaster Relief Employment. The Senate recedes with an amendment on Training Networks to authorize $15 million in title IV funds, after the set-asides for veterans and Indian and migrant programs have been fulfilled. The Training Network, as amended, is retained in Section 453 of the Conference bill (which also merges language from Section 453 of the Senate Amendment and language on Replication of Successful Programs, also from the Senate Amendment; see comment 230 for a description of the new Section 453).

9. Title V. The Senate Amendment, but not the House Bill, deletes the authorization trigger provision for title V Jobs for Employable Dependent Individuals (JEDI) and deletes the funding cap of $5 million.

The House recedes.

10. Conforming Amendments. The House Bill, but not the Senate Amendment, makes a technical change to Jobs for Employable Dependent Individuals in title V to tie the authorization trigger to parts A and C of title II.

The House recedes.

11. The Senate Amendment but not the House Bill, makes a conforming amendment to subsection 302(e) of current law, reservation of funds for the territories.

The House recedes.

12. The Senate Amendment, but not the House Bill, makes a conforming amendment to the Clean Air Act employment amendments in section 326 of current law.

The House recedes.

13. Definitions. The House Bill, but not the Senate Amendment, makes a technical amendment to the areas of substantial unemployment (ASU) definition to make it applicable to part C of title II.

The Senate recedes.

14A. The House Bill, but not the Senate Amendment, adds the Center for Employment Training to the definition of community-based organizations.

The Senate recedes.

B. The Senate Amendment, but not the House Bill, adds literacy organizations, agencies or organizations serving older individuals and organizations that provide service opportunities and youth corps programs to the definition of community-based organizations.

The House recedes.

15. Definitions. The House Bill, but not the Senate Amendment, strikes the National Urban Indian Council from the definition of community-based organizations.

The Senate recedes.

16. Poverty Determinations. The House Bill, but not the Senate Amendment, amends the definition for determining poverty levels by placing the determination within the "income guidelines promulgated by the Secretary of Health and Human Services." The Senate Amendment, but not the House Bill, also amends the definition, but places the determination within the Office of Management, and Budget as "revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981."

The House recedes.

17. Definitions. The House Bill, but not the Senate Amendment, adds individuals who are eligible, but not necessarily receiving, food stamps to the definition of economically disadvantaged.

The Senate recedes with an amendment. The Conferees agree that the determination of food stamp eligibility must have been made within the preceding 6 months.

18A. Supportive Services Definition. The House Bill, but not the Senate Amendment, adds financial assistance and dependent care to the definition of supportive services.

The Senate recedes.

The Conferees intend that through the inclusion of financial assistance in the list of supportive services provided under the Adult and Youth programs, the provision of such financial assistance will be encouraged under both the adult and youth programs. However, such financial assistance is to be based on the individual needs of the participant as determined in the participant's individual assessment and service strategy. Further, such assistance shall not be construed to be an entitlement under this Act, and shall be provided based on what is appropriate both for the success of the individual and for the success of the program. (See also comments 141A and 147.)

B. The Senate Amendment, but not the House Bill, adds job coaches to the definition of supportive services for individuals with disabilities.

The House recedes.

19. Definitions. The Senate Amendment, but not the House Bill, includes "English" reading skills in the definition of basic skills deficient.

The House Bill refers to the equivalent score on a criterion referenced test, while the Senate Amendment refers to the comparable score.

The House recedes on both parts.

20. Definitions. The Senate Amendment, but not the House Bill, adds new definitions for the terms: citizenship skills, educational agency, family, and hard-to-serve individuals.

The House recedes on the definition of citizenship skills, family, and hard-to-serve individual. The Senate recedes on the definition of educational agency.

21. Definitions. The Senate Amendment, but not the House Bill, excepts followup services authorized under section 253(d) of the Senate Amendment from the definition of "participants."

The House recedes.

22. Definitions. The Senate Amendment, but not the House Bill, adds a new definition for the term "youth corps program".

The House recedes.

23. Conforming Amendments. The Senate Amendment, but not the House Bill, includes a series of technical changes to substitute the term "individuals with a disability" for the term "handicapped".

The House recedes.

24. Establishment of a service delivery area. The House Bill, but not the Senate Amendment, includes two new exceptions to the 2-year limit on the frequency with which a Governor may redesignate a service delivery area. These two exceptions are: failure to meet performance standards and failure to take corrective action for a substantial violation of the Act or the regulations.

The Senate recedes.

25. Private Industry Councils. A. The House Bill, but not the Senate Amendment, clarifies current law by adding "each of the following" after "representatives of" various public agencies.

B. The House Bill and the Senate Amendment add "local welfare agencies." The Senate Amendment, but not the House Bill, adds "public assistance agencies".

The Senate recedes on part A. The House recedes on part B with an amendment to delete "local welfare agency" and retain "public assistance agency" on the PIC.

26. The Senate Amendment, but not the House Bill, requires that representatives of organized labor and community-based organizations compose not less than 15 percent of private industry council membership.

The House recedes.

27. Private Industry Councils. The Senate Amendment, but not the House Bill, specified how education and labor representatives to the private industry council are to be selected.

The House recedes with an amendment requiring that representatives of organized labor must be selected from individuals recommended by State or local labor federations.

28. The Senate Amendment, but not the House Bill, requires that remaining members of the private industry council not specifically mandated shall be from all sectors described in section 102(a)(3) of the Senate Amendment.

The Senate recedes with an amendment to use language from current law on choosing additional private industry council members from interested organizations. This language reads, "The remaining members of the council shall be selected from individuals recommended by interested organizations." (Section 102(c) of current law.)

29. The Senate Amendment, but not the House Bill, provides private industry councils 3 years to comply with the proceeding changes.

The Senate recedes.

30. Job Training Plan. The House Bill, but not the Senate Amendment, requires that the job training plan include provisions for coordinating agreements established for on-the-job training contracts.

The Senate recedes.

31. Job Training Plan. The House Bill requires the job training plan to include a description of agreements with "appropriate" educational agencies, while the Senate Amendment does not mention the word "appropriate" when referring to educational agencies in the corresponding paragraph.

The Senate recedes.

32. Job Training Plan. The Senate Amendment, but not the House Bill, requires a description in the job training plan of the linkages established with the National and Community Service Act, if appropriate.

The Senate recedes.

33. Job Training Plan. The Senate Amendment, but not the House Bill, requires a description in the job training plan of the manner in which the program will contribute to the economic self-sufficiency of participants and local productivity.

The Senate recedes.

34. The Senate Amendment includes in Section 104(b)(6)(A) language similar to language in Section 104(b)(7) of the House Bill on outreach efforts to targeted populations.

The Senate recedes with an amendment to combine House Bill and Senate Amendment language on outreach to hard-to-serve populations into Section 104(b)(6) of the Conference bill.

35. Job Training Plan. The House Bill, but not the Senate Amendment, requires the job training plan to contain a description of the process for providing information and referrals for applicants and participants.

The Senate recedes.

36. The House Bill, but not the Senate Amendment, requires the job training plan to include a means for involving labor organizations and community-based organizations in the provision of services.

The Senate recedes.

37. Job Training Plan. The Senate Bill, but not the House Bill, specifically requires service provider selection procedures to take into account past performance of providers in basic skills training.

The House recedes.

38. The Senate Amendment, but not the House Bill, requires in the job training plan a description of procedures for selecting service providers that take into account the "ability of the providers to provide services that can lead to achievement of competency standards for participants with identified deficiencies".

The House recedes.

39. Job Training Plan. The Senate Amendment, but not the House Bill, includes requirements also in the nontraditional Employment for Women Act, Public Law 102-235.

The House recedes.

40. Job Training Plan. The Senate Amendment, but not the House Bill, requires that the job training plan include language on goals for training targeted populations, including women in nontraditional employment and apprenticeships (also in the Nontraditional Employment of Women Act, Public Law 102-235), along with a description of the efforts to be undertaken to accomplish such goals.

The House recedes with amendment to merge similar provisions.

41. Review and Approval of Plan. The Senate Amendment, but not the House Bill, adds community-based organizations to the list of organizations and agencies to which the job training plan shall be made available for review and comment.

The House recedes.

42. The House Bill, but not the Senate Amendment, adds failure to comply with the linkages language in sections 205 and 275, as additional coordination criteria for the Governor to consider in approval or disapproval of a job training plan.

The Senate recedes. (Note: The linkage language in the youth part is in section 265.)

43. Performance Standards. The Senate Amendment, but not the House Bill, in its findings on performance standards, adds long-term economic self-sufficiency to the list of criteria for determining whether the job training investment has been productive.

The House recedes.

44. Performance Standards. The Senate Amendment directs the Secretary to base adult program performance standards on the succeeding factors listed in section 106(b)(3) of the Senate Amendment, which are similar in both bills; however, the House Bill simply lists the factors.

The House recedes.

45. The Senate Amendment, but not the House Bill, defines retention as 6 months in unsubsidized employment and creates separate subparagraphs for this factor.

The House recedes with an amendment to phase-in the 6-month requirement by July 1, 1995.

46. Performance Standards—Skills Acquisition. The Senate Amendment, but not the House Bill, cross references the acquisition of skills to the competency levels described in the succeeding paragraph (5).

The House recedes.

47. Performance Standards. The Senate Amendment, but not the House Bill, directs the Secretary to base performance standards on the succeeding youth factors, while the House Bill simply lists the standards.

The House recedes.

48. Youth Standards. The House Bill, but not the Sente Amendment, lists enrollment in education or employment programs as a standard that shall be included in the list of standards for youth programs under part C of title II. The Senate Amendment, but not the House Bill, lists postsecondary education.

The House recedes.

49. The Senate Amendment, but not the House Bill, allows the Secretary to prescribe variations in the preceding standards to reflect differences between in-school and out-of-school programs.

The House recedes.

50. Competency Standards. The House Bill, but not the Senate Amendment, provides that where appropriate, the private industry councils shall consult with labor organizations for "determining" competency "standards".

The Senate Amendment, but not the House Bill, refers to "establishing" competency "levels."

The House recedes with an amendment to add after educational agencies "and, where

appropriate, the private sector, labor organizations, and community-based organizations".

51. Performance Standards. The Senate Amendment, but not the House Bill, specifically refers to the performance standards described in the preceding paragraphs 3 and 4, while the House Bill simply refers to "standards." The Senate Amendment, but not the House Bill, also specifically refers to paragraphs 3 and 4 for the base period of measurement.

The House recedes with an amendment to delete the redundant references to paragraphs 3 and 4.

52. The House Bill, but not the Senate Amendment, lists post program employment as an additional element that shall be included in the competency standards. The Senate Amendment, but not the House Bill, requires provisions for indicators of post program cash welfare payment reductions.

The Senate recedes on including post program employment in the competency standards. The House recedes on indicators of welfare payment reductions.

53. Performance Standards. The House Bill, but not the Senate Amendment, requires the use of cost-effective methods for obtaining performance standards data for section 454, as well as for section (106). (See Section 452 in the Conference bill.)

The Senate recedes.

54. Performance Standards. The Senate Amendment, but not the House Bill, specifically refers to parts A and C of title II (the Adult and Youth Programs) for relating gross program expenditures and specifically directs the Governors not to use this measure when awarding grants, while the House Bill does not make a specific program reference, other than to the term "incentive" grants.

The House recedes with an amendment to exclude any cost per participant measures from the performance standards.

55. Performance Standards. The House Bill, but not the Senate Amendment, links exceeding performance standards for all participants with exceeding them for hard to serve populations, such as the target population. The Senate Amendment, but not the House Bill, lists the standards separately and specifically defines hard to serve in Section 4 of the Senate Amendment.

The House recedes.

56. The Senate Amendment, but not the House Bill, provides incentive grants for serving more than the minimum percentage of out of school youth.

The House recedes.

57. The House Bill, but not the Senate Amendment, provides incentive grants for placing participants in employment which "includes employer-assisted employment benefits, including health benefits. . . ."

The Senate recedes.

58. Performance Standards. The House Bill, but not the Senate Amendment, limits the incentive grants awarded on additional state standards (under subsection (e) of the House Bill) to hard to serve populations.

The House recedes.

59. The Senate Amendment, but not the House Bill, directs the Secretary to make appropriate allowance for the cost differences resulting from serving workers receiving needs-related payments under section 314(e), which is similar to current law.

The House recedes.

60. The House Bill, but not the Senate Amendment, requires the Governor to report in the Governor's coordination and special services plan any state variations of performance standards.

The Senate recedes.

61. Performance Standards. The House Bill directs the Secretary to prescribe "variations" in performance standards, while the Senate Amendment directs the Secretary to prescribe "adjustments."

The Senate Amendment, but not the House Bill, includes displaced homemakers in the list of special populations.

The Senate recedes on both parts. In choosing the term "variations" rather than "adjustments", the Conferees are retaining current law.

62. Performance Standards. The House Bill refers to the Secretary accepting the Governor's plan, while the Senate Amendment refers to the Secretary's approval of the Governor's plan. The Senate Amendment is more specific in instructing the Secretary to base determinations under subparagraph (B) of the Senate Amendment only on failure to implement such plan, and not on the plan itself.

The House recedes.

63. Performance Standards. The substance of the House Bill and Senate Amendment language on Secretarial Action (Section 106(i)(6) of the House Bill) is substantively the same, except that the House Bill only refers to the "revision" of a reorganization plan, while the Senate Amendment refers to a rescission or revision of such plan. Also, the paragraph notations differ.

The House recedes.

64. Selection of Service Providers. The House Bill, but not the Senate Amendment, allows the Secretary of establish guidelines on the demonstrated performance of service providers.

The Senate recedes.

65. Selection of Service Providers. The House Bill refers to service provider compliance with procurement standards established by the Secretary, while the Senate Amendment refers to those established by the Governor.

The House recedes.

66. The House Bill refers to the cost limitations in this "section," while the Senate Amendment refers to this "subsection."

The House recedes.

67. Service delivery area transfer agreements. The Senate Amendment, but not the House bill, creates a new section 109 on service delivery area transfer agreements. The Senate Amendment, but not the House bill, requires that each service delivery area entering into transfer agreements be credited under the appropriate performance standards. The House Bill, but not the Senate Amendment, adds a similar provision in section 141(e)(2).

The Senate recedes.

68. Reallocation and reallotment. In addition to technical drafting differences, the House Bill, but not the Senate Amendment, excepts the funds set aside for older workers from this recapture section.

The House recedes with amendment to exempt the older worker state set-aside from the general title II reallocation provision.

69. The House Bill, but not the Senate Amendment, directs the Secretary to establish the unemployment and poverty rates at which service delivery areas are determined to be eligible.

The House recedes.

70. Governor's coordination and special services plan. The Senate Amendment, but not the House Bill, amends paragraph (1) of section 121(b) of current law by requiring the Governor's plan to include coordinating criteria for older worker programs and programs under the National and Community Service Act.

The Senate recedes.

71. Governor's Plan. The House Bill requires a description in the Governor's plan of the education coordination activities in section 123. The Senate Amendment lists a description of section 123 initiatives as an optional item for inclusion in the plan as a new paragraph (12) in subsection (c) of the Senate Amendment.

The House recedes with an amendment that eliminates the language in section 121 requiring that a description of the education coordination activities required under section 123 be included in the Governor's plan. This is due to the fact that such a requirement is explicitly provided under section 123. (See also comment 81.)

72. The Senate Amendment, but not the House Bill, requires the Governor's plan to include a description of how the State will encourage services to older workers.

The Senate recedes.

73. Governor's Plan. The Senate Amendment lists the activities in section 123 and coordination activities with the National Community Service Act as optional items for inclusion in the Governor's plan. The House Bill only requires a description of section 123 activities in the preceding subsection (b).

The House recedes.

74. State Job Training Coordination Council. The House Bill includes older workers organizations in the SJTCC, while the Senate Amendment includes the National Community Service Act State Advisory Board.

The House recedes on older workers organizations. The Senate recedes on the National Community Services Act State Advisory Board.

75. Education Coordination and Grants. The Senate Amendment but not the House Bill, specifies in paragraphs (1) and (2) of section 123(a) funds are to be used to pay the "Federal share" of carrying out the projects under this part.

The House recedes.

The Conference agreement provides for an 8 percent State set-aside for the education coordination and grants program. In the allocation of funds to "any State education agency" under Section 123 of the Act, Conferees intend that in most States, the State educational agency (as defined in Section 1471(23) of the Elementary Secondary Education Act of 1965) shall be the recipient of funds. However, in States where the State educational agency is not the agency primarily responsible for the State supervision of education programs under the Carl D. Perkins Vocational and Applied Technology Education Act and the Adult Education Act, the Governor may also allocate funds, as appropriate to the services to be provided, to the State agency primarily responsible for the supervision of such programs. In such cases, it is intended that those State education agencies be allowed to participate in the joint planning activities described in Section 123(c), as well as in the joint governing of the geographic distribution of funds for programs under their jurisdiction.

In clarifying the ability to allocate funds under Section 123 to more than one state education agency, the Conferees in no way intend to permit Governors to allocate funds to multiple State education agencies, except as cited above.

76. The House Bill, but not the Senate Amendment, prohibits the Governor from establishing any requirements on the distribution of funds in this subsection.

The Senate recedes with an amendment to prohibit the Governor from establishing any

requirements governing the geographic distribution of funds, removing language that would have prohibited the Governor from establishing any requirements governing the distribution of funds.

77. School to Work Projects. The House Bill, but not the Senate Amendment, specifically mentions support of multiyear dropout prevention programs of demonstrated effectiveness as a way to increase the rate at which dropouts return to schooling.

The Senate recedes.

78. Education Coordination and Grants. The Senate Amendment, but not the House Bill, includes language on non-traditional employment for women that has recently become part of Public Law 102-235.

The House recedes.

79. The House Bill, but not the Senate Amendment, allows the State education agency to use funds under this subsection for State human resource investment councils that meet the requirements of sections 701 through 705 of the House Bill.

The Senate recedes.

80. The Senate Amendment, but not the House Bill, specifies that the Federal match shall be 50 percent. The House Bill, but not the Senate Amendment, requires a similar match in the succeeding subsection (b)(2) of the House Bill by stating that the State shall contribute "a total amount equal to the amount provided under this section." (The Senate Amendment also addresses the matching amount in the succeeding subsection (b)(2).)

The House recedes.

81. Education Coordination and Grants—Governor's Plan. The House Bill directs the State Educational Agency (SEA) to develop the description of the activities planned for section 123 to be included in the Governor's plans, while the Senate Amendment directs the Governor to develop a description of section 123 activities "in consultation" with the SEA.

The House recedes with an amendment requiring that the State education agency submit the program goals and a description of the services to implement them for inclusion in the Governor's coordination and special services plan. The amendment further requires that program goals be jointly developed by the State education agency and the Governor. However, under the amendment, the Governor may not impose any requirements on the geographic distribution of the 8 percent funds.

The Conferees and the Administration agree that residential programs, such as the High/Scope model, that are designed to increase the enrollment of disadvantaged youth in postsecondary education are an authorized use of title II funds and are an appropriate project for funding under section 123, which provides funds for "State Education Coordination and Grants".

82. Education Coordination—Governor's Plan. The Senate Amendment, but not the House Bill, includes the National and Community Service Act in the list of program linkages that are to be described in the Governor's plan for section 123 on school to work programs.

The House recedes.

83. Education Coordination—Governor's Plan. The Senate Amendment, but not the House Bill, includes the National Community Service Act in the list of program linkages to be described in the Governor's plan for section 123 on literacy and lifelong learning.

The House recedes.

84. Nontraditional Employment. The Senate Amendment, but not the House Bill, includes a paragraph on nontraditional employment for women recently passed into law (Public Law 102-235).

The House recedes.

85. General Program Requirements—Section 141. The House Bill, but not the Senate Amendment, amends section 141(c) of current law to prohibit the use of funds for the relocation of any business establishment.

The Senate recedes with an amendment to strengthen the prohibition that exists in current law on the use of JTPA funds to induce, encourage, or assist relocations that result in the loss of employment at the original site. The Conference agreement requires the Secretary to investigate allegations that JTPA funds have been improperly used and to determine whether a violation has occurred. The agreement provides that where the Secretary has determined that a violation by a State, substate grantee, or SDA has occurred, such State, substate grantee or SDA must repay misspent funds to the U.S. Treasury. Further, it requires the Secretary to require those in violation to pay an additional amount equal to the amount of the misspent funds unless they demonstrate that they neither knew nor could have known that such funds were provided in violation. This additional sum shall be applied to the title III program.

86. Charging of Costs—Tuition. The House Bill, but not the Senate Amendment, includes a specific reference to the definitions of higher education and proprietary institutions. The Senate Amendment, but not the House Bill, includes a specific reference to postsecondary institutions.

The Senate recedes.

87. The House Bill provides an exception to the administration cost limitation only for community-based organizations, while the Senate Amendment provides a similar exception to any service provider, other than a State or local agency.

The Senate recedes with an amendment to add non-profits.

88. Charging of Costs. The Senate Amendment, but not the House Bill, requires that all service providers meeting the exception described in this subparagraph must nevertheless charge all expenditures to the appropriate cost category.

The House recedes with an amendment to limit the amount that may be charged to the administration category to a maximum of 25 percent of funds if the SDA is contracting with community-based organizations or nonprofits under this exemption. The amendment requires the appropriate limit for the direct training category to be reduced by one-half of the percentage by which an SDA exceeds the administrative limit. The same one-half percentage reduction is applied to the supportive services/indirect training category as well.

89. Placements. The House Bill, but not the Senate Amendment, adds a new paragraph that placements shall, to the extent practicable, be in job areas related to training provided to the participant.

The Senate recedes.

90. Service Delivery Area Agreements. The House Bill adds a similar provision to one created in section 109 of the Senate Amendment, which allows service delivery areas to enter into transfer agreements approved by each private industry council and described in the job training plan.

The Senate recedes.

91. On-the-Job Training. The House Bill and Senate Amendment add new 6-month limitations to on-the-job training contracts. However, only the Senate Amendment allows an exception to exceed the 6 months, as long as the training is less than 500 hours. While both Bills refer to the Dictionary of Occupational Titles, there are technical drafting differences between the two.

The House recedes with an amendment to allow one alternative to the 6-month limit on payments for on-the-job training (OJT) that permits payments for up to 500 hours of on-the-job training.

92. On-the-Job Training. The House Bill, but not the Senate Amendment, adds language that prohibits on-the-job training contracts with employers who have a pattern of failing to provide previous on-the-job training participants long-term employment with employment benefits and wages and working conditions at the same level as other employees doing similar work.

The Senate recedes with an amendment to require that OJT may only be provided under the year-round out-of-school youth program if the OJT placement pays a wage that exceeds the average wage at placement under the adult progam in the local area, has career potential, and offers a formal program of structured training. In addition, if an OJT participant is a dropout, the participant must also, concurrently or sequentially, enroll in an education program leading to a diploma or its equivalent.

93. Program Income. The House Bill, but not the Senate Amendment, specifies that receipts from conferences shall be included as income subject to the requirements of the preceding paragraph (1) (section 141(m) of the House Bill).

The Senate recedes.

94. Program Income. A. The House Bill, but not the Senate Amendment, includes interest income (except as provided by the Cash Management Improvement Act) in its list of restricted types of program income.

The Senate recedes with an amendment to delete the reference to the Cash Management Improvement Act.

B. The House Bill requires "each entity" to maintain records on program income, while the Senate Amendment only requires "each public or private non-profit entity" to maintain such records, thereby excluding for-profit entities.

The Senate recedes.

95. Use of Funds Restrictions. The House Bill, but not the Senate Amendment, includes language prohibiting the use of funds for assisting relocations. Funds are also prohibited for employment generating activities, economic development activities, loans, capitalization of business, contract bidding resource centers, and other similar activities that do not result in the direct creation of jobs for Job Training Partnership Act participants. The House Bill also adds that no funds shall be used for foreign travel. The Senate Amendment has no comparable provisions.

The Senate recedes with an amendment. For amendment language on relocations, see comment 85. The Conference agreement places a total prohibition on the use of JTPA funds for economic development and employment generating activities. However, local service delivery areas can still perform job development activities under title II to place JTPA participants.

96. Labor Standards. The House Bill, but not the Senate Amendment, strengthens the prohibition on programs that would impair existing contracts for services or collective bargaining agreements without the written concurrence of the employer and the labor organization, unless either party fails to respond to written notification requesting concurrence, within 30 days of receipt.

The Senate recedes with an amendment to make technical changes to the House Bill.

97. The House Bill, but not the Senate Amendment, corrects the references to the Fair Labor Standard Act as they apply to Puerto Rico, American Samoa and other territories, to apply the existing exception to the mandatory minimum wage requirement for all workers in the territories to the participants in the territories who are served in this program.

The Senate recedes.

98. Grievance Procedures. The House Bill, but not the Senate Amendment, adds language to prohibit the Secretary from delegating his or her authority to investigate an allegation or complaint of a recipient's failure to comply with the requirements of this Act.

The House recedes with an amendment to add at the end of Section 144 new provisions to clarify the grievances that may be submitted to the Secretary. The Conferees intend Section 144(e)(1) on binding grievance procedure to apply in circumstances where (1) a union and an employer have negotiated a procedure providing for binding resolution of grievances, (2) the union and the employer have agreed that grievances alleging violations of Section 143 are resolvable under that procedure, and (3) the person alleging a violation of Section 143 has access to the procedure. Where these conditions are met, the contractual grievance procedure may be used as an alternative to the procedures described in Section 144(d).

99. Arbitration. The Senate Amendment, but not the House Bill, adds a new subsection strengthening the grievance procedures for current workers displaced by Job Training Partnership Act participants. In this instance, if a decision is not reached on a grievance procedure within 60 days of its filing, then any party to the grievance may submit it to arbitration. Also, if a grievant receives an adverse decision, the party to the grievance may submit it to arbitration. Requirements of the arbitration proceeding are specified, including the requirement that the parties to the arbitration evenly divide the cost of the proceedings.

The House recedes with an amendment described in comment 98 above.

100. Advance Payments. A. The House Bill, but not the Senate Amendment, refers to substate areas in the list of entities that may provide advance payments to non-profit organizations. The Senate Amendment, but not the House Bill, includes the Secretary in its list of entities.

The Senate recedes on including substate areas in the list of entities that may make advance payments to non-profits. The House recedes on including the Secretary in the list.

B. The House Bill permits advance payments "provided" advance payments are based on financial need, while the Senate Amendment permits advance payments "except" that payments shall be based on financial need.

The Senate recedes.

101. Fiscal Control/Cost Principles. The House Bill, but not the Senate Amendment, requires the Secretary to prescribe regulations establishing uniform cost principles substantially equivalent to those generally applicable to other Federal grantees. The House Bill includes specific language on what these minimum standards should include.

The Senate recedes.

102. Procurement Standards. The House Bill, but not the Senate Amendment, requires the Secretary to "prescribe regulations establishing uniform procurement standards". In prescribing such regulations, the House Bill, but not the Senate Amendment, requires the Secretary to consult with the Inspector General and take into consideration the relevant circulars prescribed by the Office of Management and Budget.

The Senate Amendment, but not the House Bill, requires the governor to "prescribe and implement uniform procurement standards".

The House recedes with an amendment stating that the Governor shall prescribe and implement procurement standards in accordance with minimum procurement requirements established by the Secretary in regulations. In establishing these minimum requirements, the Secretary shall consult with the Inspector General of the Department of Labor and take into consideration relevant aspects of the circulars issued by the Director of the Office of Management and Budget.

103. The House Bill refers to a list of what such procurement standards shall include "at a minimum", while the Senate Amendment simply refers to a list of what such standards shall include.

The House recedes with an amendment (see comment 102)

104. Cost Reimbursable Procurement. The House Bill, but not the Senate Amendment, requires that procurement transactions between State or local governments and administrative entities for service delivery areas be conducted on a cost-reimbursable basis.

The Senate recedes.

105. Certification. The House Bill, but not the Senate Amendment, directs the Governor to "biennially" certify the implementation and monitoring of procurement standards. The Senate Amendment, but not the House Bill, refers to the Governor submitting procurement standards and annually certifying the monitoring and compliance of its procurement standards.

The Senate recedes.

106. Report to Congress. The House Bill, but not the Senate Amendment, refers to the Secretary submitting a report to Congress, while the Senate Amendment, but not the House Bill, refers to the Secretary, "in consultation with the Inspector General," submitting a report to the "appropriate committees" of the Congress.

The House recedes with an amendment to change the due date of the report from October 1, 1994 to October 1, 1995.

107. Biennial Review. The Senate Amendment, but not the House Bill, requires the Secretary to biennially review the procurement standards established by the Governor and to notify the Congress whether procurement requirements have been satisfied.

The Senate recedes.

108. Public Access to Records. The House Bill, but not the Senate Amendment, requires that recipient records be made available to the public upon request, unless the information pertains to trade secrets, is confidential, or is so personal that its release would be an invasion of privacy.

The Senate recedes.

109. The House Bill, but not the Senate Amendment, allows recipients to charge fees for processing such records requests.

The Senate recedes.

110. Advance Notice. The House Bill requires the Secretary, Inspector General, or Comptroller General to furnish advance notice "not less than 15 working days" prior to the adult, while the Senate Amendment requires the same notice to be furnished "not fewer than 14 days" in advance of the audit.

The House recedes.

111. Monitoring Agreements. When referring to each recipient of funds under this Act, the House Bill requires each recipient to monitor service provider performance in complying with "agreements" made pursuant to this Act, while the Senate Amendment refers to any "grants, contracts or other agreements" made under this Act.

The House recedes.

112. Report Information. While the House Bill and Senate Amendment refer to similar lists of specific requirements for the reports required in the previous subsection (c) of Section 165 of the House Bill, only the House Bill requires the reports to "include (but not be limited to) information in such form as to permit cross-tabulation" of such required information. The Senate Amendment refers to a list of what shall be included in the reports, but does not refer to cross-tabulation.

The House recedes.

113. Demographic Characteristics. The House Bill, but not the Senate Amendment, requires reports to include relevant demographics which include race "or" ethnicity, sex, "or" age. The Senate Amendment, but not the House Bill, requires that all race, ethnicity, sex, "and" age characteristics be included in such information.

The House recedes.

114. Quarterly Reports. The House Bill, but not the Senate Amendment, adds a new subsection requiring the Secretary to require quarterly financial reports, to show all program costs by cost category, to separately identify costs incurred (such as stand-in costs).

The Senate recedes with an amendment requiring substate grantees and service delivery areas to submit quarterly reports on program costs to the State and then requiring the State to submit a summary of the reports to the Secretary on a quarterly basis. The amendment further requires each State, substate grantee: and service delivery area to maintain records identifying program income or profits earned, including income or profits earned by subrecipients.

115. Section 167 Regulations. The House Bill, but not the Senate Amendment, requires the Secretary to issue final regulations implementing section 167 within 90 days of enactment of this legislation.

The Senate recedes.

TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

116. Title II, part A—Adults. The House Bill changes the title of part A in current law to the "Adult Program", while the Senate Amendment changes the title of part A to the "Adult Opportunity Program."

The Senate recedes with an amendment to read "Adult Training Program".

117. State and Service Delivery Area Allotments. The House Bill, but not the Senate Amendment, reserves 81% of the remainder of funds (after deduction for the territories) for allotment to the States for allocation to service delivery areas within each State, as determined by formula. The House Bill, but not the Senate Amendment, allots the remaining 19% for State set-asides described in subsection (c) of section 202 of the House Bill.

The Senate Amendment, but not the House Bill, allots the remainder of funds (after deducting for the territories) to the States by formula in paragraph (B) of Section 202(a)(2) of the Senate amendment for allocation to service delivery areas (after deducting for State set-asides) within each State by an additional formula described in subsections (b) and (c).

The Senate recedes with an amendment to change the 81% reservation of funds to a 77% reservation and to change the 19% remainder to 23%.

118. Formula. The House Bill, but not the Senate Amendment, retains the formula factors in current law, but allots the amounts based upon service delivery area factors of unemployment and poverty instead of the State factors of unemployment and poverty. The Senate Amendment, but not the House Bill, retains the formula factors in current law, which remains based upon the State factors of unemployment and poverty.

As a result of this formula change, the House Bill, but not the Senate Amendment, compares each service delivery area's formula factors to all service delivery areas in the country, whereas, the Senate Amendment only compares each service delivery area's formula factors to all service delivery areas within the same State.

The Senate recedes with an amendment to make technical changes in the funding formula, converting it to a "bottom up" formula driven by the unemployment and poverty data of the 600-plus SDAs. Currently, the formula has a "top down" design driven by the unemployment and poverty data of the 50 States. The Conference agreement includes a one-time trigger provision that requires Title IIA and IIC funding to increase by $25 million before the formula change becomes effective. (See also Comments, 127 and 170.)

119. Limitations. The House Bill, but not the Senate Amendment, amends current law by requiring that no service delivery area be allotted less than 90% of its allotment percentage for the previous fiscal year. The Senate Amendment, but not the House Bill, contains a provision similar to current law requiring that no State be allotted less than the allotment percentage for the previous fiscal year.

The Senate recedes.

120. Maximum Limits. The House Bill and the Senate Amendment both add a new stop-gain requirement of 130% for the formula. However, the House Bill, but not the Senate Amendment, puts the 130% cap on service delivery area funding. The Senate Amendment, but not the House Bill, puts the 130% cap on State funding.

The Senate recedes.

121. State Minimum. Both the House Bill and Senate Amendment require that no State receive less than ¼ of 1% of the total allotment, but the bills include technical drafting differences.

The Senate recedes.

122. Title IIA Allotment Percentage. Both the House bill and Senate Amendment have requirements that the funds allotted to the new Part A adult program be the same allotment percentage as in the previous fiscal year for purposes of determining the hold-harmless and stop-gain.

The Senate recedes.

123. Definitions. The House Bill defines the age of economically disadvantaged "adults" as "22 or older", whereas the Senate Amendment defines the age of these same "individuals" as "22 through 72", only for the purposes of distributing funds, which does not affect the provision of services to those older than 72.

The House recedes.

124. Definitions. The House Bill, but not the Senate Amendment, in the definition of economically disadvantaged refers to "poverty income guidelines promulgated each year by the Secretary of Health and Human Services." In a similar reference, the Senate Amendment, but not the House Bill, refers to the "official poverty line as defined by the Office of Management and Budget" in accordance with the Budget Reconciliation Act of 1981.

The House recedes.

125. Exclusions. Both the House Bill and Senate Amendment exclude college students and Armed Forces members from the number of economically disadvantaged adults/individuals, but the bills have technical drafting differences.

The Senate recedes.

126. Excess Unemployment. Both the House Bill and the Senate Amendment define the excess number of unemployed as over 4.5% of the civilian labor force in the service delivery area; however, only the Senate Amendment requires the individuals to be age 22 through 72. Additionally, the Senate Amendment, but not the House Bill, includes the same definition for unemployed individuals within a "State", as well as in a service delivery area.

The Senate recedes on both the first sentence and the second sentence.

127. Allocation From States to Service Delivery Areas. The Senate Amendment, but not the House Bill, retains the formula in current law, which requires the Governors to allot funds to service delivery areas based upon the same factors used to allot funds to each State in Section 202(a)(2)(B) of the Senate Amendment.

The Senate recedes with an amendment described in comment 118.

128. State Set-Asides. A. The House Bill, but not the Senate Amendment, retains 19% of the funds available for allotment for the following purposes:

5% for administration, management, audits, and for activities under sections 121 and 122 of the House Bill;

6% for incentive grants authorized in section 106(b)(8) alloted in accordance with paragraphs (3) and (4) of this subsection, which allows the Governor to use some funds for capacity building; and

8% to carry out section 123.

The Senate recedes with an amendment on the 5 percent set-aside for administration. (See 128B for comment.)

On the 6 percent set-aside for incentive grants, the House recedes with an amendment to combine the 3 percent State set-aside for incentive grants and the 2 percent State set-aside for capacity building, both included in the Senate Amendment, into one 5 percent State set-aside for incentive grants, of which up to 33 percent may be used for capacity building and staff training (as well as coordination with the Capacity Building and Information and Dissemination Network; see comments 131, 178, and 230).

The House Bill and Senate Amendment contain identical language on the 8 percent set-aside for education coordination and grants; therefore, it is not necessary for the House or Senate to recede.

B. The Senate Amendment, but not the House Bill, requires the Governor to allocate 23% of the amounts allotted to each State for the following purposes:

5% for administration, management, auditing, and for activities under sections 121 and 122, which includes a small State minimum for administration of $500,000 (drawn from States receiving funds in excess of $500,000);

2% for technical assistance and capacity building (note: the House Bill creates a separately authorized national program for capacity building-related activities in title IV);

3% for incentive grants authorized in section 106(b)(8);

8% to carry out section 123; and

5% to carry out section 204(d) for older individuals.

The Senate recedes with an amendment on the Senate proposal for a 5% set-aside for administration, which included a small state minimum for administration of $500,000. The amendment reserves $1 million from the National Network and Replication program authorized in Sec. 453, for the purpose of providing grants (of up to $100,000 in any given year) from the Secretary to small states with administrative funds below $500,000. To obtain such a grant a state must demonstrate to the Secretary it is in need of additional assistance to fulfill the administrative requirements of this Act. The Conferees do not anticipate that small states with only one service delivery area (SDA) will be able to demonstrate the need for additional administrative assistance, and discourage such states from creating additional SDAs.

The House recedes with an amendment on the 3 percent set-aside for incentive grants and the 2 percent set-aside for capacity building (see 128A for comment).

The House recedes with an amendment on the 5 percent State set-aside for older workers. Under the amendment, the Older Worker Program will continue to be a State set-aside—5 percent of the State's adult money. The Conference agreement requires that performance standards take into account the needs of older workers. The amendment also requires equitable geographic distribution of funds.

129. Set-Aside Formula Allotment. The House Bill, but not the Senate Amendment, allots the State set-aside funds based upon the relative amount of funds allocated to all service delivery areas within a State compared to all service delivery areas in all States.

The Senate recedes.

130. Incentive Grants. The House Bill, but not the Senate Amendment, requires that not less than ¾ of the funds distributed by the Governor for incentive grants be based on the extent to which a service delivery area exceeds the performance standard requirements described in Sec. 106(b)(8) of the House Bill.

The House recedes.

131. Incentive Grant for Capacity Building. The House Bill, but not the Senate Amendment, allows the Governor to use up to ⅓ of the State set-aside for incentive grants to be used for capacity building and technical assistance to service delivery areas and service providers. (The Senate Amendment, but not the House Bill, creates a separate 2% State set-aside for capacity building and technical assistance.

The Senate recedes with an amendment described in comment 128 and 230.

132. Eligibility. The House Bill, but not the Senate Amendment in Sec. 203(a) references the 10% window for non-economically disadvantaged individuals described in subsection (c); however, both bills provide for such a window.

The Senate recedes. (See also comments 136 and 183.)

133. Targeted Groups. The House Bill requires that not less than 60% of adult program participants under this part shall meet one additional barrier to employment, while the Senate Amendment requires that not less than 65% of program participants under this part shall meet one additional barrier to employment.

The House recedes. The Conferees adopt the Senate language that not less than 65 percent of adult program participants shall

face at least one additional barrier to employment.

134. Employment Barriers. In the lists of additional barriers to employment, the House Bill includes a category of "recipients of cash welfare payments", while the Senate Amendment limits this category only to recipients of aid to families with dependent children (AFDC).

The Senate recedes with an amendment to mention specifically that recipients of funds under the Job Opportunities and Basic Skills Act are considered recipients of cash welfare payments.

135. Employment Barriers. A. While both the House Bill and Senate Amendment include the homeless in the lists of additional barriers, the Senate Amendment, but not the House Bill, specifically references the homeless as defined by the Mckinney Act.

The Senate recedes.

B. The Senate Amendment, but not the House Bill, includes individuals "who are unemployed for the previous 6 months or longer" and those "who are limited-English proficient" in its list of additional barriers to employment.

The Senate recedes.

C. The Senate Amendment, but not the House Bill, includes individuals who are in a category designated and justified by the service delivery area, and approved by the Governor and the Secretary.

The House recedes with an amendment allowing service delivery areas to add one additional barrier to employment, if approved by their Governor, but this additional barrier cannot be unemployment or poor work history. The amendment deletes the provision requiring the Secretary's approval, but requires this request as approved by the Governor, to be included in the Governor's plan. (Also in comment 182.)

136. Non-Economically Disadvantaged. Both the House Bill and Senate Amendment provide a 10% "window" for serving the non-economically disadvantaged as long as such individuals experience another barrier to employment. Both the House Bill and Senate Amendment list the barriers described in the previous subsection or paragraph, in addition to other barriers described; however the House Bill, but not the Senate Amendment, lists those who have limited English language proficiency.

The House recedes. (See also comments 132 and 183.)

137. Older Worker Services. A. The House Bill, but not the Senate Amendment, requires service delivery areas to expend not less than 8% of funds for services to eligible individuals 55 years of age or older (the Senate Amendment describes its use of funds for State older worker programs in Sec. 204(d) of the Senate Amendment).

The House recedes with an amendment which requires that the 5 percent State set-aside for older workers provide services on an equitable geographic basis throughout the State taking into account the relative share of economically disadvantaged workers residing in each SDA.

B. The House Bill, but not the Senate Amendment, requires the Governor to recapture, reallot, or contract with a different service provider if he or she determines that a service delivery area obligated less than 8% of funds for older individuals.

The House recedes.

138. Older Americans Coordination. Both the House Bill and Senate Amendment require coordination of older worker services with the services provided under title V of the Older Americans Act; however, the House Bill makes this a requirement for the State job training coordinating council and the service delivery area, while the Senate Amendment makes this a requirement for the Governor.

The House recedes.

139. Service Provider Selection A. The House Bill requires the service delivery area to give priority to agencies or organizations with a demonstrated record of effectiveness in providing services to older individuals. The Senate Amendment makes the same requirement of the Governor, but not the service delivery area.

The House recedes.

B. The House Bill, but not the Senate Amendment, allows the service delivery areas within the State to combine funds to contract with an area agency on aging or organizations of demonstrated effectiveness.

The House recedes.

140. Assessments. A. Both the House Bill and Senate Amendment require an objective assessment of the skill levels and service needs of each participant. The House Bill includes a list of skills, experiences, and support service needs, which must be reviewed for each participant, while the Senate Amendment only suggests the assessment include "such factors" similarly listed.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires that the assessments comply with the requirements of section 167 on nondiscrimination.

The House recedes. Section 167 already applies to all provisions of the Act, including assessments.

141. Additional Required Services. The House Bill, but not the Senate Amendment, requires basic skills training, occupational training and supportive services to be provided either directly or through arrangement, where the assessment and service strategy indicate it is appropriate.

The Senate recedes with an amendment in Sections 204(c)(5) and 264(d)(6) to clarify that the Conferees do not intend that these requirements be construed to create any contractual rights or legal entitlement for participants. To clarify this intention, the Conference agreement modifies previous bill language stating that the service strategy is not to be considered a contract, to state that nothing in Section 204 is to be construed to provide a private right of action to participants to obtain services described in the assessment or service strategy or the services specified in Sections 204(a)(1)(D) and 264(b)(1)(D). (See also comments 18A and 147.)

142. Additional Requirements. Both the House Bill and the Senate Amendment require that each participant or applicant who meets the minimum income eligibility criteria be provided information on the full array of applicable or appropriate services available. The House Bill includes services available through the service delivery area or other service providers including, "but not limited to," those receiving funds under this Act, while the Senate Amendment lists the same group, but only includes providers receiving funds under this Act.

The Senate recedes.

143. Service Provider Referrals. Both the House Bill and Senate Amendment require that eligible applicants who do not meet the enrollment requirements of a service provider's program be referred to the service delivery area for further assessment and referral. The House Bill, but not the Senate Amendment, also requires that eligible applicants "who cannot be served" by a program be referred to the service delivery area.

The Senate recedes.

144. Authorized Services. The Senate Amendment, but not the House Bill, adds a clause in the subsection on authorized services to subject this subsection "to the limitations contained in subsection (c)" of Section 204 of the Senate Amendment.

The House recedes.

145. Training-Related Services. The Senate Amendment, but not the House bill, includes language to assist women in obtaining non-traditional employment, which was also included in the recently passed non-traditional employment act (P.L. 102-235).

The House recedes.

146. Supportive Service. The House Bill, but not the Senate Amendment, cross references the definition of supportive services in its description of these services under this subsection (Section 204(b)(2) of the House Bill).

The Senate recedes.

147. Needs Based Payments. The House Bill, but not the Senate Amendment, refers to needs-based payments and financial assistance in its list of training related services. The Senate Amendment, but not the House Bill, refers to current law in listing needs-based payments "in accordance with a locally developed formula".

The Senate recedes. (See also comments 18A, 141, and 149.)

148. OJT Limits. The House Bill, but not the Senate Amendment, requires that the ratio of participants in on-the-job training in the public sector to those in such training in the private sector not exceed the ratio between civilian governmental employment and non-governmental employment in a service delivery area.

The House recedes.

149. Needs-Based Payments. Both the House Bill and Senate Amendment include similar language on needs-based payment restrictions, except that the House Bill adds "financial assistance" to this restriction, while the Senate Amendment duplicates the language in Section 204(b)(2)(I) of the Senate Amendment. Both the Senate Amendment and the House Bill refer to current law in listing needs-based payments "in accordance with a locally developed formula".

The Senate recedes.

150. Older Worker Programs. The Senate Amendment, but not the House Bill, authorizes the Governor to provide programs developed in conjunction with service delivery areas to encourage the employment of older individuals in private business.

The House recedes.

151. Older Workers. The Senate Amendment, but not the House Bill, requires the Governor, after consulting with the private industry councils and chief elected officials, to enter into agreements with prescribed agencies and organizations.

The House recedes with an amendment to require the Governor to enter into a contract with at least one entity included in the list of prescribed organizations and agencies, instead of with all the entities as required by the Senate Amendment. The amendment adds private industry councils to the list. The Conferees agrees that service delivery areas shall continue to be eligible service providers under the 5 percent Older Worker Set-aside program.

152. The Senate Amendment, but not the House Bill, requires the Governor to consider training programs in growth industries using technological skills.

The House recedes.

153. The Senate Amendment, but not the House Bill, restates the eligibility require-

ments for older individuals and provides for an exception for 10% of such individuals if they are not economically disadvantaged, but face serious barriers to employment and are income eligible under title V of the Older Americans Act.

The House recedes.

154. Applicable Requirements. The Senate Amendment, but not the House Bill, includes a provision to give priority to this subsection's (Section 204(d) of the Senate Amendment) applicability in the event of a conflict with other subsections.

The Senate recedes.

155. Linkages. Aside from minor drafting differences, the House Bill and Senate Amendment are substantially the same on this page of the side-by-side.

The House recedes.

156. Linkages. A. The House Bill, but not the Senate Amendment, includes in its list of programs with which the service delivery area shall establish linkages, programs assisted under the U.S. Housing Act, the National Literacy Act, Head Start, and any other provision of this Act.

The Senate recedes.

B. The Senate Amendment, but not the House Bill, includes in its list of programs with which the service delivery area must establish linkages, programs assisted under title V of the Older Americans Act and chapter 2 of title II of the Trade Act of 1974.

The House recedes.

157. Other Linkages. The House Bill and Senate Amendment are substantially the same, except that only the Senate Amendment includes "literacy organizations" in its list of other programs with which to establish linkages.

The Senate recedes.

158. Transfer of Funds. Both the House Bill and Senate Amendment allow for a 10% transfer of funds between the Part A Adult Program and the Part C Youth Program; however the Senate Amendment also allows for a transfer to the Part B Summer Youth Program.

The Senate recedes with an amendment to include a transfer provision in title IIB to allow a 10 percent transfer of funds from title IIB to title IIC, including in 1992.

159. Studies. The Senate Amendment, but not the House Bill, requires the GAO to study the number of adults assisted under this part who remain employed for at least 9 months after receiving assistance.

The Senate recedes.

160. Summer Youth. The House Bill and Senate Amendment are substantively the same with minor drafting differences.

The House recedes.

161. Youth Funding Formula. Both the House Bill and Senate Amendment use the Part C Youth Program funding formula for the distribution of Summer Youth funds, but refer to different subsections in Part C. The Senate Amendment, but not the House Bill, cites the definition of economically disadvantaged in Part C.

The Senate recedes.

162. Use of Funds. The House Bill and Senate Amendment are substantively the same, except that only the Senate Amendment lists "Youth Corps Programs" as a use of funds.

The House recedes.

163. Basic and Remedial Education. The House Bill and Senate Amendment are substantively the same, except that only the House Bill refers to "training" in Section 253(b)(2), while only the Senate Amendment refers to "Youth Corps Programs" in the same paragraph under the Senate Amendment.

The Senate recedes on "training". The House recedes on "Youth Corps Programs".

164. Assessment. The House Bill requires summer youth assessments to include a review of supportive services, while the Senate Amendment lists supportive services as an optional review item.

The Senate recedes.

165. Followup Services. The House Bill requires followup services to be made available for participants for whom a service strategy is developed, while the Senate Amendment only requires followup services where the service strategy indicates it is appropriate.

The House recedes.

166. Concurrent Enrollment. The House Bill and Senate Amendment are substantively the same, except that they refer to different paragraph citations in Sec. 106 on performance standards.

The House recedes.

167. Transfers. The House Bill states that youth "do not need" to be terminated from participation in part B or part C in order to be enrolled in the other part, while the Senate Amendment states that the youth "are not required" to be terminated.

The House recedes.

168. Part C—Youth Program. Statement of Purpose. The Senate Amendment, but not the House Bill, states that one of the purposes of the Youth Opportunity Program is to enhance the "citizenship" skills of youth.

The House recedes.

169. State and Service Delivery Area Allotment. A. Both the House Bill and Senate Amendment use the same type of funding formula as described in the Part A—Adult Program. The Senate Amendment, but not the House Bill, specifically cites Sec. 202 (a)(2) and (3) for the formula allotment to the States and changes the definition of economically disadvantaged individuals to economically disadvantaged youth for this part.

The Senate recedes with an amendment to change "individuals" to "youth".

B. The House Bill, but not the Senate Amendment, reserves 81% of the remainder of funds (after deduction for the territories) for allotment to the States for allocation to service delivery areas within each State, as determined by formula. The House Bill, but not the Senate Amendment, allots the remaining 19% for State set-asides described in Section 272(c) of the House Bill.

The Senate recedes with an amendment to change the 81 percent reservation to 82 percent and to change the 19 percent remainder to 18 percent.

C. Allocation to Service Delivery Areas. The Senate Amendment, but not the House Bill, directs the Governor to allocate 82% of the allotment to each State based on the formula in Sec. 202(b) and to allocate 18% in accordance with subsection (c) of this section 262.

The Senate recedes.

170. Formula. The House Bill, but not the Senate Amendment, retains the formula factors in current law, but allots the amounts based upon service delivery area factors of unemployment and poverty for economically disadvantaged youth, instead of the State factors of unemployment and poverty. This formula is essentially the same as in part A, but targets economically disadvantaged youth instead of adults.

The Senate recedes with an amendment described in comment 118.

171. Limitations. The House Bill, but not the Senate Amendment, repeats the limitation provisions in the formula described in the Part A Adult Program. Comparable Senate Amendment provisions are also described in section 202(a) of the Senate Amendment, as referenced in section 262 (a) and (b).

The Senate recedes.

172. Definitions. The House Bill, but not the Senate Amendment, in the definition of economically disadvantaged refers to "poverty income guidelines promulgated each year by the Secretary of Health and Human Services." In a similar reference, the Senate Amendment, but not the House Bill, refers to the "official poverty line as defined by the Office of Management and Budget" in accordance with the Budget Reconciliation Act of 1981.

The House recedes.

173. The House Bill repeats the definition of "excess number" of unemployed first listed in section 202(b)(4)(c), while the Senate Amendment simply crossreferences the definition listed in section 202(d)(1)(B).

The House recedes.

174. Exclusions. Both the House Bill and Senate Amendment exclude college students and Armed Forces members from the number of economically disadvantaged youth/individuals, but the bills have technical drafting differences.

The Senate recedes.

175. State Set-Asides. The House Bill repeats the description of state set asides first listed in Sec. 202(c)(1) of the House bill. Whereas the Senate Amendment crossreferences the state set-asides described in Sec. 202(c)(2).

The Senate recedes.

176. State Set-Aside Allotment. The House Bill repeats the language first described in Sec. 202(c)(2) of the Hose Bill. Whereas the Senate Amendment crossreferences the state set-aside allotment described in Sec. 202(c)(2), as noted in comment 175.

The Senate recedes.

177. Incentive Allotment. The House Bill, but not the Senate Amendment, repeats the language first described in Sec. 202(c)(3) of the House Bill.

The House recedes.

178. Capacity Building. The House Bill, but not the Senate Amendment, repeats the language on capacity building first described in Sec. 202(c)(4) of the House Bill.

The House recedes with an amendment described in comment 128 and 230.

179. Youth Program. Eligibility for In-School Youth Services. The House Bill requires that "not less than 60 percent" of in-school participants face additional barriers to employment, whereas the Senate Amendment requires that "not less than 70 percent" of in-school participants face such barriers.

The House recedes with an amendment to require that not less than 65 percent of the youths participating in the in-school program face at least one additional barrier to employment. The amendment also provides that youth determined to be eligible for a free meal under the National School Lunch Act during the most recent school year are eligible for services under title IIB summer program and title IIc youth program.

180. The Senate Amendment, but not the House Bill, includes in the list of individuals facing additional barriers to employment those who "exhibit a pattern of disruptive behavior or disciplinary problems", those who are "limited-English proficient", and those who face some other serious barrier to employment as determined by a service delivery area and approved by the Governor and the Secretary.

The House recedes with an amendment described in comment 135c.

181. Targeted Groups. The House Bill requires that "not less than 60 percent" of out-

of-school participants face additional barriers to employment, whereas the Senate Amendment requires that "not less than 70 percent" of out-of-school participants face such barriers.

The House recedes with an amendment to require that not less than 65 percent of youths participating in the out-of-school program shall face at least one additional barrier to employment.

182. Out-of-School Youth. Eligibility for Services. The Senate Amendment, but not the House Bill, includes the list of individuals with additional barrier to employment those who are limited English proficient and those who face some other serious barriers to employment as determined by a service delivery area and approved by the Governor and the Secretary.

The House recedes with an amendment described in comment 135c.

183. Exceptions. Both the House Bill and Senate Amendment allow not more than 10 percent of the youth served in this program to be non-economically disadvantaged if they meet other barriers to employment. The House Bill, however, specifies that the individuals excepted under the 10 percent window "may" be individuals who face other barriers to employment and that those barriers "need not be limited to" the ones specified in this subsection, while the Senate Amendment specifies that the individuals excepted under the 10 percent window "shall" be individuals who face other barriers to employment and that those barriers "may" be included in the ones specified under this subsection.

The House recedes. (See also comments 132 and 136.)

184. Ratio of Out-of-School to In-School Youth. The House Bill requires that 60 percent of the youth served in this program be out-of-school (with 2 exceptions described below), while the Senate Amendment requires that 50 percent of the youth served be out-of-school.

The House recedes with an amendment requiring that 50 percent of youth served be out-of-school youth under the year-round youth program. The amendment retains the House provision permitting youth served in a schoolwide project to be excluded from the in-school count.'

Schoolwide projects are authorized under Title II-C in order to target in-school youth in high poverty neighborhoods. SDAs are authorized to provide funds to establish these projects in high schools located in neighborhoods with over 30 percent poverty. This provision would target youth who are reading below grade level or face other barriers to employment, but it would not require each in school youth served by this project to be income-certified.

High schools in these high poverty areas must demonstrate that 70 percent of their students have barriers to employment other than their poverty. As long as it can be determined that 70 percent of the student population have these barriers (for example, if 70 percent of a high school were determined to be reading one year below grade level), then the entire school may be served by a program, without each individual being either income-certified or assessed for a specific individual barrier.

In urban and rural areas with a high concentration of poverty, individual eligibility criteria for in-school youth may be unnecessary and potentially counterproductive. Numerous JTPA service providers have testified that the burden of documentation can discourage participation in JTPA programs. While the Conferees support the need to document poverty and certain barriers for eligibility purposes, they also recognize that, in extreme situations in areas of pervasive poverty, it is more important to target the severely disadvantaged in a manner which does not hinder participation. Also, only a limited number of schools will qualify under the strict criteria established in this legislation although, in some high schools in our country, virtually the entire school has been tested as reading below grade level.

The Conferees want to clarify that while individuals who do not meet the requirements of section 263(a)(2) may be eligible for schoolwide projects, it is also assumed that individuals who do meet the requirements in section 263(a)(2) may also be eligible for services under schoolwide projects.

The Conferees intend that students participating in an alternative school program funded in part or in whole by funds provided under the Job Training Partnership Act, who have been identified as drop-outs or who have been identified as habitually truant (as defined by State law), be considered out-of-school youth for purposes of this program.

186. Additional Barrier to Employment. The Senate Amendment, but not the House Bill, allows a service delivery area to add one category of youth who face an additional barrier to employment if the Governor and, in turn, the Secretary approve.

The House recedes with an amendment allowing service delivery areas to add one additional barrier to employment, if approved by their Governor, but this additional barrier cannot be unemployment or poor work history. The amendment deletes the provision requiring the Secretary's approval, but requires this request, as approved by the Governor, to be included in the Governor's plan.

187. Year-Round Youth Program Design. The House Bill requires the youth program under this Part C to be conducted and services "made available during the year or on a multiyear basis as appropriate", while the Senate Amendment simply requires this Part C to be conducted "on a year-round basis".

The House recedes with an amendment. The programs under part C shall be conducted on a year-round basis and services shall be made available on a multi-year basis as appropriate.

188. Information Availability Requirements. The House Bill specifies that each participant be provided information on other service providers, "including, but not limited to," those receiving funds under this Act, while the Senate Amendment simply states "including".

The Senate recedes.

189. Referral Requirements. The House Bill refers to the "applicant" referral requirements, whereas the Senate Amendment refers to the "participant or applicant".

The House recedes.

190. Referral Requirements for Service Providers. Both the House Bill and the Senate Amendment require each service provider to refer each eligible applicant who does not meet enrollment requirements to the service delivery area for further assessment and possible referral; however, the House Bill, but not the Senate Amendment, makes the same broader requirement of service providers for eligible applicants "who cannot be served" by the provider's program.

The Senate recedes.

191. Authorized Services. In the list of authorized services for youth the House Bill specifies that services "may include, but need not be limited to" the subsequent list, while the Senate Amendment simply specifies that services "may include" the subsequent list.

The House recedes.

192. Direct Training Services. A. The Senate Amendment, but not the House Bill, adds "youth corps programs" to the list of other training or education services.

The House recedes.

B. The House Bill, but not the Senate Amendment, lists "preemployment and work maturity skills training" as an allowable direct training service.

The Senate recedes.

193. School Dropouts. A. The House Bill, but not the Senate Amendment, requires each service delivery area to make available, concurrently or sequentially, at least 2 or more options to enable a dropout under 18 to reenroll in some form of educational study or program (as specified in both bills).

B. The Senate Amendment, but not the House Bill, requires a dropout under the age of 18 to reenroll in some form of educational study or program (as specified in both bills) as a condition of participating in a program assisted under this part.

The Senate recedes on both parts with an amendment to require that an individual who is under the age of 18 and a dropout must enroll in and attend an alternative course of study approved by the local educational agency or enroll in and attend either school, an alternative high school, or a high school equivalency program. The SDA must make at least two of these reenrollment options available to such individuals.

As a part of the requirement for an individual who is under the age of 18 and a dropout to return to school or to a high school equivalency program the Conferees have included an exception for "interim periods". This exception is intended to provide flexibility to the program and the participants particularly during the summer months, or during the periods between school terms or when a course of study or school program is not immediately available. The Conferees expect this interim period to be used only in limited situations and for limited periods of time.

194. Educational Linkages. The House Bill identifies a non-exhaustive series of program linkages, while the Senate Amendment's list is exclusive.

The Senate recedes.

195. Program Linkages. In the requirement for service delivery areas to link with other Federal programs only the House Bill lists the National Literacy Act, while only the Senate Amendment lists the National and Community Services Act.

The House recedes on the National Literacy Act. The Senate recedes on the National and Community Services Act.

TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

196. Title III. A. The House Bill refers to "any other provisions in law" when describing whether an eligible dislocated worker is deemed to be in training, while the Senate Amendment refers specifically to the "Internal Revenue Code."

The House recedes. The Senate Amendment confirms the specific intent of this provision to clarify that participants in Title III training programs shall be considered to be in training with the approval of the state agency for purposes of the Internal Revenue Code, which precludes states from denying unemployment insurance because an individual is "in training with the approval of the state agency."

B. The House Bill, but not the Senate Amendment, retains "1991" in the demonstration program authorization.

The House recedes.

197. Unobligated Title III Funds. The House Bill, but not the Senate Amendment, amends the carryover provisions in Section 303 to base the funds recapture on "unobligated" funds, instead of "unexpended" funds as in current law.

The House recedes. The Conferees conclude, based on previous experience with federally funded job training programs which operated on the same basis as the House Bill, that the provisions in the House Bill could undermine the effectiveness of the reallotment process.

198. Use of Funds. The House Bill amends current law to impose cost category limits only on Part A of title III, while the Senate Amendment retains the cost category limits on all of title III, "except for funds expended under section 326".

The Senate recedes with an amendment. The Conferees adopt the House Bill provision in recognition of the planning difficulties substate grantees have had under current law. Under that provision, substate grantees will be required to comply with the cost category limits on a program year basis. Thus, the appropriate period for compliance with the cost category limits for a particular program year will be the period for which the funds allocated for such program year are available.

The Conferees amend the House Bill to make clear that for purposes of this section, the term "allocated" is intended to refer to the final allocation a substate grantee receives for a given program year, adjusted upwards or downwards as appropriate following any reallocation to or from such substate grantee for that program year.

Notably, the House Bill also imposes the cost category limits only on Part A of title III, while the Senate Amendment retains the cost category limits on all of title III, "except for funds expended under section 326." The Senate recedes with regard to this difference. The Conferees intend that funds expended under Part B of title III not be subject to such cost category limits.

199. Combining Funds. The House Bill, but not the Senate Amendment, allows substate grantees within a State to combine funds to serve dislocated workers from 2 or more substate areas.

The Senate recedes. This provision is intended to allow neighboring substate grantees to work together to serve dislocated workers in a more efficient and cooperative fashion.

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

200. Native American Programs. The Senate Amendment, but not the House Bill, amends current law on Native American programs to make services available to American Samoans residing in the United States.

The Senate recedes.

201. Native American Programs. The Senate Amendment, but not the House Bill, adds language to current law to permit organizations "and State agencies", as determined by the Secretary, to administer programs for Hawaiian Natives and American Samoans.

The Senate recedes.

202. Native American Programs A. Both the House Bill and the Senate Amendment add new language to current law on creating a single organizational unit for coordinating certain activities under this section. The House Bill adds this new language on the organizational unit by adding a new subsection (k) to section 401 of current law, whereas the Senate Amendment amends section 401(e) of current law.

The Senate recedes.

The Conference bill incorporates several provisions amending the Native American language in current law. These changes are intended to ensure that the special Native American programs directly address Native American needs and further the development of Native American communities in ways determined by Native American groups themselves.

B. The House Bill establishes as the unit's "primary" responsibility "the administration of all Native American programs", whereas the Senate Amendment gives the unit "principal" responsibility for the "development, coordination, and oversight of all policies * * *".

The Senate recedes.

C. Additionally, the House Bill, but not the Senate Amendment, makes the organizational unit accountable for monitoring such programs and "making recommendations regarding the selection of all recipients of financial assistance".

The Senate recedes.

D. The House Bill makes the unit accountable (1) for the development of all policies and procedures "related to the implementation of such programs", and (2) for coordinating the development of policy and procedures "for all Native American employment and training programs within the Department", whereas the Senate Amendment makes the unit responsible for all policies "under which the Secretary regulates or influences the operation of Native American Indian programs under this section".

The Senate recedes.

E. The Senate Amendment, but not the House Bill, excludes audit, procurement, and debt collection policies from the purview of the organizational unit.

The Senate recedes.

203. A. The House Bill, but not the Senate Amendment, grants special consideration in the hiring and promotion of the unit's professional staff to individuals who have field experience in the daily operation of service and training programs for Native Americans.

The Senate recedes.

B. The House Bill requires the Secretary to take additional actions as may be necessary to promote the recruitment and promotion of Indians, Native Alaskans, and Native Hawaiians, whereas the Senate Amendment encourages "a special effort to recruit Indians, Alaska Natives, American Samoans, and Hawaiian Natives for employment".

The Senate recedes.

204. Clarification Amendments. The House Bill, but not the Senate Amendment, makes a clarification to Section 401(f) of current law and a conforming amendment to Section 401(j) of current law.

The House recedes.

205. Reservation of Funds. The House Bill, but not the Senate Amendment, makes a conforming amendment in the set-aside of funds for Indian programs and also adds that additional appropriations may be provided. The Senate Amendment, but not the House Bill, reserves from Title IV funds (other than part B) an amount not less than 3.5 percent of the total appropriated for parts A and C of Title II. (Current law provides for an amount equal to 3.3 percent of funds for this section.).

The House recedes with an amendment to change the 3.5 percent reservation to not less than 3.3 percent.

206. The Senate Amendment, but not the House Bill, amends Section 401(h) of current law to substitute "Advisory Council on Native American Indian Job Training Programs" for "representatives of Indians and other Native Americans" and to add language on Indians and American Samoans.

The Senate recedes.

207. Advisory Council. The House Bill creates a new subsection for advisory councils, while the Senate Amendment adds a new paragraph to subsection (h) of current law for advisory councils.

The Senate recedes.

208. Native American Programs.

A. The House Bill and Senate Amendment both create councils to evaluate and advise the Secretary on employment and training programs for Native Americans. The House Bill titles the council the "Native American Employment and Training Council", whereas the Senate Amendment title is the "Advisory Council on Native American Indian Job Training Programs".

The Senate recedes.

B. The House Bill requires the Council to have no fewer than 17 members, whereas the Senate Amendment requires not fewer than 15 members.

The Senate recedes.

C. The Senate Amendment, but not the House Bill, includes American Samoans in the population from which Council members shall be drawn and permits American Samoan organizations to nominate members.

The Senate recedes.

D. The House Bill requires the Council's membership to represent "all geographic areas of the United States with a substantial Indian, Native Alaskan, or Native Hawaiian population", whereas the Senate Amendment requires the membership to represent "diverse geographic areas".

The Senate recedes.

209. A. The House Bill requires the Council to include members of nonreservation Native American organizations "who are service providers under this Act", whereas the Senate Amendment does not stipulate that representatives from nonreservation Native American organizations should be service providers under this Act.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires that a majority of the Council members shall have field experience in the daily operation of the program authorized under this section.

The Senate recedes.

C. The Senate Amendment, but not the House Bill, while encouraging American Samoan representation on the Council, does not allow an American Samoan to be elected Chair.

The Senate recedes.

210. The House Bill, but not the Senate Amendment, provides for the appointment of interim Council members, to be taken from the Native American Programs Advisory Committee, the members of which may also be appointed as members of the new Council.

The Senate recedes.

211. Council Membership. A. The House Bill requires the term of office for Council members to be 2 years, but requires one-half of the initial appointments to be for 1 year, whereas the Senate Amendment states each Council member "may" serve for a term of 2 years and "may" be reappointed.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, lists procedures to be followed in the event of a vacancy.

The Senate recedes.

C. The House Bill, but not the Senate Amendment, establishes a deadline for the appointment of Council members.

The Senate recedes with an amendment to require that Council members be appointed by the beginning of program year 1993, not 1992 as in the House Bill.

212. The Senate Amendment, but not the House Bill, requires the Council to solicit the views of American Samoan groups on Native American employment and training programs.

The Senate recedes.

213. Native American Programs. A. The House Bill requires the Council to "advise and make recommendations" to the Secretary on the design and implementation of performance standards, whereas the Senate Amendment requires the Council to "advise" on the design of all aspects of performance standards.

The Senate recedes.

B. Both the House Bill and the Senate Amendment require the Council to advise the Secretary on services "obtained" by the Department; however, the House Bill, but not the Senate Amendment, also mentions services "to be obtained".

The Senate recedes.

C. The House Bill requires the Council's advice on "any services" authorized under section 401 of the House Bill, whereas the Senate Amendment requires advice on "services that involve the provision of technical assistance to, or evaluation of, the programs" authorized under this section.

The Senate recedes.

214. Effectiveness. The House Bill requires the Council to "evaluate" the effectiveness of Native American job training programs, whereas the Senate Amendment requires the Council to "assess" these programs.

The Senate recedes.

215. The House Bill requires the Council to advise the Secretary on individuals to be considered for the position of chief of the organizational unit, whereas the Senate Amendment specifies that the Council shall advise the Secretary on "the recruitment of, identification of, and selection criteria for, candidates" for the position of chief of the organizational unit.

The Senate recedes.

216. A. Both the House Bill and the Senate Amendment require the Council to submit a report to Congress; however, the House Bill, but not the Senate Amendment, also requires a report to be submitted to the Secretary.

The Senate recedes.

B. The House Bill requires a report to be submitted every other year, whereas the Senate Amendment requires a report to be submitted every year.

The Senate recedes.

C. Both the House Bill and the Senate Amendment require the Council to make recommendations for improving the "effectiveness" of Native American job training programs; however, the House Bill, but not the Senate Amendment, also requires recommendations for improving the "administration" of these programs.

The Senate recedes.

217. A. The House Bill states that Council members shall serve without compensation but may be reimbursed for their expenses, whereas the Senate Amendment states that the Secretary shall make available to the Council such sums as may be necessary to carry out the functions of the Council.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires the Secretary to provide the Council with administrative support.

The Senate recedes.

218. The Senate Amendment, but not the House Bill, adds new language to Section 401 on competition for Section 401 grants.

The House recedes.

219. Migrant programs—Sec. 402. Both the House Bill and the Senate Amendment add new language on 2 year competitions for section 402 grantees; however, the House Bill, but not the Senate Amendment, specifies that procedures for awarding grants under this section shall be consistent with standard competitive procurement procedures.

The House recedes.

The Conferees are aware of the accomplishments of the Association of Farmworker Opportunity Programs (AFOP) and encourage the Department to continue their activities, including technical assistance and training for the Section 402 grantees in the areas of quality program enhancement and in database and other developments which can further improve the capabilities of grantees funded under section 402. The Conferees encourage the Department to utilize the Association in an advisory capacity.

The Conferees are aware that limitations on certain costs have been applied to the Native American and Migrant and Seasonal Farmworker programs, although they were not mandated for these nationally funded programs. For instance, the Conferees are aware that the Department has applied a 15% limitation on non-training related supportive services. As with performance standards, the Secretary is directed to prescribe adjustments in limitations on certain costs due to the unique needs of the Native American and Migrant and Seasonal Farmworker populations and the varying programs required to meet their special needs.

The Conferees recognize that Section 402 of JTPA is the main vehicle for public investments in migrant and seasonal farmworker employment, training, and supportive services. These investments assist farmworkers to obtain or retain stable employment both within and outside of agriculture and to provide assistance and related services that will stabilize and improve their agricultural employment situation. These programs target services to a particularly hard-to-serve and at-risk populations.

The Conferees recognize, as with the Native American JTPA programs, migrant and seasonal farmworker programs can benefit from centralized administration from the national level within the Department of Labor. The Conferees encourage the Department of Labor to provide a single office which focuses on the many different aspects of its dealing with grantees, including policy, performance, monitoring, administrative standards, and programs designed to meet farmworkers' unique needs. Furthermore, an office comprised of and headed by individuals with direct farmworker employment and training field experience, expertise with grantee operational methods necessary to administer such diverse programs, and a full understanding of and commitment to meeting the special and unusual needs of the migrant and seasonal farmworker community is encouraged. The Conferees plan to monitor the Department's progress toward this goal.

Section 402 grantees are currently designated every two years. The Conferees have included language intended to ensure that once a Section 402 grantee has performed successfully under the terms of an existing grant agreement and has met the performance criteria established by the Secretary, the Secretary may waive the requirement for competition for that grantee for the two succeeding years. The Conference bill includes language intended to ensure that the procedures used to award state Section 402 grants are consistent with the government's standard competitive procurement policies and that no entity competing for a grant be awarded points based on any non-competitive criterion. On those occasions where a grant designation is required during the two-year competitive grant period, an expedited process of competition, consistent with standard government procurement policies, should be conducted.

The employment of farmworkers on Christmas and other tree farms, forestry and other logging operations, fish farms and hatcheries, nurseries, and fruit and vegetable processing operations (both on and off farm sites) has significantly increased. The Conferees urge the Department to be responsive to these changes and to periodically modify and update the Section 402 regulations to recognize the changing nature of agricultural employment. The Conferees direct the Department of Labor to cooperate with the Department of Education on coordinating JTPA 402 projects with migrant programs administered by the Office of Migrant Education.

The Section 402 program was created to assist farmworkers who choose to remain in agricultural employment through activities that will assist in stabilizing their employment, improve their living and working conditions, as well as to help them enter employment outside of agriculture. The Conferees are aware that farmworkers, as an occupational group, are at high risk for exposure to toxic pesticides and for injury from other work related accidents. As an effort to stabilize farmworkers' employment in agriculture, the Conferees recognize the need for Section 402 programs to provide farmworkers with pesticide and other workers safety training as an employability enhancement activity.

220. Reservation of Funds. The House Bill, but not the Senate Amendment, makes a conforming amendment in the set-aside of funds for Migrant programs and also adds that additional appropriations may be provided. The Senate Amendment, but not the House Bill, reserves from Title IV funds (other than part B) an amount not less than 3.2% of the total appropriated for parts A and C of title II. (Current law provides for an amount "equal to 3.2% of funds for this section".)

The House recedes.

The Conference bill authorizes the Secretary to reserve from funds available for carrying out this title for any fiscal year, an amount not less than 3.2 percent of the total amount of funds appropriated to carry out parts A and C of title II of this Act for such fiscal year.

221. Grant Procedures—Sec 403. The House Bill, but not the Senate Amendment, adds a new section 403 on grant procedures and the charging of costs for Section 401 and 402 grants.

The Senate recedes.

The Conferees are aware that the Department of Labor has interpreted OMB Circular A–122 to prohibit grantees from using grant funds for legal, accounting or other consulting services relating to an audit after the grant officer issues a final determination. This precludes grantees from utilizing these resources for such services to resolve the audit matters during review of the grant officer's determination in hearings before an administrative law judge and during the final review of the matter by the Secretary. The Conferees are also aware that the Department of Health and Human Services, the

largest grant making agency in the Federal government, has a different interpretation of OMB Circular A-122, which allows grants funds to be used for such services until a final determination is made by the Secretary.

The Department of Labor's interpretation of Circular A-122 has proven particularly burdensome for nonprofit and single-purpose organizations providing job training services to migrant and seasonal farmworkers under Section 402 of the Act. These grantees may have no private resources available to obtain assistance in resolving audit matters during the important administrative proceedings before the Department's administrative law judge and the Secretary. The Department of Labor is encouraged to review this matter, giving full consideration to HHS interpretation. The Conferees encourage the Department to permit grantees to utilize grant funds for reasonable and necessary legal and accounting costs associated with audit resolutions in any Departmental proceedings.

222. Job Corps Eligibility. The House Bill, but not the Senate Amendment, makes individuals age 22 through 24 eligible for the Job Corps program, but limits their number to 20 percent of total enrollees.

The Senate recedes. Job Corps centers will not be required to enroll any individual older than 21, but will be permitted to do so by the Conference bill.

223. The House Bill, but not the Senate Amendment, clarifies current law so that Job Corps participants may concurrently or subsequently participate in Title II programs, and so that Title II participants may concurrently or subsequently participate in Job Corps.

The Senate recedes.

224. Job Corps. A. Nonresidential Participants. The House Bill and Senate Amendment both raise the cap on the number of non-residential individuals who are allowed to participate to 20 percent of the total enrolled.

The House and Senate provisions are identical.

B. The House Bill, but not the Senate Amendment, specifies that of those individuals who are to be nonresidential participants, priority shall be given to eligible individuals who are single parents with dependent children.

The Senate recedes.

C. The House Bill specifies that the number of residential participants shall not be reduced below the program year 1991 level as a result of increasing the number of nonresidential participants, whereas the Senate Amendment specifies that the number of residential participants shall not fall below the program year 1989 level.

The Senate recedes.

225. The House Bill, but not the Senate Amendment, prohibits the Department of Labor from contracting with a nongovernmental entity to administer a Civilian Conservation Center of the Job Corps on public land.

The Senate recedes.

226. Job Corps/Child Care Services. The House Bill, but not the Senate Amendment, requires the Secretary, to the extent practicable, to provide child care services for Job Corps participants who need them to participate in the program.

The Senate recedes.

227. Job Corps Referrals. The House Bill, but not the Senate Amendment, requires Job Corps centers to provide counseling and referrals, to enrollees who have problems with alcohol or drug abuse.

The Senate recedes.

228. National Partnership and Special Training Programs. The Senate Amendment, but not the House Bill, amends Section 451 of current law authorizing the Secretary of Labor to establish a system of grants administered at the national level including partnership programs with national organizations having special expertise; programs that address industry-wide skills shortages, meet training needs best addressed on a multistate basis, and increase competitiveness of the labor force; and programs that require technical expertise at the national level to serve individuals with special needs.

The House recedes.

229. Research, Demonstration, and Evaluation. The Senate Amendment, but not the House Bill, amends Section 452 of current law by adding to the list of authorized research topics: methods of addressing the needs of at-risk populations; information on immigration, international trade and competition, technological change, and labor shortages; and methods of easing individual transition into the workforce. The Senate Amendment further amends the pilot and demonstration program to improve effectiveness in meeting particular employment and training problems, and allows the Secretary to evaluate other federally-funded employment-related activities, as well as the impact of title II on welfare dependency.

The House recedes with an amendment stating that demonstration programs shall last for no longer than 7 years. The amendment also states that pilot programs must include an evaluation component.

230. Training and Information Programs. The Senate Amendment, but not the House Bill, amends current law to require the Secretary to: (1) develop curricula and provide training, technical assistance, staff development and other activities at the national, regional, state, and local levels; (2) prepare and disseminate training curricula and materials; and (3) disseminate innovative and successful models and materials.

The House recedes with an amendment to merge all the House and Senate language on capacity building, training networks, replication of successful programs, and information dissemination into a new section entitled "Capacity Building, Information Dissemination, and Replication Activities," which will replace Section 453 of current law.

The Capacity Building and Information and Dissemination Network shall provide training and technical assistance to enhance the expertise of employment and training professionals and to improve coordination of services. In pursuant of these goals, the Network shall, using primarily computer-based technologies, develop and disseminate staff training curricula and materials, and information on successful programs and training methods by crating a national database and communication system.

Coordination between the grant program established under the new Section 453 and the activities of the Network is required to the extent possible. Funds available for the grant program may not be used to duplicate the activities of the Network. Of the 7 percent of JTPA funds that are reserved for title IV programs, $15 million is authorized annually to carry out Section 453, after the set-asides for veterans and Indian and migrant programs are fulfilled (see comment 8). Up to 33 percent of the 5 percent State setaside for incentive grants may also be used for similar capacity building activities (see comments 128, 131, and 178).

231. Redesignations. The Senate Amendment, but not the House Bill, eliminates Sections 454 through 456 and redesignates the old Section 457 as Section 454. The new heading for Section 454 reads—"Nontraditional Employment Demonstration Program" (P.L. 102-235).

The House recedes with an amendment to redesignate Section 457 as 456.

232. Secretary's Guidance. A. The House Bill and the Senate Amendment require that the Secretary provide guidance and technical assistance to States and service delivery areas to limit the burdens of documenting eligibility of participants under title II. However, the House Bill does this by amending Section 455 of current law, whereas the Senate Amendment provision are only for purposes of this Act.

The Senate recedes.

B. The House Bill refers to documentation for participants under parts A, B, and C of title II, whereas the Senate Amendment refers only to parts A and C of title II.

The Senate recedes.

C. The House bill, but not the Senate Amendment, focuses the new documentation requirements on participants described in Sections 203(a) and 273 (b) and (d) of the House Bill.

The Senate recedes with a technical amendment to redesignate Section 273 as Section 263.

D. The House Bill, but not the Senate Amendment, further specifies that the documentation shall, to the extent practicable, be uniform and standard.

The Senate recedes.

E. The House Bill, but not the Senate Amendment, specifically requires certain subjects to be addressed in the guidance.

The Senate recedes.

F. The House Bill requires the guidance to be provided no later than July 1, 1992, whereas the Senate Amendment requires the guidance to be provided no later than December 1, 1992. Also, the Senate Amendment, but not the House Bill, specifically states that the Secretary shall provide the guidance.

The House recedes with an amendment to change the due date of the guidance from December 1, 1992 to December 18, 1992.

233. Uniform Reporting Requirements. The House Bill, but not the Senate Amendment, amends Part D of Title IV by adding a new Section 456 requiring the Secretary of Labor, with the Secretaries of Education and Health and Human Services, to identify common data elements and definitions for federal employment and training programs. Report due to Congress, January 1, 1994.

The Senate recedes.

234. Training Network. The House Bill, but not the Senate Amendment, requires the Secretary to establish a National Capacity Building and Information and Dissemination Network to strengthen and improve effectiveness of services provided at the federal, State, and local levels.

The Senate recedes with an amendment to merge the House language on Training Network into a new section entitled "Capacity Building, Information, Dissemination, and Replication Activities," which will replace Section 453 of current law (see comment 230 for a summary of the newly amended Section 453).

235. Cooperative Labor Market Information.

A. Both the House Bill and the Senate Amendment amend Part E, Section 462 of title IV, Labor Market Information, regarding the development of a national, longitudinal data base utilizing unemployment insurance wage records.

The Senate Amendment permits, but does not require, the Secretary of Labor to study

the feasibility of making accessible nationwide information on quarterly earnings on all individuals for which such information is collected by States.

The House Bill, but not the Senate Amendment, *requires* the Bureau of Labor Statistics to determine the feasibility of organizing and making accessible nationwide information on quarterly earnings, establishment and industry affiliation, and geographic location of employment for all individuals for which such information is collected by States, and/or to demonstrate applications of such information.

The Senate recedes with an amendment to delete the paragraph on the Bureau of Labor Statistics engaging in research on employment data for each individual for whom such information is collected by the States. The amendment requires the Commissioner and States to build upon research conducted by the National Commission for Employment Policy and others to determine the procedures necessary to establish and maintain a longitudinal database using unemployment wage records and to develop a means to make this information available on a nationwide basis. The Conferees have included this amendment in recognition of the work of the NCEP that demonstrated the potential cost savings of using the unemployment insurance wage records. The Conferees agree to require the Secretary to report to Congress on the feasibility of establishing such a database.

B. The House Bill, but not the Senate Amendment, requires the Bureau of Labor Statistics to work with States to establish procedures to collect, maintain, and make available the information described above.

The Senate recedes with an amendment described in 235A.

C. The House Bill, but not the Senate Amendment, requires the Secretary to submit a report on the data base "12 months after the enactment of this bill".

The Senate recedes.

D. The House Bill, but not the Senate Amendment, specifies that the report to congress shall describe savings on program followup surveys.

The Senate recedes.

E. The House Bill, but not the Senate Amendment, requires the report to describe "the steps that have been taken and the schedule for any remaining steps necessary to implement the provisions of this section".

The Senate recedes.

F. The Senate Amendment, but not the House Bill, requires the report to "address the feasibility of establishing appropriate safeguards for maintaining the confidentiality of information and privacy of individuals".

The Senate recedes.

236. Federal Responsibilities. The House Bill, but not the Senate Amendment, adds a new subsection to Section 463 requiring the Secretary, through the National Occupational Information Coordinating Committee (NOICC), to report to Congress within 24 months of enactment of this Act, listing recommended common data elements, an analysis of benefits, and a plan for developing and maintaining this common core of data.

The Senate recedes with an amendment to delete Section 463(d) of the House Bill.

237. National Occupational Information Coordinating Committee (NOICC). A. The House Bill increases the authorization for NOICC from not more than $5 million to "not less than $6 million", while the Senate Amendment simply increases the authorization to $6 million.

The House recedes.

B. The House Bill, but not the Senate Amendment, adds to the responsibilities of the Committee by placing emphasis on career development and by requiring that the Committee conduct research and demonstrations to improve coordination and compatibility of human resources data systems (including systems to assist in economic development efforts).

The Senate recedes.

238. Replication of Successful Programs. The Senate Amendment, but not the House Bill, creates a new Part H in title IV authorizing the Secretary to make grants to public or private non-profit organizations to provide technical assistance to States and service delivery areas for costs associated with development and operation of model programs that are likely to improve the employment prospects of economically disadvantaged youth and adults.

The House recedes with an amendment to merge the Senate language on Replication of Successful Programs into a new section entitled "Capacity Building, Information, Dissemination, and Replication Activities," which will replace section 453 of current law (see comment 230 for a summary of the newly amended section 453).

239. Youth Opportunities Unlimited Program. Title. Both the House Bill and Senate Amendment establish a new program under title IV to serve youth in high poverty areas. However, in the House Bill, the title for this program is the Youth Opportunities Unlimited Program. In the Senate Amendment, the title is the "Fair Chance Youth Opportunities Unlimited Program."

The House recedes with an amendment to change the title to the Youth Fair Chance Program.

240. Program Authorization.

A. The Senate Amendment, but not the House Bill, refers to the grants awarded to service delivery areas "on behalf of participating communities."

The House recedes.

B. The House Bill, but not the Senate Amendment, makes grantees under the Migrant and Seasonal Farmworker Program eligible as grantees under the Youth Opportunities Unlimited Program, where the target area is located in a migrant or seasonal worker community.

The Senate recedes.

The provisions enabling tribal governments and Native Alaskan groups to apply for Youth Fair Chance grants are intended to apply to all tribal governments within Oklahoma regardless of the status of their land.

241. Grant Limits. A. The House Bill limits the number of grants that may be made during the first fiscal year of program authorization, whereas the Senate Amendment limits the number of grants over a five-year period.

The Senate recedes.

B. The House Bill limits the number of grants in the first fiscal year to not more than 50, whereas the Senate Amendment limits the number of grants in the first fiscal year to not more than 25.

The House recedes.

C. The Senate Amendment, but not the House Bill, limits the number of grants in the first five fiscal years to not more than 40.

The Senate recedes.

242. Indian Grants. The Senate Amendment, but not the House Bill, requires that at least one, and not more than three, grant(s) be made available to grantees designated under section 401 representing Native American Indian reservations and Alaska Native villages.

The House recedes with an amendment to add "or section 402 migrant programs".

243. Grant Extension. The Senate Amendment, but not the House Bill, permits the Secretary to extend the renewal period for an additional 2 fiscal years on reapplication.

The House recedes.

244. Award Criteria. The House Bill, but not the Senate Amendment, requires that the extent to which other Federal and non-Federal funds are available for similar purposes, and new State, local, or private resources are available, shall be considered by the Secretary in awarding grants.

The Senate recedes.

245. Award Priority. The House Bill gives priority in granting awards to "target areas" with the highest poverty rates, whereas the Senate Amendment gives priority to "participating communities" with the highest poverty rates.

The House recedes.

246. Application. The Senate Amendment, but not the House Bill, requires the Secretary to use the latest census estimates in determining communities with the highest level of poverty.

The House recedes.

247. Measurable Goals. Both the House Bill and Senate Amendment set the goal of increasing the proportion of youth having positive outcomes, but differ as follows:

A. Both set the goal of increasing the proportion of youth completing high school, but the House Bill, and not the Senate Amendment, also includes completion of the high school equivalent.

The Senate recedes.

B. The House Bill, sets the goal of entering into post-secondary institutions, apprenticeships, or other advanced training programs, while the Senate Amendment sets the goal of entering into community colleges or other advanced training programs.

The Senate recedes.

248. Application. The House Bill, but not the Senate Amendment, includes as a possible program goal increasing the proportion of youth participating in education, training, and employment services.

The Senate recedes.

249. Application. A. The House Bill, but not the Senate Amendment, requires each grant application to describe support services necessary for successful participation by youths.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires each grant application to describe a system of common intake, individualized assessment, and case management.

The Senate recedes with an amendment to add "procedures or sites" after the term "common intake".

250. Application Requirements. The Senate Amendment, but not the House Bill, requires each grant application to demonstrate how the participating community will make use of the resources, expertise, and commitment of the various service providers of related programs.

The House recedes.

251. Application Requirements. The Senate Amendment, but not the House Bill, requires each grant application to include an estimate of the funds needed to serve all youth in the target area seeking appropriate education, training, and support services.

The House recedes.

252. Application Requirements. A. The House Bill requires each grant application to

provide evidence of support from the local school system, whereas the Senate Amendment requires such evidence from the local school board.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires each grant application to provide evidence of support from post-secondary education and training institutions.

The Senate recedes.

253. Applications Submission. Both the House Bill and the Senate Amendment allow the Mayor of a city to submit an application under this program. However, the House bill, but not the Senate Amendment, would also allow a chief elected official to submit such application.

The Senate recedes.

254. Application Submission. The House Bill, but not the Senate Amendment, permits the chief elected official of a nonmetropolitan county or the designated chief official of contiguous nonmetropolitan counties to submit a grant application after review by the governor, whereas the Senate Amendment permits only the governor to submit an application on behalf of contiguous nonmetropolitan counties.

The Senate recedes.

255. Application Submission. A. The House Bill, but not the Senate Amendment, permits immigrant and seasonal farmworker communities to apply for grant.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, permits joint grant applications to be submitted by the 401 or 402 grantee and the governor or by the grantee and the State.

The Senate recedes.

256. Grant Agreement. The House Bill, but not the Senate Amendment, permits the population of a target area to exceed 25,000 in the event that the population of an area from which a high school draws a substantial portion of its enrollment exceeds the 25,000 limit.

The Senate recedes with an amendment to expand the target area to a population of 50,000 where appropriate.

257. Grant Agreement. The Senate Amendment, but not the House Bill, mentions initiatives, "such as youth corps programs".

The House recedes.

258. Grant Agreement. A. The Senate Amendment, but not the House Bill, requires each grant agreement to provide that only youth who live in the target area shall be eligible to participate in the program.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires that participants be age 14 through 21 at the time of enrollment. The Senate Amendment requires participants to be age 14 through 21 in order to participate.

The Senate recedes.

259. Grant Agreement. The House Bill, but not the Senate Amendment, requires the grant agreement to include assurances that the participating community will undertake outreach and recruitment efforts to reach underserved, disadvantaged youth.

The Senate recedes.

260. Grant Agreement. A. Both the House Bill and the Senate Amendment require that YOU funds be used to pay the Federal share of costs of the program and to supplement, not supplant, funding from other sources available to youth in the target area. The House Bill, but not the Senate Amendment, also stipulates that these funds not supplant funding available to youth during the previous year.

The Senate recedes.

B. The House bill, but not the Senate Amendment, stipulates that the grant agreement shall not permit funds to be used for paid work experience, unless such programs are combined with other education and training activities.

The Senate recedes.

261. Job guarantees. The House Bill, but not the Senate Amendment, establishes a job guarantee program for students who meet school attendance and performance standards.

The Senate recedes with an amendment requiring the Secretary to permit a "reasonable" number, rather than a "significant" number as in the House Bill, of grantees to participate in a job guarantee program for certain youths. The Conferees intend for the Secretary to devote sufficient funds to the job guarantee program to permit a reasonable number of such programs to be created. The amendment "permits", rather than "requires" as in the House Bill, the Secretary to use poverty as a criterion for selecting grantees.

262. Payments. Federal Share. The House Bill specifies that the size of the grant award shall be based on the size of the target area and the extent of the poverty in such area, and shall be of sufficient size and scope to carry out an effective program, whereas the Senate Amendment simply states that the Secretary shall pay the Federal share of the costs of the activities described in the application.

The Senate recedes.

263. Payments. Federal Share. The House Bill, but not the Senate Amendment, sets the Federal share of program costs at 100 percent for Native American or migrant and seasonal worker programs.

The Senate recedes.

264. Payments. Federal Share. Both the House Bill and the Senate Amendment allow for a portion of the matching requirement for this program to be obtained from Federal funds other than those provided for under the YOU program; however they differ on the percentage allowed. The Senate Amendment allows 50% of the required match to come from Federal sources other than those in the YOU program, while the House Bill allows 35% of the match to come from other Federal sources.

The House recedes with an amendment to require not less than 70 percent of funds to come from the Federal share. Of the remaining 30 percent of funds, not more than 20 percent may come from other Federal programs and not less than 10 percent may come from non-Federal funds, in-kind contributions, on a combination thereof.

265. Federal Responsibilities. The Senate Amendment, but not the House Bill, requires the Secretary to assess the feasibility of extending guaranteed access to comprehensive education, training, and support services for youth in all areas of the United States.

The House recedes.

266. Reporting Requirements. A. The Senate Amendment sets a deadline for submission of a report on this youth program, specifies that the report should be submitted to the appropriate Committees of Congress, and lists specific information that should be included in the report, while the House Bill simply requires the Secretary to prepare a report on the requirements of the previous subsection.

The House recedes with an amendment to change the due date from December 31, 1994 to December 31, 1996.

B. The House Bill allows the Secretary to reserve 5 percent of YOU funds in each fiscal year, whereas the Senate Amendment allows the Secretary to reserve up to 10 percent of YOU funds for carrying out the Federal responsibilities of the program.

The Senate recedes.

267. Definitions. A. "Participating Community." The House Bill, but not the Senate Amendment, includes in the definition of "participating community," a non-metropolitan county, a section 402 grantee, or a consortium of the State and section 402 grantee, when referring to migrant and seasonal worker areas.

The Senate recedes.

B. Poverty Area. The House Bill requires the Secretary to determine high poverty areas based on Census Bureau estimates, whereas the Senate Amendment omits reference to the Secretary and requires poverty areas to be determined directly by Census Bureau estimates.

The House recedes.

C. The House Bill, but not the Senate Amendment, includes automatically in its definition of high poverty area, a migrant or seasonal farmworker community or a unit of a general local government that has over 30% of its population receiving food stamps.

The House recedes.

268. Microenterprise Grants. The House Bill, but not the Senate Amendment, establishes a program to technical assistance, training, and counseling to assist persons whose income does not exceed 100% of the official poverty threshold to develop a commercial enterprise employing 5 or fewer employees, including the owner. Under this program the Secretary is authorized to make grants of not more than $500,000 per year to not more than 10 states per year to implement and enhance community-based microenterprise activities. A 100% State match is required.

The Senate recedes with a technical amendment to conform the poverty definition to the definition of economically disadvantaged in JTPA. The provisions enabling tribal governments and Native Alaskan groups to apply for Microenterprise Grants are intended to apply to all tribal governments within Oklahoma regardless of the status of their land.

269. Disaster Relief Employment Assistance. The House Bill, but not the Senate Amendment, adds a new part J to title IV, creating a new, permanent authority of $15 million per year, to fund public service employment for disaster relief as defined in the Disaster Relief Act of 1974. Eligible participants include those eligible for title III of this Act, or those unemployed as a result of the disaster.

The Senate recedes. The provisions enabling tribal governments and Native Alaskan groups to apply for disaster relief employment assistance are intended to apply to all tribal government within Oklahoma regardless of the status of their land.

TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

270. Jobs for Employable Dependent Individuals (JEDI). The Senate Amendment, but not the House Bill, amends and restructures title V of the Act by providing for the payment of incentive bonuses to each state for providing job training and placement to absent parents of children receiving Aid to Families with Dependent Children (AFDC), and to blind and disabled individuals receiving supplemental security income (SSI). The amount of the bonus paid to each state is based upon: (1) the amount of child support paid by each individual for up to 2 years after program termination; and (2) the reduc-

tion in federal contribution to the amounts eligible individuals receive under title XVI of the Social Security Act for up to 2 years after program termination.

The House recedes with an amendment to limit administrative costs for States to only 5 percent of funds. The amendment also requires that unused appropriations revert back to part A of the title II program. The amendment authorizes appropriations for the JEDI program through fiscal year 1996. The conference agreement includes the rewrite of the JEDI program as found in the Senate Amendment, including the removal of the funding trigger.

TITLE VI—STATE HUMAN RESOURCE INVESTMENT COUNCIL

271. State Human Resource Investment Council. The House Bill, but not the Senate Amendment, establishes a new Title VII, allowing states to voluntarily establish a State Human Resource Investment Council to review the use of funds and provision of services of applicable federal human resource programs, advise the Governor on coordination of such programs; advise the Governor on development and implementation of State and local standards and performance measures and coordination of such standards for applicable programs; and carry out the duties and functions of the existing State Councils as established under the applicable Federal laws establishing the individual councils.

The Senator recedes with an amendment. The Conference agreement provides for the voluntary establishment of State Human Resource Investment Councils (HRIC) at the discretion of the Governor and with the agreement of State agency heads of applicable programs in each State. The purpose of the HRIC is to provide coordination for Federal human resource programs, to advise the Governor on human investment needs in the State, and to recommend ways to meet those needs, while maximizing the use of Federal funds and avoiding duplication of effort. The agreement requires that prior to including State Vocational Education Council activities under the jurisdiction of the HRIC, the Governor and the State educational agency must obtain the approval of the existing State Vocational Education Council. HRIC's may use funds available for other state councils and administrative funds otherwise available under applicable Federal human resource programs. In the case of vocational education, no funds other than those appropriated specifically for the State Vocational Education Council may be used to fund the HRIC.

The Committee recognizes the valuable contribution made by State Councils on vocational Education to the evaluation of the State's vocational education programs. Should a State Council on Vocational Education exercise its option of excluding the Carl D. Perkins Vocational and Applied Technology Education Act from the purview of the State Human Resource Investment Council, the State Council on Vocational Education will continue to operate and those State Council funds shall not be used to support the activities of the State Human Resource Investment Council.

If a State does eliminate the State Council on Vocational Education and use site funds for the activities of the State Human Resource Investment Council, the newly formed State Council must fulfill the duties and responsibilities of the State Council on Vocational Education as specified in Section 112 of the Carl D. Perkins Vocational and Applied Technology Education Act.

Nothing in these amendments should be construed to prohibit States that have already established human resource councils or "super" councils in compliance with current law from maintaining them. To achieve the economy and efficiency of the single council contemplated by these amendments, however, States must conform their councils to all of the new requirements.

272. HRIC Membership. The House Bill, but not the Senate Amendment, requires that HRICs voluntarily established under this Act consist of: not less 30% representatives of business and industry; not less than 30% representatives of organized labor and community-based organizations; not more than 20% from the chief administrative officers of the State agencies responsible for applicable programs and from the State legislature and other State human resource agencies; and not less than 20% from representatives of local government, local education agencies, local welfare and public housing agencies, and individuals with expertise in education, career development and needs of special populations, and women and minority issues, including one representative of special education.

The Senate recedes with an amendment stating that business, labor, and education shall each constitute not less than 15 percent of the membership of the HRIC. Labor representation shall be chosen from individuals recommended by recognized State labor federations. At least one education representative must be from each of the following: local public education, a postsecondary institution, and a vocational education program. In addition, the head of each State agency or the designee of such State agency responsible for the administration of an applicable Federal human resource program must have a seat on the, HRIC as well as at least one representative of a community-based organization. Other entities or individuals that may be represented on the HRIC are local welfare agencies, public housing agencies, units of general local government or consortia of such units, the State Legislature, certain other State or local agencies that receive funding under an applicable Federal human resource program, and individuals who have expertise in special education and the career development needs of targeted populations.

The Committee intends that membership of the HRIC broadly represent business, labor, and education and that the Governor select individuals qualified by expertise and special knowledge to serve on the HRIC. Because of the HRIC's emphasis on workforce development, special consideration should be given to selecting individuals representative of the vocational-technical education and job training systems within the state. Individuals with expertise in secondary, postsecondary and adult vocational-technical education, career guidance and counseling personnel, qualified individuals with respect to the needs of special populations, and members of vocational student organizations should be given particular consideration by the Governor for inclusion on the HRIC.

In addition, given the important functions served by the State Director of vocational education in each State, the State Director participation on the HRIC is encouraged. Improvement in coordination and program services in vocational education will be most effective if the State Director is a member of the HRIC.

273. Budget and Use of Funds. A. The House Bill, but not the Senate Amendment, requires the HRIC to prepare a budget for itself and submit it to the Governor for approval.

B. The House Bill, but not the Senate Amendment, provides that states establishing State Human Resource Investment Councils may use funds otherwise available under applicable programs for State councils to carry out the functions of the HRIC.

The Senate recedes with an amendment to delete the provisions requiring a State Human Resource Investment Council to submit a budget to the Governor. The Conferees kept House Bill language permitting the HRIC to use funds set aside for State councils under applicable Federal human resource programs and added language to permit the regulated use of funds under such programs that are not specifically set aside for State councils. State Human Resource Investment Councils will also be permitted to use funds, services, personnel, and facilities provided by State and local public agencies with the consent of such agencies.

The Conferees want to make it clear that funds allotted to State Councils under the Carl D. Perkins Vocational and Applied Technology Education Act are the only funds from such Act to be used to support the activities of the State Human Resource Investment Councils. Other sources of funds for the activities of the HRIC must be agreed to by the administrative heads of the applicable federal programs with no one program contributing a disproportionate amount in relation to total federal spending on such programs. Each participating agency is encouraged to provide funds to support the HRIC in a manner consistent with its participation on the HRIC.

While no minimum and maximum levels of expenditures for State Human Resource Investment Councils are specified in title VI of the Conference bill, the Committee requires the Secretary to closely monitor and report annually to the appropriate Committees of Congress the amount of expenditures and sources of funding for the HRICs.

274. Definition. The House Bill, but not the Senate Amendment, defines any "applicable Federal human resource program" included under the State Human Resource Investment Council as any federally assisted human resource program included in an agreement reached by the State agencies responsible for administering the affected program.

The Senate recedes with an amendment stating that the Governor and the head of the State agency responsible for administering a Federal program must jointly agree that the Federal program qualifies as an applicable Federal human resource program under title VI of the Act in order for such program to be included within the jurisdiction of the HRIC except that the Governor and the State Educational Agency must obtain the approval of the existing State Vocational Council before including vocational education programs.

The Conferees intend that the HRICs will comply with the reporting requirements of the governing statutes of the applicable federal human resource programs represented on the HRIC.

TITLE VII—MISCELLANEOUS PROVISIONS

275. Conforming Amendments. The House Bill and the Senate Amendment have numerous technical differences between conforming amendments that will be addressed after the sections of the bills to which the conforming amendments pertain are reconciled.

The House recedes with an amendment to adjust the conforming amendments in accordance with the contents of the Conference bill.

276. Conforming Amendments. The House Bill, but not the Senate Amendment, repeals sections 161(c) and 181 of the Act.

The Senate recedes.

277. Technical Amendments. There are numerous differences between the House Bill and Senate Amendment technical changes to the table of contents, but differences in the technical amendments will be addressed after the sections to which the technical amendments pertain are reconciled.

The House recedes with an amendment to conform the technical changes to the contents of the Conference bill.

278. Effective Date. The House Bill establishes July 1, 1992, as the effective date of these amendments, whereas the Senate Amendment establishes December 1, 1992 as the effective date.

The House recedes with an amendment to change the effective date to July 1, 1993.

279. Performance Standards. A. The Senate Amendment specifically states that "the Secretary of Labor" shall issue revised performance standards, whereas the House Bill simply states that "performance standards shall be issued". B. The House Bill requires the performance standards to be issued no later than July 1, 1993, whereas the Senate Amendment requires the standards to be issued no later than July 1, 1994.

The House recedes on parts A and B.

280. The House Bill, but not the Senate Amendment, requires the Secretary to evaluate the impact of Title II programs as amended by this bill on participant employment, earnings and welfare dependency.

The Senate recedes.

281. The House Bill permits the Secretary to establish rules and procedures to provide for an orderly transition to and implementation of the amendments made by this Act, whereas the Senate Amendment refers to an orderly transition to the amendments made by this title.

The Senate recedes.

WILLIAM D. FORD,
PAT WILLIAMS,
CARL C. PERKINS,
ROBERT E. ANDREWS,
JOHN W. OLVER,
BILL GOODLING,
STEVE GUNDERSON,
PAUL B. HENRY,
Managers on the Part of the House.

EDWARD M. KENNEDY,
HOWARD METZENBAUM,
PAUL SIMON,
ORRIN HATCH,
STROM THURMOND,
Managers on the Part of the Senate.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 5487, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION APPROPRIATIONS ACT, 1993

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a conference report on the bill (H.R. 5487) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1993, and for other purposes.

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

There was no objection.

CONFERENCE REPORT ON S. 323, FAMILY PLANNING AMENDMENTS ACT OF 1992

Mr. WAXMAN. Mr. Speaker, I call up the conference report on the Senate bill (S. 323) to require the Secretary of Health and Human Services to ensure that pregnant women receiving assistance under title X of the Public Health Service Act are provided with information and counseling regarding their pregnancies, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of July 31, 1992, at page 20607.)

The SPEAKER. The gentleman from California [Mr. WAXMAN] will be recognized for 30 minutes, and the gentleman from California [Mr. DANNEMEYER] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, this conference report is to reauthorize the Federal family planning program, to overturn the gag rule on health professionals in family planning clinics, and to require that these clinics comply with State law that is in force regarding parental notification or consent for minors seeking privately funded abortion services.

REAUTHORIZATION IS IMPORTANT

The Federal family planning program is a key element in the Nation's effort to improve maternal and child health, lower infant mortality, and lower the rates of unwanted pregnancy and abortion in the United States. Over the years, expert review and medical research have always arrived at the same commonsense conclusion: The best solution to unwanted pregnancy is to prevent the pregnancy.

Unfortunately, this program has been held hostage in the abortion debate for a very long time. The program has been proposed for repeals, block grants, freezes, and restrictions. It has not been reauthorized since 1985 and has not had significant funding increases since its last authorization. In fact, in constant dollars adjusted for inflation, the funding of the program and its ability to provide services to poor women have declined by more than half.

The tragic result is that routine contraception services have been limited over the last decade, and that has meant unwanted pregnancy and, in turn, unnecessarily high rates of both low-birth weight babies and abortions.

With this legislation, I hope that we can expand these services and move beyond the abortion debate to the health debate. The continued use of the family planning program as a pawn in the abortion debate is self-defeating, leaving poor women with fewer an fewer ways to prevent pregnancy.

THE GAG RULE IS WRONG

We should also move to eliminate restrictions on the ability of poor women to get the best medical advice of the health professionals who provide them services. The administration has proposed regulations to limit the ability of doctors and nurses to counsel and refer patients or even to answer point-blank questions with truthful responses.

This regulation—which is known as the gag rule—is bad medicine, bad law, and bad precedent. Title X patients—most of them poor—will not get medical advice about their pregnancy but political advice. They will not get informed consent; they will be told what to do.

This is not right. The Supreme Court may say that it is constitutional, but it is not right.

This legislation would reverse the gag rule and replace it with a codification of the guidelines that were issued by the Reagan administration on how a family planning clinic should deal with a pregnant woman. This is a simple approach: If a patient requests information on pregnancy options, she should be given that information. It should be nondirective, it should be complete, and it should be true.

This has been the practice of the program practically from the time that then-Congressman Bush first spoke in favor of it and voted for it. It was formalized by the Reagan administration. It is supported by all health provider groups, including the American Medical Association and the American Nurses Association. It should continue to be the policy of the program.

STATE LAW SHOULD GOVERN ON PARENTAL NOTIFICATION FOR MINORS SEEKING PRIVATELY FUNDED ABORTION SERVICES

Finally, this legislation contains a House amendment to require that clinics receiving funds under this program comply with any State law in force that provides for parental notification or consent for minors seeking abortions.

The first thing that I want to make explicit is that title X funds cannot be used to perform abortions. Nothing in this report changes that policy. This provision affects only title X clinics that provide abortions with totally separate, non-Federal funds.

The amendment requires that these clinics comply with State law that is in force on parental notification and consent. Like the House, the conferees took this approach because of the widely varying provisions of State parental involvement law. Some States require it, some States do not. Some States make exceptions for medical emergencies. Some States allow notification to grandparents. Some States allow counseling by clergy instead.

Rather than superceding this variety of laws, the conferees chose to recognize these laws in a States' rights manner. It would be inappropriate to override State laws in this extremely complex area through a small grants program.

SUPPORT THE CONFERENCE REPORT

In closing, I would simply re-emphasize that the Federal family planning program is our best hope to achieve many maternal and child health goals. To reduce unwanted pregnancy we should make family planning widely available. To lower abortion rates we should give women the ability to prevent pregnancy. Family planning is not the problem. It is the solution.

□ 1820

Mr. DANNEMEYER. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I trust some Members were shocked, dismayed, perhaps angered, even embarrassed to learn that Planned Parenthood spent a fortune going all the way to the U.S. Supreme Court in an effort to overturn Pennsylvania's modest restrictions on abortion.

Planned Parenthood spared no expense in their legal battle to nullify Pennsylvania's informed consent law—a modest pro-life regulation designed to ensure that the mother knows the risks of abortion, childbirth and basic facts concerning her unborn baby.

They petitioned the Court to strike down parental consent for minors—a move that should send a shudder down the spine of every parent since a large portion of Planned Parenthood's clientele are teenage girls and young women. About a third of all title X clients are minors. There can be no doubt that a sizeable number of teenage moms have been marched into abortion mills with the minors' parents deliberately left in the dark that their daughters were undergoing an abortion. There is no disputing the record that Planned Parenthood is vociferously against parental consent. Planned Parenthood believes—contrary to the overwhelming sentiments of the American people—that 14- or 15- or 16-year-old teenage mothers are entitled to a secret abortion.

And Planned Parenthood objected to a simple 24-hour waiting period—a policy designed to encourage reflection and mitigate pressure on the mother to abort her child from abortionists, counselors—even well-meaning friends.

Incredibly, the 1 day wait was regarded as too onerous and burdensome by Planned Parenthood, an extreme view that I trust many in this Chamber have a hard time swallowing.

Now these same people want to pressure you and me—and they have spent a reported $5 million to that end including a lawsuit—into nullifying yet another modest pro-life policy designed to curtail Government-subsidized referrals and counseling for abortion.

This conference report should be rejected by the House. I can say for certain that it will be vetoed by the President. For the record you should know that even if this bill is rejected, family planning programs will continue to receive a huge amount of Federal funds via the appropriations process. In 1992, the Federal Government alone will spend approximately $461 million on family planning, about a third of that earmarked for title X.

Moreover, according to HHS:

Title X appropriated funds make up only a small part of title X project budgets. For example, in 1991, the title X services appropriation was about $134 million, while Title X aggregate grantee budgets exceeded $485 million. The additional $351 million came from a large variety of other federal, state, local or philanthropic organizations.

It should be noted that every dollar of federally funded family planning programs has been spent without an authorized bill.

Let me just say that, this is not a free speech issue—it is an issue concerning Federal payments for the facilitation of abortion. The simple fact of the matter is that many children have died in Planned Parenthood's abortion mills and in other title X grantees, and more will die—if this legislation passes.

The unpleasant reality that no amount of denial or wishful thinking can cloak, is that abortion kills children, and the methods employed are terrifying to contemplate. In lieu of care and loving attention and respect, these babies are dismembered by knives, they are dismembered by suction machines, they are chemically poisoned.

Tragically, Planned Parenthood performs or refers for over 200,000 abortions every year—which is enough kids to fill RFK stadium to capacity four times. Picture, if you will, all of these children eagerly awaiting a Redskins kickoff, grabbing a hotdog at RFK—then those same kids denied life itself.

And we are helping to facilitate the demise of these children.

Thus, at a minimum we should not subsidize counseling and referrals for abortion especially when the consequence of such a policy is dead children. Rather, we should be encouraging positive, nonviolent solutions to unintended pregnancies.

As you know, the Bush regulations properly require referrals at title X clinics to prenatal care providers.

The administration's regulations treat both the mother and her unborn baby with reverence and respect.

The policy repudiates the obnoxious notion that pregnancy is a disease—the unborn child the moral equivalent of a tumor or cyst, to be excised and destroyed. The regulations rest on the humane and reasonable proposition that abortion is not a method of family planning, a view held by over 80 percent of Americans, according to the Gallup and Wirthlin polls.

In short, the title X regulations show respect and encourage proper health care for both patients during pregnancy—mother and child.

I urge a "no" vote on the conference report.

Mr. WAXMAN. Mr. Speaker, I am pleased to yield 1 minute to the gentleman from Oregon [Mr. WYDEN], an important member of our subcommittee.

Mr. WYDEN. Mr. Speaker, once again there has been an effort to try to link family planning to a program that funds abortion.

I would say to my colleagues that if you want to oppose abortions, this is the program that makes it possible to do it.

Family planning makes it possible to assist our families to get a wide range of services that prevent abortion.

In addition, what we want to do is make sure that we do not put in place medical censorship. In the private sector, it would be malpractice to deny information to women. Let us make sure women have all the facts. Pass this program and do everything possible to prevent abortion through good family planning programs.

Mr. DANNEMEYER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, the title X regulations, first issued in 1988 and later clarified by President Bush's directive on the importance of doctor-patient communications, are in no way, shape, or form a gag rule. We all know that this label is a public relations tool being used by supporters of abortion on demand to shape public opinion. If its absolute adoption by the press is any indication, we also know that this gimmick has been very successful. So far. I repeat, so far.

However, Mr. Speaker, from bitter experience we know better than anything else that misleading the public only leads to disaster and the further demeaning of Congress and its Members. The public cannot be misled for long by pithy labels. The truth will prevail and the truth is that what we are debating today are issues of program integrity; of taxpayers' choice; of the overwhelming opposition of most Americans to abortion as birth control; and of parents' responsibility for their children.

A vote for S. 323 is a vote to undermine all of these, and it will be seen as such by the American people, especially parents.

The truth is that the title X program was created as preventive family planning program, intended to help poor

women avoid unplanned pregnancy and to plan the timing and spacing of their children. The statute, conference report, and floor debate before their passage in 1970 all made it very clear that there was never to be an entanglement between title X activities and abortion-related activities.

Nevertheless, a 1982 GAO investigation found that there was entanglement and abuse by title X grantees who were abortion advocates, and, in many cases, abortion providers: colocation of abortion facilities with title X clinics; literature promoting abortion as a backup form of birth control; and pro-abortion lobbying are just a few examples.

The regulations have corrected abuses of taxpayer dollars and have restored integrity to the program. These regulations reassure parents that their own tax dollars will not be used to undermine their role as guardians of their children in decisions so important as whether or not to carry a child to term. On the other hand, this bill, S. 323, requires that young women be counseled on abortions as a "pregnancy management option," but excludes parents from this discussion.

Mr. Speaker, it is simply unconscionable that the tax dollars of the overwhelming majority of Americans who do not condone abortion as birth control would be used to fund a family planning program that makes no distinction between the two, and that provides no role for parents in the crisis pregnancy decisions of their daughters. The taxpayers pay for the title X program, and their views and convictions should be respected. S. 323 does not respect them and, therefore, does not deserve the support of a representative body such as ours.

□ 1830

Mr. WAXMAN. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Illinois [Mr. PORTER].

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

Mr. Speaker, I rise in strong support of the conference report.

Title X is an important source of low cost, primary health care services for many poor women.

The gag rule is offensive to American values, contrary to sound medical practice.

Most Americans oppose the gag rule. Half of Americans who say they are pro-life oppose the gag rule. Most Republicans oppose the gag rule as well.

The American people understand that a system of regulatory controls on factual information, controls on medical professionals, and abrogation of the rights of poor women does great damage to the fabric of our democracy.

The gag rule is about to be implemented. It is an onerous and dangerous proposal. Doctors may not refer those patients to what they deem to be an appropriate service provider. They remain bound by a list of referral organizations many of whom do not provide abortion and this list—provided to the patient without comment—does not differentiate between those that might and those that might not provide abortion. As a result, the professional judgment and professional responsibility of doctors is directly attacked by the regulations.

Allied health professionals, nurses, and nurse practitioners are also still gagged. These personnel are forced to tell pregnant women who ask, that abortion is not an appropriate method of family planning, and to send them away with the confusing and undifferentiated list I mentioned above.

These nurse practitioners are health professionals with 4 years of education, are universally recognized as a critical part of the solution to providing health services in rural and poor underserved areas of the country, and are required by the licensing statutes of most States to educate and inform their patients.

That is why the AMA, the Association of Medical Women, the American College of Obstetricians and Gynecologists, and several nursing organizations all continue to oppose the regulation.

Mr. Speaker, the gag rule forces health care providers to violate their legal and ethical obligation to tell the truth. That means bad medicine and bad medicine means malpractice suits.

The gag rule violates State standards of licensure. State officials have indicated that the gag rule appears in direct conflict with their State laws on civil liability and licensure with respect to the obligation to abide by the dictates of informed consent.

Finally and ultimately, Mr. Speaker, the gag rule is un-American—it destroys the bond of faith that must exist in a democratic society between the governed and their government. The rule imposes systemic damage on our society well beyond its immediate impact on poor women. I urged the Members to support this conference report to reauthorize voluntary family planning and repeal the gag rule.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MFUME). The Chair would advise those members seated in the gallery, members of the public, that any approval or disapproval of House proceedings is not allowed.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I rise in strong opposition to the conference report on S. 323, the Family Planning Amendments of 1992. This name is somewhat misleading—it attempts to make those who don't support this bill look like they are opposed to family planning. Nothing could be farther from the truth. I strongly support responsible family planning, as do the vast majority of Members in this Chamber. The controversy over this bill isn't about family planning. This bill is about abortion, and abortion is not family planning. Planning is something you do before the fact. Abortion is family cancellation. We should not be spending taxpayers dollars on family cancellation.

This conference report will indirectly require grant recipients to provide abortion information and referrals upon request. Despite the presence of the so-called conscience clause, which is largely ineffective, this bill will require family planning providers who have moral objections to abortion to indirectly support abortion by steering clients to other projects which will provide abortion referrals. This bill will allow taxpayer funds to be used to refer minors for abortion without their parents' knowledge or consent—and one-third of title X clients are minors.

From the beginning, pro-abortion forces have obscured this debate. First we heard about the first amendment—that's not an issue here. Then we heard about a lack of complete medical services. Well, that is not true either. Title X physicians are required to provide complete medical information about a woman's condition under the regulations—even if the end result is an abortion. Now we're hearing that opposition to abortion is opposition to family planning. Bear in mind that the Federal Government will spend $461 million this year in direct family planning services and another $164 million in family planning research—even without this particular pro-abortion bill. Family planning is not endangered in this country; unborn children are.

I urge my colleagues to reject this conference report.

ABORTION IS NOT FAMILY PLANNING, VOTE "NO" ON S. 323

S. 323 will overturn pro-life regulations which prevent Title X family planning clinics from using taxpayer money for abortion counseling and referrals.

The American people strongly oppose the use of abortion as a method of birth control. A 1989 Boston Globe poll and a 1990 Gallup survey found overwhelming opposition (89% and 88% respectively) to this practice.

The Title X regulations do not interfere with the doctor-patient relationship. The regulations are consistent with the Nov. 5, 1991 Memorandum from President Bush which states, "Nothing in these regulations is to prevent a woman from receiving complete medical information from a physician."

All Title X clinics are required to refer a woman to a specialist's care, including "emergency care" if her life is in danger, even if it results in an abortion.

One-third of Title X clients are minors. If S. 232 is enacted, taxpayers' funds will be used to refer minors for abortions—without their parents' knowledge or consent. The language in the bill is completely ineffective and does nothing to further the rights of parents.

The Planned Parenthood Federation of America (PPFA) has published a "preliminary report" on the counseling function in their affiliates. Their evaluation is quite revealing: Data from nearly 500 individual counselor profiles gives a clear picture of a counseling staff which is largely young and inexperienced, much of it working unpaid and probably using PPFA employment for training, experience and preparation for other jobs in the future. Counselors' formal training is relatively modest."

Inexperienced "counselors' should not be making decisions that require the medical judgment of a doctor.

S. 323 would still force pro-life Title X family planning grantees to provide abortion information and referrals. Under this bill, family planning providers with conscientious objections to abortion must steer clients to other providers who will give abortion information and referrals. This requirement is a violation of many pro-life providers' moral convictions that abortion is not pregnancy prevention but child killing.

S. 323 is strongly opposed by all of the major pro-life groups. These include the National Right to Life Committee, U.S. Catholic Conference, Family Research Council, Concerned Women for America, Knights of Columbus, Christian Coalition, Southern Baptist Convention, National Association of Evangelicals, Christian Action Council, Eagle Forum, Traditional Values Coalition and Americans United for Life.

Mr. WAXMAN. Mr. Speaker, I am pleased to yield 2 minutes to the gentlewoman from New York [Ms. SLAUGHTER].

Ms. SLAUGHTER. Mr. Speaker, I rise in strong support of the conference report on S. 323. This bill is not about abortion. It is about all individual's first amendment constitutional right to freedom of speech, plain and simple. If the Bush administration is allowed to go forward in implementing it's gag rule, Big Brother will be censoring the medical advice a physician, nurse or clinician gives his or her patient. But let us make it perfectly clear that President Bush is not trying to stifle all health care providers, only those who serve the poorest and most vulnerable American women. So, in addition to this debate being one of free speech, it is also one of equal opportunity.

Vice President QUAYLE admitted in a recent interview that, should his own daughter be faced with an unintended pregnancy, he would support her in whatever decision she made. Presumably, he would want that decision to be based on the best available medical information and supported by the counsel of her loved ones. Miss Quayle would have all this available to her, from a private physician and a loving family. But what about another young adolescent faced with the exact same problem, but coming from perhaps a broken home with no means of paying for care by a private doctor? The gag rule denies this woman the full care and counsel available to Miss Quayle. Did the authors of our beloved Constitution really intend for freedom of speech to have such discriminating standards?

Let us reaffirm the inviolable first amendment right of all Americans to free speech. Let us vote to pass S. 323 and overturn the gag rule.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. I thank the gentleman for yielding this time to me.

Mr. Speaker, I would like to note that this debate is proceeding now in a different environment than it has in the past. Since the March 1992 regulations were issued by the administration, the administration has made very clear that it is permissible to provide information about the options for those who find themselves pregnant under the title X program. The primary difference between opponents and proponents of this bill now seems to be not whether the information can be distributed under title X but who may distribute it.

□ 1840

The administration wants only physicians to distribute it because they believe that physicians will give less biased, more balanced advice to pregnant women. The problem is that this Nation is suffering a health care crisis of extraordinary proportions. We have more people without health care now than we have ever had in our entire history, and most of those folks are poor women. They are the very folks that use family planning clinics.

Mr. Speaker, I say to my colleagues, there is no way that you can refer a women who uses a family planning clinic to a physician if she has no insurance. There is no way you can refer a women who uses a family planning clinic to a physician if there are no physicians around who accept Medicaid. It's simply an impossibility. It is unfortunate, but it is true, that the doctors' only provision of the administration's regulations effectively was a gag rule that denied critical health information to women.

For that reason, Mr. Speaker, it was absolutely necessary to overturn them, and I am pleased that this bill reiterates that the information provided to women must be balanced and must be about only the alternatives she requests information about. If she wants information about prenatal care and delivery, she get it. If she wants information about foster care or adoption, she gets it. If she wants information about termination services, she gets it.

The SPEAKER pro tempore (Mr. MFUME). The time of the gentlewoman from Connecticut [Mrs. JOHNSON] has expired.

Mr. WAXMAN. Mr. Speaker, I yield 30 seconds to the gentlewoman from Connecticut.

Mrs. JOHNSON of Connecticut. This is a women's rights bill. It is merely a bill that allows women to have the full information, the knowledge, they need to manage their lives and their futures, and that is the kind of empowerment that democracy depends on. In a free society knowledge is essential to self-government in the political arena and to independence and self-reliance in the personal arena. I urge my colleagues to support this bill.

Mr. WAXMAN. Mr. Speaker, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, today we have the opportunity and an obligation to protect the integrity of our nation's family planning programs. We must overturn the gag rule.

George Bush pretends to moderate the gag rule. But we know better. The health care practitioners of America know that the sacred relationship with their patients is threatened. And the women of America know that the quality of their health care is endangered.

These regulations, which the administration threatens to begin implementing at any time, are onerous and send a message to American women, especially poor women, that they do not matter.

If these regulations are implemented, many title X clinics will choose to forego Federal funds instead of being censored. These clinics will be forced to reduce the critical services they provide. For many women, title X clinics are the only health care to which they have access. They will have nowhere else to go.

For once, let us stop all the posturing and focus on what is really in this bill—sensible and urgently needed family planning programs that aid low-income women. These programs save money by diagnosing and treating health problems in their early stages. These clinics also teach individuals how to prevent unintended pregnancies.

For all my colleagues on both sides of the aisle who believe in quality health care and want to reduce unintended pregnancies, I urge strong support for this important measure.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, this debate is about abortion and family planning, and I think it is important when we discuss this issue that we remember what title X was all about. Title X was a program designed to help woman before they become pregnant. It was designed to decrease the incidence of abortion in America, and yet this conference report mandates the grantees under title X will counsel and will refer women on abortion as a family-planning option. It is about abortion and family planning, and the conference report is wrong when it mandates such counseling and referral.

In particular it is wrong because Americans, whether they believe in

abortion or not for whatever reason, Americans by a large majority, 89 percent, do not approve of abortion as a family planning option, and yet this conference report would put Federal dollars behind a mandate to counsel and refer women who become pregnant on that very option which is opposed again by a majority of Americans.

Second, Mr. Speaker, it is wrong because this bill also would mandate counseling and referral of minor children on this issue when many States, and even the Supreme Court, have recognized that the States have the option of requiring parental consent before a minor receives an abortion.

For these reasons, Mr. Speaker, the conference report ought to be rejected. It is out of touch with title X and out touch with the majority of the American people when it comes to their feelings on this critical and sensitive issue of abortion.

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

Mr. TAUZIN. I yield to the gentleman from Ohio.

Mr. REGULA. Mr. Speaker, there is language in there that says they only give the information that the woman requests. That was an amendment put in on the floor.

Mr. TAUZIN. I understand.

Reclaiming my time, the point is the mandate is to refer to this as a family planning option when that ought to be the last thing done in a family planning clinic.

Mr. WAXMAN. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut [Ms. DELAURO].

Ms. DELAURO. Mr. Speaker, over the past year we have been fighting the administration's attempt to infringe on our fundamental rights. The gag rule is an invasion of our right to free speech and equal treatment under the law. It is an attempt to use the coercive power of Government to gag health professionals and limit the rights of women.

We are now out of time—unless we pass the title X reauthorization conference report today, the gag rule will go into effect. We cannot allow the administration's policy to go forward—it is an offensive and misguided policy that violates the right to free speech and will prevent American women from receiving free access to medical advice—including advice about abortion.

The gag rule will create a two-tier medical system in which poor women are denied access to the same information available to those with private health insurance. Is this what American democracy is about? Is this what family values are about?

The gag rule clearly demonstrates this administration's lack of compassion and respect for women. The gag rule shows that this administration is more concerned about pandering to political pressures than providing equal treatment to women or protecting freedom of speech. I urge my colleagues to put an end to this ill-conceived policy.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I rise in support of the family planning reauthorization conference report. It is unfortunate that title X has not been reauthorized since it expired in 1985, and that as a result, appropriations have significantly declined for this important family planning program.

Meanwhile, like Nero, we fiddle as our Nation burns with the crises of unintended pregnancies, sexually transmitted diseases and HIV infection. The title X program helps to prevent these occurrences that are devastating our communities, large and small. Yet, last week's fical year 1993 Labor, Health and Human Services, Education appropriations bill provided $14 million less for title X than we provided 12 years ago. The conference report before us would rectify this shortsightedness and restore adequate funding for title X.

In addition to reauthorizing title X, this bill repeals the 1988 regulations that prohibit medical professionals in federally funded family planning clinics from sharing with patients complete information about all their medical options regarding unintended pregnancy.

The doctor/patient relationship has enjoyed a sacrosanct history in our society. Yet if we fail to repeal the gag rule today, we will assist in the implementation of regulations that instruct the medical community to communicate only information that is acceptable to the Federal government. I ask you, ladies and gentleman of the House, would you be satisfied leaving the medical information you receive at the whim of the federal government? I do not think so.

And who will suffer from this incomplete medical care? About 4 million low-income women who currently rely on the title X program. Paradoxically, before 1988, these same women could learn of all their pregnancy options. So are we now supposed to believe that the Federal Government is better able to provide information than the medical community? So are we now supposed to believe the Federal Government is better able to make these kinds of decisions than the women themselves?

Mr. Speaker, not one of us in this Chamber will ever tolerate being denied complete health care information or have our private relationship with our doctors intruded upon by the Federal government.

Members of the House, if you believe as I do that the gag rule is absolutely unacceptable, you will vote to repeal these regulations and restore integrity and the congressional intent of the title X program. I urge your support of the conference report.

□ 1850

Mr. WAXMAN. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. REGULA].

Mr. REGULA. Mr. Speaker, I support the title X conference report because title X represents the best chance we have to end the need for abortions and to halt the spread of sexually transmitted diseases.

My amendment, which passed the House by a voice vote, was included in the conference report, and clarifies that title X clinics should provide information about a woman's pregnancy options upon her request. We should provide all of the information the woman wants, but only the information she wants.

Just as speech should not be prohibited, so should it not be required.

While my voting record firmly places me in the ranks of the pro-life, I do not support the restrictions placed on title X. It is wrong to stifle the free exchange of information between a woman and her doctor or nurse. A woman should be absolutely free to ask anything she wants about her pregnancy. But it is also wrong to require the doctor or nurse to speak about abortion when it is neither requested nor wanted. The conference report recognizes this distinction.

Some people claim that women are being pushed into getting an abortion—not true. And the language of the conference report guarantees that the information the woman receives from her doctor or nurse will only be the information the woman asks to receive.

I fully support title X, and I think that providing medical screening and contraceptive information are essential services. For many women this is the only medical care they will seek or receive. More and more pediatricians, neurologists and other medical experts recognize the enormous impact that the first nine months of development have on life. Title X clinics provide basic health and nutrition information to help ensure a healthy pregnancy and delivery. And, as you know, the title X charter specifically prohibits the use of Federal funds for abortion services, and no title X funds are being used to pay for abortions.

The SPEAKER pro tempore (Mr. MFUME). The gentleman from California [Mr. DANNEMEYER] has 16 minutes remaining, and the gentleman from California [Mr. WAXMAN] has 17½ minutes remaining.

Mr. WAXMAN. Mr. Speaker, I yield 1 minute to the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Speaker, I rise today in strong support of the conference report on S. 323, the Title X Reauthorization Act, which strikes the Bush administration's gag rule on federally funded family planning clinics.

The urgency of this bill cannot be understated. In just a few short days the

gag rule is scheduled to be implemented, stripping the rights of counselors, nurses, and other trained professionals to inform women about all of their reproductive choices.

Mr. Speaker, the gag rule is a blatant violation of the basic principles of freedom and equity in our Nation. To deny trained professionals from providing comprehensive information to women about choices involving their health and reproductive system is clearly censorship in its worst form.

The women who attend these clinics are poor women, and have no where else to go. If we allow this gag rule to be implemented they will be denied knowledge of all their choices in dealing with their reproductive problems, only because they cannot afford to go elsewhere.

The gag rule and its recent modification allowing only physicians full freedom to discuss all options is simply not enough.

Many men and women who work day in and day out at family planning clinics across this Nation, counseling, working with women who are poor and in desperate need of assistance in knowing what reproductive options are available to them need to have all available support and information. The poor have no choice but to go to federally funded clinics, and should have full access to all their reproductive choices and/or information.

Mr. Speaker, the central issue in this gag rule debate is not about abortion; it is about free speech and equity for all in our society. I urge my colleagues to stand up for these very basic American principles and vote for this conference report.

Mr. DANNEMEYER. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana [Mr. HOLLOWAY].

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

Mr. Speaker, we have been over this and over this and over this. I think this body should know that the President stands strongly behind supporting the gag rule. I think a poll that was done in 1991 revealed that 88 percent of Americans oppose the use of abortion as a method of birth control and American taxpayers feel very strongly they should not be forced to subsidize abortion of any kind.

If this is not subsidizing abortion, I do not know what it is. I think people in this country oppose it. It has been shown that it is opposed.

I think it is time that we stand up as a body and say there is a great difference between family planning and abortion. Abortion stops a heart from beating. It stops an unborn child's civil rights and right to be born and right to live in a Nation that is free. If this Nation is free, I do not know why we cannot stand up for the rights of a beating heart of an unborn child.

Mr. Speaker, we should vote no on this bill because it is very important that we stand up for the rights of the unborn in this country. If we had faith that these clinics would move forward and do what is right, and we all support family planning, we all want to see families plan for the future. Once a lady is pregnant she is no longer planning for the future. Her plans are set.

Mr. Speaker, I think it is very important that we vote no on this bill and stand for the right of the unborn children in this country and remain strong, as we always have been, as a Nation.

Mr. WAXMAN. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from New York [Mr. SCHEUER], one of the Members of the House who was an original founder of the legislation to establish the title X program, a gentleman who has been a champion of that program for a number of decades.

Mr. SCHEUER. Mr. Speaker, I thank the chairman for yielding and for his kind remarks.

Mr. Speaker, I stand here and take great pride in the fact that I and George Herbert Walker Bush together sponsored the first family planning bill in 1970. I think we should both take pride in it.

Mr. Speaker, it is absurd that there should be any question about our passing this bill. First of all, the $150 million that we authorized is about the same amount running back through the years as it has been since 1985. In effect, the real dollar value of these appropriations has been cut 40 percent. Really we ought to increase the funding here to $250 million in order to maintain its real dollar value.

Second, we have 1 million out-of-wedlock pregnancies in this country. Does it make any sense in our country for over two-thirds of all births to poor young mothers in some of our central city core neighborhoods to be out of wedlock? Is that good for these young girls? Is it good for the country?

It casts an enormous burden on our society and it threatens the academic career of these young women. It threatens their marital prospects, it threatens their job prospects, and in fact it can threaten their very lives. It is an abomination that we are so niggardly and so mean-spirited that we deny to many of these young women, a very large portion of them minority women, the ability to control their own fertility.

As far as the gag rule is concerned, it is an absurdity as we are ready to carry this baggage with us into the third millenium. There is not another developed country in the world that tells its doctors and its registered nurses that they cannot counsel with young women and explain to them all their reproductive options.

Mr. Speaker, this afternoon I taped a segment for CNN regarding the historic piece of family planning legislation that Congress passed and then President Nixon signed into law in 1970. This legislation, the Family Planning Services and Populations Research Act of 1970, set a precedent for family planning services in this country. It's purpose was to make family planning fully available to the 5 million American women who were lacking such services. No one can question the enormous value and benefits of this program, and I am proud to have been its author along with Senator Joe Tydings, of the other body, and then-Representative George Bush of Texas.

Twenty-two years later we are faced with problems of monumental proportions—runaway teenage pregnancy, high instances of sexually transmitted diseases, and, of course, the AIDS epidemic. I cannot imagine what the statistics would be if there were no family planning clinics to which low income women could go for checkups and family planning counseling.

Twenty-two years later the federal family planning program has been gagged by the discriminatory policies that restrict a woman's access to her constitutional right to an abortion and the denial of physicians', nurses', and counselors' rights to free speech. The administration's regulatory gag rule requires that physicians and nurses treat patients differently depending on their financial status.

The gag rule looms over the heads of the title X doctors, nurses and counselors who are forced to gag themselves and refrain from providing women with information about pregnancy options—women who must be told that, in effect, their options only begin once the child has been carried to full term.

Women with money can receive full and truthful counseling about their options, including abortion; those who are forced to rely on the government for their health care and family planning services are denied truthful and comprehensive pregnancy counseling.

Title X clinics have never provided abortion services. They provide non-directive counseling for those who request that information. Those clinics that oppose abortion on moral or religious grounds are not required to provide this counseling—instead, they must refer their clients to another facility that will provide full counseling.

If passed, the family planning reauthorization bill has the power to restore openness and fairness to family planning services and give women the information necessary to make their own health care decisions. I strongly urge my colleagues to vote in favor of the conference report.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I rise in strong support of the conference report on the Family Planning Reauthorization, S. 323. This bill is critical not only because it reauthorizes title X

family planning programs, but because it overturns the outrageous restrictions of the gag rule.

If Congress does not act to decisively approve this bill, then the gag rule will take effect in the next 6 weeks. The gag rule is a clear violation of the first amendment, will lead to defensive medicine, and will create a class system for women's health. Women who can afford private physician care will have complete information and access to these health services, while low-income women will be denied the same services, even when they are the victims of rape, incest, or life-threatening illnesses.

The gag rule is patronizing to women and it must be repealed. This is a critical vote for women, and I urge my colleagues to support the bill.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Minnesota [Mr. SIKORSKI], a member of the Subcommittee on Health and Safety.

□ 1900

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

We have heard a lot of rhetoric, some high, some not so high. It helps at some point in the debate to focus on what this legislation proposes to do and what it does not do.

Let me make four points. First, this conference report does not change, does not change the legal prohibition against providing abortions with this family planning money. Second, this conference report does require that family planning clinics comply with all State laws on parental notification or parental consent concerning minors having privately funded abortions.

Third, this conference report overturns the gag rule, it restores the language of this family planning program that has been in existence for the 8 years of Ronald Reagan's office, for the 4 years of Richard Nixon's office, for the 2 years of Gerald Ford's office, and for the 4 years of Jimmy Carter's office. The same language that existed then will continue in existence, if this conference report is adopted.

Fourth, this bill reauthorizes the Federal family planning program, the only Government program that prevents unwanted pregnancies and prevents abortions. Over two decades it has done more to prevent abortion than all the antichoice, antiwoman crowd has done for those two decades.

So if Members are against abortion and for family planning, vote for this conference report.

The SPEAKER pro tempore (Mr. MFUME). The Chair wishes to advise Members controlling debate time that the gentleman from California [Mr. DANNEMEYER] has 13 minutes remaining, and the gentleman from California [Mr. WAXMAN] has 12½ minutes remaining.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, I hope the gentleman from New York will not leave because I think I wanted to follow him and to say that I doubt that the President is as proud of what he has seen evolve from his sponsorship of his planning bill.

The gentleman from New York points out exactly where we are in this argument. Frankly, if I would have made that speech, I think the Black Caucus would have rushed down here and had my words taken down for being racist.

What we are talking about here, what we are talking here, and the gentleman points it out, what he wants is birth control, using abortion for birth control, because the planning clinics that he is so proud of promote abortion as a pregnancy management option. In other words, a method of birth control.

As the gentleman from New York says, they want to continue this birth control practice because they do not want all these black unwed women to have to have these babies. So we are going to use planning clinics to urge them to have abortions. And they are going to use people other than doctors to urge these people. We know what is going on here.

The Planned Parenthood Federation of America uses untrained people, sometimes volunteers, to promote abortion at their planning clinics as a method of birth control. That is what is happening here. It has nothing to do with the gag rule.

The title X regulations do not interfere with the doctor-patient relationship. What we are saying is, you cannot use taxpayers' money to fund a clinic that uses volunteers, untrained people that are counseling with someone that has been found to be pregnant to go have an abortion as a method of birth control. You can still have doctor-patient relationships.

Mr. WAXMAN. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. GREEN].

Mr. GREEN of New York. Mr. Speaker, poor women like rich women, when they become pregnant, are entitled to know what their legal options are for medical treatment. Poor women like rich women, when they seek family planning assistance, are entitled to know what their legal medical options are in case of contraceptive failure, because different contraceptive methods, different family planning methods have different failure rates and have different health risks.

And if the woman, the poor woman seeking family planning counseling is to make an intelligent decision based on her health condition as to what form of family planning she may use, she has to know what her options are in cases of contraceptive failure. And one of those is abortion.

That is the reality that this bill addresses. If my colleagues want the poor woman to be able to make an informed decision, she has to know that abortion is possible in case of pregnancy.

Mr. Speaker, I urge a vote for the conference report.

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

Mr. DORNAN of California. Mr. Speaker, our fellow Americans, our constituents all around this country in all 50 States must think that we argue this sensitive issue regularly in the halls, in our offices, with one another, in the restaurants, wherever Congressmen and women come together. They must think we talk about this all the time.

And the truth is, we caucus on both sides of this issue and talk among ourselves on the issue, but rarely do we discuss it off this floor. Most of the passion and the feeling on both sides is ventilated in this well.

One would think we had talked this issue sufficiently over the years till there was nothing left to say. So I will tell my colleagues, I learn something, after 16 years, every single week, sometimes every day of the week to reinforce my belief toward life, the sanctity of life and the pro-life position.

With all due respect to any of my colleagues on both sides of the aisle who disagree with those of us on this issue who want to give life a chance, I wish they could have been with me three times in the last 7 days.

First, when I carefully read a letter from a friend, Mrs. Lee Ezell, who was raped as a virgin teenager by her boss, who beat her also, and went ahead and had the child. Put it up for adoption, and the daughter, in her 20th year, looked up the mom. I have seen them on national television shows. They look like twins, intelligent, beautiful, modern women of this age. That is the nightmare case.

Last Thursday, in a colleague's office, the gentleman from Illinois [Mr. CRANE], I had a chance to spend an hour with a 15-year-old who is as wise as any 45-year-old in this House. Her name is Gianna Jessen. She was the victim of an abortion at 7 months of pregnancy, miraculously survived, has been called the poster girl of the pro-life movement by Kate Michelman, who aborted her fourth child to get even with her husband, who tragically deserted her.

Kate Michelman has also said, "She is a walking freak show for the pro-life movement."

Anybody who could have spent that hour with Gianna Jessen with me last week would see what a courageous young woman is doing, traveling this country, speaking out against abortion in the second and third trimester.

But the most important message I bring to my colleagues today is, I spent

2 days, several hours with Mrs. Shari Richard, an absolute expert in the technology of sonography. I sent everyone of my colleagues a tape, called "Window to the Womb," about what sonography is teaching us about seeing that beating heart in later stages of pregnancy, where they are aborted by the tens of thousands, seeing the child moving, sucking its thumb, and fighting the abortionist's tools as it is tearing them apart.

Mr. WAXMAN. Mr. Speaker, I yield 2 minutes to the gentlewoman from Connecticut [Mrs. JOHNSON].

Mrs. JOHNSON of Connecticut. Mr. Speaker, I want to comment on this issue of counselors. These are free clinics. They give people care, poor women preventative health care primary health care for free, if they cannot pay for it.

Yes; they use volunteers as much as they can. But I think Members are making a terrible mistake, and I must say that I believe, frankly, only a man could make this mistake if they think a trained counselor who has been pregnant herself is going to steer another woman who is pregnant. Being pregnant is an extraordinarily powerful experience. From the moment you have the potential of a life inside you, you carry a burden and a promise that is extraordinary.

□ 1910

To imagine that a woman would sit face to face with another woman and try to persuade her to any specific worse of action is simply nuts. We do not do that. We do not do that. One can argue this issue on a lot of bases, but we cannot argue on that basis. Furthermore these volunteer women are trained to give all information that the client asks for.

Mr. SCHEUER. Mr. Speaker, will the gentlewoman yield?

Mrs. JOHNSON of Connecticut. I yield to the gentleman from New York.

Mr. SCHEUER. I thank the gentlewoman for yielding to me.

Mr. Speaker, I would like to answer the gentleman from Texas [Mr. DELAY]. I refer to young women in our country who have a very high percentage of our-of-wedlock pregnancies. This is an abomination in our country, the richest country in the world. All young girls should be able to control their reproductive systems and determine for themselves what is a right that has been declared by the United Nations time and time and time again, the right to determine the number and spacing of their children.

All young American women should have this ability, both the knowledge and the services available to them. It is an incredible costly and wasteful thing to society when we have a million or more out-of-wedlock births each year for women who are not prepared for that burden. When they go through an experience in their early teenage years of having a child, that crushes their employment prospects, it crushes their education prospects, it crushes their marriage prospects. They ought to be able to avoid that. Our country ought to make sure that they have the knowledge and the services to avoid that sad and tragic dilemma.

Mr. DANNEMEYER. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Speaker, I voted against this bill when it first came before us, and I intend to oppose it again today. Despite all the impassioned pleas we are hearing, I just submit to the Members, this bill is not reasonable. One-third, approximately, of title X clients are minors. This bill is going to require, should it pass, the provision of referral to abortion providers to these minors without parental knowledge or consent, Mr. Speaker.

Our young people are faced with many serious challenges today. We need that parental input, especially for an important decision like this. I think it is extreme and unreasonable. On that basis alone I think this conference report should be rejected.

Second, this bill, by requiring even conscientiously based providers to provide these abortion referrals, is really an affront to conscience. It is doubly insulting when the Members realize that the title X program was specifically instituted to reduce abortions by providing preconception services to people and providing the information that they need. Now all of a sudden we are going to turn this program into something that was never meant to be.

This is a bad proposal. It is a terrible bill, and it is out of touch with mainstream America. We should reject it on its merits.

Mr. SMITH of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DOOLITTLE. I yield to the gentleman from New Jersey.

Mr. SMITH of New Jersey. Mr. Speaker, the pro-abortion gentleman from New York [Mr. SCHEUER], made a very candid admission earlier in the debate. He admitted that abortion is a method of birth control. Such a view trivializes the precious life of an unborn child. Such children require nurturing, love, and, at the very least, respect. He also misstated U.N. policy regarding abortion. The 1984 U.N. Mexico City policy statement said clearly, abortion is not a method of birth control.

Mr. WAXMAN. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from California [Mr. FAZIO].

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

Mr. Speaker, after all of the discussion we had this morning about the number of abused and neglected children in this country, and by the way, the support for doing something about that problem was bipartisan and very broad in this House, we ought to be talking about what the purpose of this bill really is. That is to provide family planning, to give people options so they do not even get to the point of considering abortion.

Obviously, all of us who would like to avoid abortion as much as possible need to emphasize the passage of this bill so clinics across this country can help people.

What we are really arguing about, and why we cannot get a signature on this bill, is simply this oppressive gag rule which has been imposed by this administration and the last one.

Mr. Speaker, we have to recognize that contraceptives do fail, that women can be raped, they can be the victims of incest, they can be in many ways endangered in their own beings, their own lives endangered by pregnancy.

Women need to have all the information available to them. They ought not to be prevented from getting information from professionals of all kinds who can be helpful in the dissemination of information. This administration has become so focused, so fixated on this one issue that they cannot even see the value of enacting this law. It is tragic. It is tragic for all the many poor women who will be victimized if this bill is not enacted into law. It is tragic because we have lost sight of the real priorities that make it important to pass this in the first place.

Mr. Speaker, I would hope that not only would we have an overwhelming vote today, but that, if necessary, we stand up to the veto habits of this President and override his misguided efforts to direct population policy in this country.

Mr. Speaker, I rise in support of the conference report for S. 323, the Family Planning Amendments of 1992. S. 323, is the same bill that passed here in the House of Representatives back in April. It reauthorizes funding for the Federal family planning—or title X—program.

S. 323 continues to prohibit the use of its funds for abortion and additionally requires that all clinics that receive funding comply with their State laws when it comes to requiring the consent or notification of a parent for minors who are seeking privately funded abortions.

S. 323 also overturns the administration's oppressive gag rule and, by doing so, allows us to return to a policy that permits doctors, nurses and other health care personnel to answer all of a patient's questions about her pregnancy. The gag rule, on the other hand, prevents health care providers in federally supported family planning clinics from simply informing a pregnant woman of all her options. Even if a woman has been raped, is a victim of incest, or her health is seriously threatened by her pregnancy, her

health care provider would not be able to tell her the truth about her choices.

This restraint is even more alarming because it goes beyond interference with a woman's reproductive health care. This burdensome regulation is a direct assault on our first amendment right to freedom of speech. The gag rule is unprecedented government interference with the confidential doctor-patient relationship, and has been denounced by every major medical group. The gag rule dictates to our nation's medical community what they can and cannot talk about with their own patients. The gag rule prevents women from knowing about their legal medical options.

But S. 323 clarifies the authority of family planning clinics to provide information and counseling regarding family planning. It requires them to provide a patient with complete, nondirective information about her pregnancy, if she asks for it. And S. 323 also contains a conscience clause—a provision that says that anyone who has a moral or religious objection to discussing a patient's options regarding her pregnancy does not have to.

However, the scope of S. 323 goes far beyond family planning because the title X program also provides other preventive health care services to approximately 4 million low-income women and teenagers at 4,000 clinics across America. It also provides infertility services, as well as counseling, screening, and referral for basic gynecologic care, breast and cervical cancer, hypertension, diabetes, anemia, kidney dysfunction, diabetes, sexually transmitted diseases, and HIV. Without title X, millions of American women would have no other accessible, affordable source for quality, comprehensive health care services. It is the only source of health care for 83 percent of its clients and for many of them it is the single entry point into the entire health care system.

California has received title X funds since the Public Health Services Act was passed in 1970. Last year, California clinics used these funds to provide services to approximately 450,000 clients. Twenty-six percent of these clients are under 20 years of age, and 58 percent are age 20 to 29. This year, California family planning clinics will receive approximately $11 million in title X funds.

When we support contraceptive services—both care and supplies—we thwart pregnancies and, ultimately, the need for abortion. For example, according to the California Family Planning Council, an estimated 138,000 unintended pregnancies are averted in California every year as a result of publicly funded contraception. Each client seen at a title X funded clinic costs the Federal Government approximately $35 annually. And, every one of these dollars spent on family planning programs in California saves $11.20 in public costs associated with unintended pregnancy—such as Medi-Cal delivery and continuing maternity and infant care, Medi-Cal abortions, Aid to Families with Dependent Children, food stamps, and other social service costs. But the annual costs of unintended pregnancies for clients eligible for Medi-Cal coverage for maternity and infant care, AFDC, WIC, and food stamps average $9,383 for those women who carry their pregnancies to term.

S. 323 provides accessible, high-quality, affordable health care to women who could not otherwise afford to have it. I encourage my colleagues on both sides of the aisle to support passage of this pro-life, pro-health bill.

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

Mr. WAXMAN. Mr. Speaker, I am pleased to yield 3 minutes to my colleague, the gentlewoman from California [Mrs. BOXER], a champion for health care, for women's rights, for all these high priorities that our Nation should be addressing.

Mrs. BOXER. Mr. Speaker, I thank the chairman for yielding time to me.

Mr. Speaker, it is a privilege to partake in this debate. I hope that we will have an overwhelming vote for this bill, and send a message to this administration that we do not want Big Brother in the middle of our private and personal lives, that we do not want Big Brother telling doctors and telling nurses and health care workers what they can and cannot say.

I think it is important for all Americans to understand that the gag rule may not stop here. It could move forward. We could have a situation where maybe schools or public libraries which receive Federal funds have to remove books from their shelves because perhaps they sharply criticize the administration's position, say, on China.

The point is, this is a President, it is Government telling the people who choose to be in the health care profession that they cannot tell the truth.

It is very hard for me to understand, Mr. Speaker, how conservatives, people who call themselves conservatives, could support the gag rule. This is the land of the free and the home of the brave, and we trust each other. Surely in this year, 1992, we can trust people with the truth. This is not about parental consent. That is not what this is about. This is about the Federal Government, this administration, telling doctors and nurses and health care workers that they must not tell the truth to their patients.

I hope we will pass the bill overwhelmingly. It does so many important things to prevent unwanted pregnancies. Nobody that I know is proabortion. Nobody is proabortion. We want to prevent abortions. Pass this bill in the name of freedom and in the name of democracy and in the name of family planning.

Mr. WAXMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. BOXER. I yield to the gentleman from California.

Mr. WAXMAN. Mr. Speaker, when we held hearings on this gag rule in our subcommittee, and we asked people who were trying to administer this rule what they would tell the family planning clinics if a woman asked about where she could get an abortion, they told us they would have to tell her, "I am sorry, we cannot answer that question."

□ 1920

I asked whether if a woman had a disease or illness that would cause her perhaps to lose her life if she carried the baby to term, could the doctor advise her that one of the options she might consider would be to terminate the pregnancy in order to save her life, and I was told that would not be permitted. And a doctor could not tell a woman in fact, unless it was an emergency situation.

If a woman asked about abortion as an option, if a woman asked where she should go for an abortion, and the reason that she would have to ask where she could go for an abortion is because these family planning clinics do not perform abortions, they may not perform abortions, they could not give her that information.

This is truly a gag rule, and it must be overturned.

Mrs. BOXER. The gentleman is correct.

Mr. DANNEMEYER. Mr. Speaker, I yield 30 seconds to my colleage, the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Speaker, I just want to say that I am not surprised, but I am disappointed that the gentleman from California [Mr. WAXMAN] again drew a parallel between aborting a baby and treatment of disease. Unborn children, I say to my colleagues, are not diseases to be eradicated like tumors, like cysts. They are not, and any attempt to equate the two is highly offensive, inhumane, and anti-child.

Mr. Speaker, in like manner, Mr. GREEN talked about abortion as a treatment. Implied in such a misguided notion is the view that the unborn child is a throwaway or something akin to a tumor. This treatment, however, kills, dismembers, and chemically poisons babies. Unborn children are not diseases. Unborn children deserve our compassion and respect.

Mr. WAXMAN. Mr. Speaker, I yield myself 1 minute to answer that mistaken point.

If a woman were pregnant, and as a result of that pregnancy and a disease from which she was suffering she might not survive the pregnancy, she may at that point not even be told by a doctor that she might consider terminating

the pregnancy as an option. I did not, and would not certainly say that a woman's pregnancy was tantamount to a disease, and I cannot understand how the gentleman from New Jersey would even hear such a statement, because no one would make such a statement.

Mrs. BOXER. Mr. Speaker, will the gentleman yield?

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

Mrs. BOXER. I thank the gentleman for yielding.

I would say to the gentleman from New Jersey that it shocks me that he would insinuate that the gentleman from California [Mr. WAXMAN], who is a leader in health care in this country, for children, for families, for everyone, men, women, old and young, would ever say such a thing as he suggested.

Mr. WAXMAN. I am sure the gentleman misunderstood what I had to say. But it is because he thinks that any time you have an abortion it is a terrible thing, and there are times, however, when it is appropriate, certainly to save the life of a mother, and at certain other times when a woman decides it is appropriate under her circumstances.

Mr. DANNEMEYER. Mr. Speaker, I yield myself 1½ minutes.

Mr. Speaker, I have listened to the speakers here today, and I think we have been speaking more to ourselves, and perhaps the CONGRESSIONAL RECORD than speaking with one another. But when this whole subject of family planning began, I think we need to focus on what the policy was at the outset of this program of the Federal Government. It is very clear.

"None of the funds appropriated under this title shall be used in programs where abortion is a method of family planning." That was the premise on which family planning started, with the help of the gentleman from New York [Mr. SCHEUER] and Mr. Bush back in 1970.

All this regulation says is that we are going to make the use of Federal taxpayer dollars consistent with what the plan was from the beginning, that abortion was not an alternative.

And I will say in response to the question: What will we say to the lady who seeks information about an abortion, the existing regulations say, "A referral to specialized medical care for medical conditions which may complicate pregnancy must be made, even if the ultimate result may be the termination of her pregnancy." That means that there will not be a specific referral to a place where an abortion can be obtained, but an abortion can be obtained along with a whole variety of other services if that is what the particular woman seeks to have information about. That is the existing regulation, and I think these facts need to be set forth in the RECORD.

Mr. WAXMAN. Mr. Speaker, I reserve the balance of our time.

Mr. DANNEMEYER. Mr. Speaker, may I inquire how much time is remaining?

The SPEAKER pro tempore [Mr. MFUME]. The gentleman from California [Mr. DANNEMEYER] has 4 minutes remaining, and the gentleman from California [Mr. WAXMAN] has 3½ minutes remaining and deserves the right to close debate.

Mr. DANNEMEYER. Mr. Speaker, I yield our remaining 4 minutes to the distinguished gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Speaker, for the information of my colleagues, if you want to know where you can get an abortion, try the Yellow Pages. The District of Columbia Yellow Pages has four pages of abortion services, first and second trimester. Planned Parenthood has eight locations. So the information is readily available, and it is in big print, and it says "Se Habla Espanol" on a lot of them. So the information is available, second trimester abortions they advertise, up to 6 months.

This is not a first amendment issue. The same Court that said Roe versus Wade is ratified, it is the law of the land, that same Court has found that denying authority to personnel in family planning clinics to counsel about abortion under title X is constitutional, perfectly constitutional in Rust versus Sullivan. So this is not a first amendment case at all. There is no impairment of the doctor/patient relationship. We are not talking about that. Doctors can give advice, information to their patients. That is the practice of medicine.

But it is the counselors, it is the receptionists, it is the volunteers who are giving that information that is our concern. It is not a question of censorship. It is subsidization. We are paying for a program of family planning. Family planning is helping you get pregnant or keeping you from getting pregnant. But once you are pregnant, you move out of family planning and you go to a prenatal clinic, or some other facility. But it is not family planning, unless of course you want to use abortion as a method of birth control.

But we never have done that and we should not do it now. The taxpayers should not have to pay for exterminating unborn children in family planning clinics.

I will support title X family planning clinics, but not the extermination of innocent, unborn children.

I heard the phrase from the gentleman from California, "abused children." What is more abusive than a suction machine which is dismembering a preborn baby in the womb? I heard the phrase "potential life." That is not potential life in the womb, that is life, with potential. But you exterminate it, and so there goes the potential.

Now about the gag rule. Who is for the gag rule? Who does not want informed consent? Who does not want that woman to know the possible consequences of an abortion? Who wants that woman not to know the state of development of the unborn child in the womb? The proponents of this legislation, that's who.

Do Members realize that after 3 weeks there is a discernible heartbeat of that little fetus, or as the gentlewoman says, "potential life." I say life with potential. That is within 3 weeks following conception.

Massachusetts had a bill, and I do not know what happened to it, but I am sure its Governor would have vetoed it if it had passed. It was called the heartbeat bill, and it says that a woman wanting an abortion should be given the option, an option to listen to the heartbeat. The doctor says, "Here's a stethoscope. Would you like to hear the heartbeat of your fetus in your womb?" Give her that option. You advocates of this bill would hate that, would you not, just like you hate parental consent, or parental notification, or spousal notification, or informed consent.

Who is gagging who around here? I mean, do not abuse the term, do not kid people. You are for a real gag rule, not us.

Now this is really about counselors, and receptionists, and nurses aids, and volunteers pushing, promoting abortion. Let me just suggest these ladies and gentlemen have been called trained professionals. Do my colleagues know what Planned Parenthood says about their own trained professionals? I quote from a report of the Planned Parenthood Association:

> Data from nearly 500 individual counselor profiles gives a clear picture of a counseling staff which is largely young and inexperienced, much of it working unpaid and probably using PPFA employment for training, experience and preparation for other jobs in the future. Counselors' formal training is relatively modest.

Do you want those inexperienced counselors giving abortion advice to minor-aged women? That is clearly what you want and that is wrong.

Vote "no" on this atrocity.

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Mr. WAXMAN. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, this debate is about the truth. Doctors should be able to tell the truth. Nurses should be able to tell the truth, Counselors should be able to tell the truth.

The gentleman from Illinois [Mr. HYDE] talked about things he thinks ought to be told, that a woman ought to be told, about the development of the fetus, to hear the heartbeat. There is nothing that prevents that. There is no regulation or rule that would keep that information from a woman.

Let me read to you the regulation that was in effect when Reagan was President, and was adopted by the Reagan administration:

Pregnant women should be offered information and counseling regarding their pregnancies. Those requesting information on options for the management of an unintended pregnancy are to be given nondirective, nondirective counseling on the following alternative courses of action, and referral upon request: prenatal care and delivery, infant care, foster care or adoption, and pregnancy termination.

The Bush administration's gag rule would allow discussion of two of those options, but would keep from women the information about pregnancy termination. Now, these family planning clinics cannot terminate the pregnancy. They are not in the business of providing abortions. They are in the business of providing counseling, advice, information, and contraception.

The debate is about freedom. Doctors and nurses should be free to talk to patients, not forced, not forced to commit medical malpractice by not telling their patients everything they need to know for those patients to make their own decisions.

This gag rule would make the decisions for doctors on how to practice medicine and for nurses and counselors. This gag rule would try to make the decision for women by keeping them ignorant about information they may even request and to which they would have to be denied.

This is a debate about families. Families' lives are improved with family planning. Infant mortality rates go down, low-birthweight rates go down, and abortion rates go down with the family planning program, and that is why I call upon my colleagues to vote for this conference report to reauthorize the family planning program, provide it with more funds, and allow it to do the job which is to avoid unintended pregnancies and give people the ability to control their lives and their health.

Mr. Speaker, I yield back the balance of my time.

Ms. PELOSI. Mr. Speaker, I rise today in strong support of S. 323, the conference report reauthorizing title X, the Nation's family planning program. The conference report reauthorizes funding for title X clinics through 1997 and overturns the administration's gag rule regulations which prohibit abortion counseling in federally funded clinics. These regulations will soon be implemented if Congress does not act. I would like to commend Chairman WAXMAN for his hard work and commitment to this issue.

There are approximately 4,000 title X clinics in the United States which serve about 4 million women per year. In many cases, these clinics are the only access to health care these women have. Yet with the gag rule regulations, the administration has completely mandated what these women are permitted to hear from the medical personnel and what they can discuss. The issue here is fairness. The Constitution is supposed to guarantee the right to freedom of speech for everyone. But poor women are denied their rights solely because they cannot afford to go to a private doctor. What would be fair is to trust and respect women's ability to think, hear, and decide what medical opinion is best for them.

It is very ironic and telling that the administration head of family planning who oversees these title X clinics is the person who wants to close down these family planning clinics for merely discussing contraceptives.

Mr. Speaker, I urge my colleagues to support this conference report and uphold women's constitutional right to freedom of speech.

Mr. FORD of Michigan. Mr. Speaker, I rise today to express my support for the conference report on S. 323, the family planning reauthorization bill.

We have not reauthorized title X of the Public Health Act since 1985. The result of our failure to reauthorize has caused hardships for title X clients, specifically the 83 percent who receive their only source of primary health care through the family planning clinic. Furthermore, 65 percent of the women currently eligible for family planning services do not receive them. This conference agreement extends the authorization for Federal funding through 1997.

This conference report also overturns the administration's misguided regulations prohibiting abortion counseling at federally funded clinics. Poor women who rely on title X grantees for reproductive health information and services should be able to get a straight answer when they request information on all of their pregnancy options including abortion. Although the administration has stated that "nothing in these regulations is to prevent a woman from receiving complete medical information about her medical condition from a physician," they know that they have not lifted the gag rule. While physicians may be allowed to discuss abortion under certain circumstances, the majority of health care providers in federally funded clinics are not allowed to discuss the issue. The fact is that 95 percent of the care in title X family planning clinics is provided by nurses, nurse practitioners, physicians' assistants, and trained counselors.

The administration's gag rule assumes that if you keep women in the dark by withholding information about all of the legal options available to them, you can control the decisions they will make about their pregnancy. This is a very cynical way to effect policy. As leaders we have an obligation to inform the public, not devise ways to conceal information from them.

I urge my colleagues to support this conference report and reverse the regulations that gag health care providers in order to keep them from informing their patients on all of their legal pregnancy options.

Mr. SMITH of Florida. Mr. Speaker, I rise today to announce my support for S. 323, the family planning reauthorization.

Mr. Speaker this bill will reauthorize the title X program through 1997 and will overturn the administration's gag rule.

The gag rule is a slanted, awful attempt to silence federally funded family planning clinics. Family planning clinics will not be allowed to provide honest, sound medical advice to their clients as they have since the title X program began in 1970. Under the gag rule, medical doctors will be forced to abandon the standard ethical medical policy of telling patients about all medical options and, instead, doctors must tell a pregnant woman only that she may have her child and keep it or give it up for adoption.

Let's face it: Clinics will no longer take Federal funds and in many areas safe abortions will be impossible to find. We owe it to the poor women of this country to pass this bill, thus providing necessary services to the needy, and overturn the gag rule of the Reagan administration.

Mr. LEVINE of California. Mr. Speaker, I rise in full support of this conference report on the family planning reauthorization and urge my colleagues to join me. Not only does this bill overturn the obnoxious gag rule written by the Bush administration, but it provides desperately needed funding for family planning programs in local community health care clinics.

The over 4,000 clinics that receive title X funding provide critical health care services to upwards of 4 million low-income women each year. For many of these women, these clinics are the only link they have to the social service community. They have become cautiously trustful of these well-run clinics and have begun to use them as a resource to find other services they may need: parental training, decent child care, nutritional counseling, and so forth.

Mr. Speaker, these women, who are often members of the hardest to serve community, have put an incredible amount of faith in their relationships with the doctors, nurses, and counselors they see at the clinic. Their trust was not given to the clinic employees easily—it was earned slowly. And I dare say, it is fragile.

What the gag rule promulgated by the administration has done is to force clinics to choose between receiving Federal funds and serving their clients. If this body allows the implementation of the gag rule later next week, some clinics will announce that they will no longer accept Federal funding. Instead, they will turn away poor women because they are not willing to succumb to the Orwellian gag rule.

Even worse, though, will be the chilling effect on health and social service delivery in low-income communities whose clinics choose to continue to accept Federal money and operate under the gag rule. Those fragile, trusting relationships between the clinic employees and the women they see will be shattered.

Women do not make the decision to terminate their pregnancies lightly. Unless doctors and nurses are allowed to provide them with unbiased medical advice, these women will lose faith in the system they have come to trust. Their relationship with their doctor or counselor may be destroyed beyond repair. Their ability to receive the health care they so desperately need will be jeopardized. And the link they have to the other services, for their children and for themselves, could be ruptured.

This gag rule is abominable and repugnant. It must be repealed totally, not simply rewritten in a shallow attempt to limit its devastating impact, and this report does so. I urge my colleagues on both sides of the aisle to support this important legislation.

Mr. ATKINS. Mr. Speaker, I rise today in support of the the conference report on S. 323, reauthorizing Federal funding for title X

family planning programs and especially the provision that would prevent implementation of the administration's gag rule.

Throughout my years in public service, I have struggled with the question of abortion.

Though I strongly support the right to choose, I believe we all share a similar goal: That government should do all it can to reduce the need to resort to an abortion.

Mr. Speaker, this bill is about family planning. It is not about abortion. The fact of the matter is that family planning clinics are not and have not been allowed to provide abortion services. Indeed, in a very real sense, this bill is about preventing abortion.

But by shrouding family planning services and a whole range of other services provided by title X clinics behind the abortion debate, the administration is engaged in a cruel, ideological hoax.

It is attempting to appear moderate while appeasing a right wing fringe that believes health care workers should not be allowed to even advise women on legal medical procedures.

The gag rule is one more attempt by the administration to discriminate against women's health issues so that the President can pay off a political debt to a bunch of extremists.

Let's stop this extremism. Overturn the gag rule and pass this conference report.

The SPEAKER pro tempore (Mr. MFUME). All time for general debate has expired.

Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

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

Mr. WAXMAN. 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 was—yeas 251, nays 144, not voting 39, as follows:

[Roll No. 375]

YEAS—251

Abercrombie	Boxer	Conyers
Ackerman	Brewster	Cooper
Alexander	Brooks	Coughlin
Allen	Browder	Cox (IL)
Anderson	Brown	Coyne
Andrews (ME)	Bruce	Cramer
Andrews (NJ)	Bryant	Darden
Anthony	Bustamante	DeFazio
Aspin	Byron	DeLauro
Atkins	Campbell (CO)	Derrick
AuCoin	Cardin	Dicks
Bacchus	Carper	Dingell
Ballenger	Carr	Dixon
Bellenson	Chandler	Dooley
Bentley	Chapman	Dorgan (ND)
Bereuter	Clay	Downey
Berman	Clinger	Durbin
Bilbray	Coleman (MO)	Dymally
Blackwell	Coleman (TX)	Early
Boehlert	Collins (IL)	Eckart
Bonior	Collins (MI)	Edwards (CA)
Boucher	Condit	Edwards (TX)
Engel	Lehman (FL)	Rose
English	Levin (MI)	Rostenkowski
Erdreich	Levine (CA)	Roukema
Espy	Lewis (CA)	Rowland
Evans	Lewis (GA)	Roybal
Fascell	Lloyd	Russo
Fawell	Long	Sabo
Fazio	Lowey (NY)	Sanders
Feighan	Machtley	Sangmeister
Fish	Markey	Savage
Flake	Martinez	Sawyer
Foglietta	Matsui	Scheuer
Ford (MI)	McCandless	Schiff
Frank (MA)	McCloskey	Schroeder
Franks (CT)	McCurdy	Schumer
Frost	McDermott	Serrano
Gallo	McHugh	Sharp
Gejdenson	McMillen (MD)	Shays
Gephardt	McNulty	Sikorski
Geren	Meyers	Sisisky
Gibbons	Mfume	Skaggs
Gilchrest	Miller (CA)	Skeen
Gilman	Miller (WA)	Slattery
Glickman	Mineta	Slaughter
Gonzalez	Mink	Smith (IA)
Gradison	Moakley	Smith (TX)
Green	Molinari	Snowe
Guarini	Moody	Spratt
Hamilton	Moran	Stallings
Harris	Morella	Stark
Hayes (IL)	Morrison	Stokes
Hefner	Mrazek	Studds
Hertel	Nagle	Swett
Hoagland	Neal (MA)	Swift
Hobson	Neal (NC)	Synar
Hochbrueckner	Nichols	Tanner
Horn	Olin	Thomas (CA)
Houghton	Olver	Thomas (GA)
Hoyer	Owens (NY)	Thomas (WY)
Huckaby	Owens (UT)	Thornton
Hughes	Pallone	Torres
Jacobs	Panetta	Torricelli
Jenkins	Pastor	Towns
Johnson (CT)	Patterson	Traficant
Johnson (SD)	Payne (NJ)	Unsoeld
Johnston	Payne (VA)	Upton
Jones (GA)	Pease	Valentine
Jones (NC)	Pelosi	Vento
Jontz	Penny	Visclosky
Kaptur	Peterson (FL)	Washington
Kennedy	Pickett	Waters
Kennelly	Pickle	Waxman
Kleczka	Porter	Weiss
Klug	Price	Wheat
Kolbe	Ramstad	Williams
Kopetski	Rangel	Wise
Kostmayer	Ravenel	Wolpe
Lancaster	Reed	Wyden
Lantos	Regula	Yates
LaRocco	Richardson	Zeliff
Leach	Ridge	Zimmer
Lehman (CA)	Roemer	

NAYS—144

Allard	Duncan	Kasich
Applegate	Edwards (OK)	Kildee
Archer	Emerson	Kyl
Armey	Ewing	LaFalce
Baker	Fields	Lagomarsino
Barrett	Gallegly	Laughlin
Barton	Gekas	Lent
Bateman	Gillmor	Lightfoot
Bennett	Gingrich	Lipinski
Bilirakis	Goodling	Livingston
Billey	Goss	Lowery (CA)
Boehner	Grandy	Manton
Borski	Gunderson	Marlenee
Broomfield	Hall (TX)	Mavroules
Bunning	Hammerschmidt	Mazzoli
Burton	Hancock	McCollum
Callahan	Hansen	McDade
Camp	Hayes (LA)	McGrath
Coble	Hefley	Michel
Combest	Henry	Miller (OH)
Costello	Herger	Mollohan
Cox (CA)	Holloway	Montgomery
Crane	Hopkins	Moorhead
Cunningham	Hubbard	Myers
Dannemeyer	Hunter	Natcher
de la Garza	Hutto	Nowak
DeLay	Hyde	Nussle
Donnelly	Inhofe	Oakar
Doolittle	James	Oberstar
Dornan (CA)	Johnson (TX)	Ortiz
Dreier	Kanjorski	Orton
Oxley	Ros-Lehtinen	Stump
Packard	Roth	Sundquist
Parker	Santorum	Tallon
Paxon	Sarpalius	Tauzin
Perkins	Saxton	Taylor (MS)
Peterson (MN)	Schaefer	Taylor (NC)
Petri	Sensenbrenner	Vander Jagt
Poshard	Shaw	Volkmer
Rahall	Shuster	Vucanovich
Ray	Skelton	Walker
Rhodes	Smith (NJ)	Walsh
Rinaldo	Smith (OR)	Weldon
Ritter	Solomon	Whitten
Roberts	Spence	Wolf
Roe	Staggers	Wylie
Rogers	Stearns	Young (AK)
Rohrabacher	Stenholm	Young (FL)

NOT VOTING—39

Andrews (TX)	Hall (OH)	Murphy
Annunzio	Hastert	Murtha
Barnard	Hatcher	Obey
Bevill	Horton	Pursell
Campbell (CA)	Ireland	Quillen
Clement	Jefferson	Riggs
Davis	Kolter	Schulze
Dellums	Lewis (FL)	Smith (FL)
Dickinson	Luken	Solarz
Dwyer	Martin	Traxler
Ford (TN)	McCrery	Weber
Gaydos	McEwen	Wilson
Gordon	McMillan (NC)	Yatron

□ 1954

The Clerk announced the following pairs:

On this vote:

Mr. Solarz for, with Mr. Ireland against.

Mr. Dwyer for, with Mr. Lewis of Florida against.

Mr. Smith of Florida for, with Mr. Quillen against.

Mr. McMilla of North Carolina for, with Mr. Murphy against.

Mr. GEKAS changed his vote from "yea" to "nay."

Mr. LEWIS of California changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. RIGGS. Mr. Speaker, due to circumstances earlier beyond my control, I was unavoidably detained during the last vote, rollcall vote No. 375. Had I been present, I would have voted "aye."

GENERAL LEAVE

Mr. WAXMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report to S. 323 which was just adopted.

The SPEAKER pro tempore (Mr. MFUME). Is there objection to the request of the gentleman from California?

There was no objection.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE CONFERENCE REPORT ON H.R. 5487, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

Mr. DURBIN. I ask unanimous consent that the Committee on Appropriations may have until midnight tomorrow, August 7, 1992 to file a conference report on the bill (H.R. 5487) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and related agencies programs for the fiscal year ending September 30, 1993, and for other purposes.

This request has been cleared with the minority, especially with the gentleman from New Mexico [Mr. SKEEN], and, I am sure, the gentleman from Indiana [Mr. MYERS].

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

There was no objection.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO FILE COMMITTEE REPORTS ON H.R. 5755, JOHN F. KENNEDY CENTER ACT AMENDMENTS OF 1992, H.R. 5754, WATER RESOURCES DEVELOPMENT ACT OF 1992, AND H.R. 5753, INTERMODAL SURFACE TRANSPORTATION TECHNICAL CORRECTIONS ACT

Mr. ROE. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until noon, August 10, 1992, to file the committee reports on H.R. 5755, the John F. Kennedy Center Act Amendments of 1992; H.R. 5754, the Water Resources Development Act of 1992; and H.R. 5753, the Intermodal Surface Transportation Technical Corrections Act.

This request has been cleared by both the minority leadership of the House and the Committee on Public Works and Transportation.

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

There was no objection.

RELATION OF TRADE AGREEMENTS TO HEALTH, SAFETY, LABOR AND ENVIRONMENTAL LAWS

Mr. MOAKLEY. Mr. Speaker, by direction of the Committee on rules, I call up House Resolution 542 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 542

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the concurrent resolution (H.Con. Res. 246) expressing the sense of Congress with respect to the relation of trade agreements to health, safety, labor, and environmental laws of the United States. Debate on the concurrent resolution shall not exceed one hour with thirty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means and thirty minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Energy and Commerce. The previous question shall be considered as ordered on the concurrent resolution to final adoption without intervening motion.

The SPEAKER pro tempore. The gentleman from Massachusetts [Mr. MOAKLEY] is recognized for 1 hour.

Mr. MOAKLEY. Mr. Speaker, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER] for the purpose of debate only, pending which I yield myself such time as I may use. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 542 provides for consideration in the House of a concurrent resolution. House Concurrent Resolution 246 expresses the sense of Congress on how new trade agreements will relate to health, safety, labor, and environmental laws of the United States.

The rule provides 1 hour of debate on the concurrent resolution, equally divided and controlled among the chairmen and ranking minority members of the Ways and Means and Energy and Commerce Committees.

In summary, this is a simple rule calling for a straight up-or-down vote on the concurrent resolution after 1 hour's debate.

Mr. Speaker, House Concurrent Resolution 246 makes clear that Congress will not adopt legislation to implement any trade agreement if it jeopardizes our health, safety, labor, or environmental laws. In particular, the Uruguay round of GATT and the proposed North American Free-Trade Agreement will be carefully examined for their effect on our laws and trade practices.

House Concurrent Resolution 246 also calls on the President to initiate negotiations to make GATT compatible with Federal, State and local laws.

Concerns have been mounting ever since a GATT dispute resolution panel decided, almost exactly 1 year ago today, that U.S. laws banning excessive dolphin kills are nontariff barriers to trade.

The decision was made by a GATT panel but the action was initiated by Mexico, along with others. That is why the decision raises concern about NAFTA as well as any GATT agreement.

The GATT panel went out of its way to make clear the broad implications of its decision.

Mr. Speaker, we have reason to fear this new direction in thinking about trade. We have reason to fear this expansion notion of trade barriers.

Mr. Speaker, we have reason to fear that our efforts to protect the environment will be considered a violation of GATT.

We have reason to fear that health standards will be viewed by others as unfair trade practice.

We have reason to fear the United States will be told not to look at the conditions under which foreign goods are produced or harvested—even if we look to those conditions in order to protect our own health and safety, or workers' rights here and around the world.

Mr. Speaker, this concurrent resolution lets the world know of our stand on these issues.

We will not allow trade negotiations to weaken our commitment to health and safety, workers' rights or environment protection.

Mr. Speaker, this is a good measure that deserves—and has—strong bipartisan support.

In fact, no amendments were offered in the two committees that considered the bill. There were no dissenting views from the Energy and Commerce Committee. The minority views in the Ways and Means Committee report strongly support this bill.

Not a single member sought an amendment at the Rules Committee.

Mr. Speaker, this is a fair rule. The rule calls for a straight up-or-down vote after an hour of debate. I urge adoption of the rule and the concurrent resolution.

□ 2000

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think that this rule and the resolution it makes in order were best described by the ranking member of the Trade Subcommittee, the gentleman from Illinois [Mr. CRANE] when he came before the Committee on Rules yesterday and said, "This is redundant, but not objectionable."

I would concur with those remarks and say that I support the rule and, based on the discussions we had with the chairman of the Committee on Ways and Means yesterday in the Committee on Rules, I do not intend to oppose the resolution.

In that discussion, Mr. Speaker, I raised the concern that House Concurrent Resolution 246 is designed to slow the negotiations with Mexico and Canada over a North American Free-Trade Agreement. I received from the gentleman from Illinois [Mr. ROSTENKOWSKI] what seems to me to be an assurance that neither he, nor the Committee on Ways and Means, intend to slow those negotiations at all. It is designed, he said, merely to ensure that Congress will continue to be part of the negotiating process.

Frankly, Mr. Speaker, this resolution from my perspective is much ado about

nothing. Congress has been engaged in the negotiating process from the beginning, as specified in the resolution adopted on May 22, 1991. As of today, 307 meetings have been held between the U.S. Trade Representative and her staff and Members of Congress and their staffs in the House and Senate.

As Ambassador Hills pointed out in a March 6 letter to the majority leader:

* * * The consultations we have conducted on these negotiations are far more extensive and intense than has ever been held with Congress on a major negotiation.

In my view, Mr. Speaker, the language in House Concurrent Resolution 246 with regard to the NAFTA should not be construed to mean anything more than what was contained in the May 1991 resolution with which the USTR has clearly complied.

It is also my hope that this resolution is in no way intended to place another obstacle in the way of successful GATT negotiations. As my colleagues know, a GATT dispute resolution panel has stated that participants in the GATT may not have laws protecting health, safety or the environment beyond their geographic borders.

While we all want to encourage our trading partners to respect U.S. laws regarding the environment and public health and safety, it would be a mistake if these efforts led to a damaging trade war that would harm our economy and harm American consumers.

Mr. Speaker, I think the message needs to be made loud and clear. This is a nonbinding resolution that in no way seeks to undermine negotiations between the United States, Mexico, and Canada on a North American Free-Trade Agreement.

The benefits to the United States of a successful free trade agreement will be substantial. For example, NAFTA will increase United States exports to Mexico and Canada by eliminating tariffs, opening up Mexico's services market, lifting restrictions on investment in Mexico, and removing other trade barriers to United States agricultural and industrial goods.

These changes will help to expand American export industries, which have been responsible for most of our Nation's economic growth over the past year.

It's important to point out, Mr. Speaker, that NAFTA will provide adequate adjustment time for American industries and workers. Environmental safeguards, modeled after existing United States laws, will also be included to protect public health and safety, and to clean up pollution along our border with Mexico.

Given all of this, Mr. Speaker, I would simply say that the resolution is redundant and unnecessary, thus making this rule unnecessary. But I urge support for the rule anyway, and I reserve the balance of my time.

Mr. MOAKLEY. Mr. Speaker, I yield 1 minute to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I rise in support of this resolution and its stated goals to ensure that trade agreements entered into by the United States do not undermine existing laws on health and safety requirements, labor standards, and environmental protection. I believe it is important to send this message to the Bush administration and our trade negotiators as the proposed North American Free-Trade Agreement [NAFTA] nears completion and as the Uruguay round negotiations of the General Agreement of Tariffs and Trade [GATT] continue.

Most Members of the House know that I am a strong proponent of closer economic ties with Mexico. I believe the North American Free-Trade Agreement [NAFTA] holds tremendous opportunity for the United States to create good-paying jobs here at home, solve environmental and public health problems along the Southwest border in a cooperative manner, and, in the long run, provide a better future for Americans, Mexicans, and Canadians.

The Bush administration needs to understand in clear terms that Congress and the American people want our trade negotiators to fight just as hard for commitments on environmental and public health issues as they will for commitments for U.S. exporters and U.S. investors. It will be extremely difficult to sustain congressional support for NAFTA or for GATT if the American public feels that our trading partners do not play by the same rules and do not share our commitment to health and safety requirements, labor standards, and environmental protection. That is the message the Bush administration should take from today's debate.

Clearly, U.S. labor, environmental, health, and safety laws need to be preserved under future trade agreements, whether in NAFTA or in GATT. Members of Congress should also recognize that we can accomplish these objectives in cooperation with our trading partners and with our neighbors.

As a Congressman who represents a border State, I can tell other Members first hand that progress is made and concrete results are achieved when countries work together on solving shared problems whether they deal with environmental enforcement or with the protection of public health. As the Bush administration completes its negotiations on NAFTA, it is my hope that the United States has a long-term strategy to solve environment, labor, and public health problems in cooperation with other countries.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentlewoman from Lutherville, MD, Mrs. BENTLEY.

Mrs. BENTLEY. Mr. Speaker, I rise in support of the rule and urge support for the Waxman-Gephardt resolution in order to send a message to the negotiators—on all sides of the North American Free-Trade Agreement—that we in the Congress claim our responsibility for the shape of the agreement.

This action has such import to all three of the nations involved that at no point in these negotiations should there ever be a feeling of having given up one nation's interests to a common good without an awareness of the cost to each one of the nations involved.

We, in this country, have already been exposed to an attack on the federal system and the power of the Congress—on the way to forging this agreement—with the usurpation of California State law and the Federal code in the memorandum of understanding signed with Mexico and the Secretary of Transportation in November 1991.

The attempt, by the executive branch, to exempt Mexican commercial drivers from the same laws—in southern California—that United States commercial drivers must adhere to is shocking. The criteria being waived is contained in Federal law—binding all 50 States—and is implemented under State law.

And, Mr. Speaker, November last year was early days in the negotiating process. At that point, one would have anticipated we would not have faced trading away anything as important as the constitutional guarantees under separation of powers.

This action alone—to my mind—is reason enough to remind the negotiators as to the seat of power in this Nation. We are not a parliamentary government. We have not had one party in power for 25–35 years. We are a Republic and a democracy and we are to be responsive to the needs first of our people under our form of grovernment

Mr. MOAKLEY. Mr. Speaker, I have no further requests for time.

Mr. DRIER of California. Mr. Speaker, I have no further requests for time from this side of the aisle, and I urge enthusiastic support for this redundant, but not objectionable, resolution.

Mr. MOAKLEY. Mr. Speaker, I yield back the balance of the 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.

□ 2010

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the rule I call up the concurrent resolution (H. Con. Res. 246) expressing the sense of Congress with respect to the relation of trade agreements to health, safety, labor, and environmental laws of the United States, and ask for its immediate consideration in the House.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 246

Whereas a General Agreement on Tariffs and Trade (hereinafter in this resolution referred to as the "GATT") dispute resolution panel decreed on August 16, 1991, that certain provisions of the Marine Mammal Protection Act of 1972 designed to protect dolphins are a barrier to trade and must be eliminated;

Whereas the GATT panel ruling additionally declared that nations may not have laws that protect health, safety, or the environment beyond that nation's geographic borders, or laws that take into account the process or conditions under which a product is produced or harvested;

Whereas the GATT panel may also jeopardize other United States laws and international agreements intended to protect global resources, including provisions that protect the stratospheric ozone layer, provisions to save endangered species, provisions to discourage driftnet fishing, and provisions for the protection of whales; and

Whereas ongoing negotiations for the Uruguay Round of the GATT, reflected in the December 1990 draft agreement and the United States-Mexico Free Trade Agreement, could weaken United States health, safety, labor, and environmental laws, including laws adopted by State and local authorities: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring)

SECTION 1. PRESIDENT.

The Congress calls upon the President to initiate and complete negotiations, as part of the current Uruguay Round GATT talk, to make the GATT compatible with the Marine Mammal Protection Act and other United States health, safety, labor, and environmental laws, including those laws that are designed to protect the environment outside the geographic borders of the United States.

SEC. 2. LEGISLATION.

The Congress will not approve legislation to implement any trade agreement (including the Uruguay Round of the GATT and the United States-Mexico Free Trade Agreement) if such agreement jeopardizes United States health, safety, labor, or environmental laws (including the Federal Food, Drug, and Cosmetic Act and the Clean Air Act).

The SPEAKER pro tempore (Mr. TORRES). Pursuant to House Resolution 542, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 15 minutes, the gentleman from Illinois [Mr. CRANE] will be recognized for 15 minutes, the gentlewoman from Illinois [Mrs. COLLINS] will be recognized for 15 minutes, and the gentleman from Ohio [Mr. OXLEY] will be recognized for 15 minutes.

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

GENERAL LEAVE

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include extraneous material, on House Concurrent Resolution 246.

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

There was no objection.

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

Mr. Speaker, I rise in support of House Concurrent Resolution 246, which expresses the sense of the Congress on the relation of trade agreements to the health, safety, labor, and environmental laws of the United States.

House Concurrent Resolution 246 was introduced to respond to congressional concerns regarding the effect of international trade agreements on U.S. health, safety, labor, and environmental laws. These concerns arose as a result of a 1991 adverse decision by a GATT panel in a case brought by Mexico against the United States. This case involved an embargo placed on Mexican tuna imports by the United States after Mexico failed to comply with certain provisions of the Marine Mammal Protection Act which were designed to protect dolphins.

Mr. Speaker, this resolution calls upon the President to conclude the Uruguay round negotiations so as to make the GATT compatible with the Marine Mammal Protection Act and other United States health, safety, labor, and environmental laws. The resolution also states that Congress will not approve legislation implementing either a GATT trade agreement or a United States-Mexico Trade Agreement that jeopardizes United States health, safety, labor, or environmental laws.

Consideration of this resolution by the House is particularly timely because of the imminent conclusion of the North American Free-Trade Agreement. Indeed, Ambassador Hills and her counterparts from Mexico and Canada are meeting in Washington this week in an attempt to conclude those negotiations.

Members will recall that, in conjunction with renewal of the President's fast-track negotiating authority last year, the President committed that he would aggressively address environmental, health, safety, and labor rights issues in the NAFTA negotiations. These commitments were embodied in House Resolution 146 that was overwhelmingly passed by the House last year. House Concurrent Resolution 246 reinforces last year's resolution on this subject and sends a clear, strong message to the President that we are counting on him to carry out his commitments in these important areas.

Mr. Speaker, House Concurrent Resolution 246 deserves the support of the House and I urge my colleagues to vote for it.

Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Speaker, I rise in strong support of House Concurrent Resolution 246.

After much thought I did vote for fast track although this was a difficult decision for me. Fast track would apply to both the ongoing Uruguay round of GATT talks as well as the proposed Mexican Free-Trade Agreement. And while I have serious concerns about a free-trade agreement with Mexico, a GATT agreement is critical to Connecticut, particularly in the services and intellectual property rights areas.

Despite its relatively small size, Connecticut is the Nation's fifth largest exporting State. We export over 25 percent of our gross State product. For me, a vote for fast track was a vote to give the administration a chance to come back with an agreement that would be in the best interest of both Connecticut and the Nation. By definition, such an agreement must include worker rights, environmental protections, and worker adjustment mechanisms.

Whether the administration can do this remains to be seen. That is precisely why I am a cosponsor of House Concurrent Resolution 246. Exports are important to Connecticut and a pillar of the economy right now but as this resolution says:

No trade agreement with Mexico will be approved if it jeopardizes existing United States health, safety, labor, or environmental laws, * * * or if the agreement limits the ability of the Congress of the United States to adopt such laws in the future.

I urge my colleagues to support this important resolution.

Mrs. COLLINS of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Concurrent Resolution 246.

The Subcommittee on Commerce, Consumer Protection and Competitiveness, which I chair, held three hearings on health and environmental issues involved in the trade negotiations now under way. On May 12, the Subcommittee reported House Concurrent Resolution 246 by voice vote to the full Committee on Energy and Commerce, which ordered the resolution reported to the House on June 18. No amendments to the resolution were offered.

This resolution does two things. First, it expresses the sense of the Congress that the President, in the current Uruguay round of GATT talks, should negotiate to make GATT rules consistent with our Nation's health, safety, labor and environmental laws. Second, it says that Congress will not approve legislation implementing any trade agreement, including a North American Free-Trade Agreement, if the agreement jeopardizes United States health, safety, labor or environmental laws.

Recent GATT rulings and new proposals in the Uruguay round and the North American Free-Trade Agreement negotiations have raised concerns that our laws may be subject to challenge by foreign governments. Last year, a GATT dispute panel ruled that sections of our Marine Mammal Protection Act designed to protect dolphins constitute a trade barrier that are in violation of GATT.

In addition, there are concerns that U.S. environmental and health laws may be subject to challenge, because

both the proposed GATT and NAFTA agreements would sanction international standards for pesticide and chemical residues on food that in many cases are weaker than our own.

For example, the international standards in the new GATT and NAFTA texts would allow dangerous contaminants, such as DDT which is banned in the United States, to be used on certain food products. In addition to weak standards, the proposed GATT agreement contains tough new enforcement powers that GATT could use to impose sanctions against the United States or to put pressure on the United States to change its strict health, environmental, labor and other laws.

The proposed GATT and NAFTA texts would also apply to State health and environmental standards that are found to be inconsistent with GATT standards. GATT has recently given us an example of what it expects the Federal Government to do to force the States to comply with GATT rules. Despite our Government's arguments to the contrary, a GATT dispute panel ruled earlier this year that our Constitution does not prohibit the Federal Government from preempting the laws in 41 States and Puerto Rico pertaining to the tax and distribution of beer and wine that discriminate against foreign or out-of-State producers.

And, hearings the Subcommittee on Commerce, Consumer Protection and Competitiveness held last year exposed the fact that the administration has used the Canadian Free-Trade Agreement to justify virtually eliminating inspection of Canadian meat imported into our country. Only after I requested an investigation by the General Accounting Office and I sent three different letters to Agriculture Secretary Madigan, did the Department of Agriculture recently announce that it would reinstate procedures to ensure that all Canadian meat is once again subject to inspection.

Mr. Speaker, trade agreements we enter into must raise environmental, health and labor standards in other countries; not bring us down to a lower level. If not, the quality of our environment, the health of our citizens, and the safety of our labor force will certainly suffer.

But in addition, strong incentives will be created for American firms to relocate to escape stricter regulation in the United States. Instead of free trade, such agreements could easily promote the free flow of American jobs to other countries.

The General Accounting Office testified last year at a hearing of the Subcommittee on Commerce, Consumer Protection and Competitiveness that firms in the Los Angeles area have moved to Mexico because of Mexico's weaker environmental law. GAO found that 78 percent of the furniture firms which relocated to Mexico from Los Angeles cited strict environmental regulation as a reason for their move.

Mr. Speaker, House Concurrent Resolution 246 simply says that trade agreements should accommodate, not undermine, U.S. health, environmental, labor and safety laws. This statement is consistent with the commitment the President made to Congress last year concerning the negotiation of a NAFTA agreement. The administration's support for this resolution means it is now ready to make those same commitments for the negotiation of a GATT agreement.

I sincerely hope that the President succeeds in fulfilling the commitments he has made and achieving the environmental objectives that the American people and most in Congress believe are important. Passage of this resolution will make that process easier, as other nations understand, perhaps more clearly, how important Congress considers these matters to be.

I urge my colleagues to support House Concurrent Resolution 246.

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

Mr. Speaker, this bill is greased. It is going to pass. I think it is superfluous at best and dangerous at worst, but it is going to pass. I hope that this is not some kind of effort to submarine the efforts by the administration to put together what I think will be a very effective NAFTA agreement that will create jobs and provide economic opportunity for our citizens as well as citizens across the border. But I suspect that is maybe what is happening here, and I am concerned about that.

I might add, I am particularly concerned about the gentleman from Massachusetts who had earlier indicated in the debate on the rule about the fears that bring this bill to the floor. We should not legislate because we fear something is going to happen in NAFTA.

Mr. Speaker, we have been consulted, as the gentleman from California [Mr. DREIER] read in his remarks, by Mrs. Hills. I have attended a good number of those sessions and can tell Members that Mrs. Hills is very open in answering questions and making her expertise available to the Members. No one has any excuse on either side of the aisle in saying that they were not consulted properly by this administration. They literally bent over backwards to bring the Congress into these very important negotiations.

Mr. Speaker, I hope that the gentleman from New Mexico [Mr. RICHARDSON] is right when he says that the announcement will be forthcoming tomorrow about this agreement. It means a great deal to our economy.

I hope that this resolution is seen for what it is, and that is merely a vapid exercise in legislating that really does not count for much.

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Mrs. COLLINS of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. WAXMAN].

Mr. WAXMAN. Mr. Speaker, I rise to urge my colleagues to vote in support of House Concurrent Resolution 246. The resolution makes a very simple statement—namely that the House will not approve any legislation to implement a trade agreement that jeopardizes domestic health, safety, labor or environmental laws.

I understand that the administation and the minority now support the resolution. This is a major shift in their position. Until last week, the resolution had virtually no minority support. Only 11 members of the minority signed on as cosponsors. The minority opposed the resolution in the Energy and Commerce Committee.

Now that the administration senses certain defeat, it has adopted an "if you can't beat them, join them" strategy. If this reversal is accompanied by a shift in policy where the Administration is finally committed to support our health, safety, labor and environmental laws in trade negotiations, then I welcome the Administration's newfound commitment to the environment and the public health.

Currently there are two major trade agreements being negotiated. The North American Free-Trade Agreement is close to being finalized. Earlier drafts would have undercut our domestic laws. We have been assured that the final text will not do so, but we will not know until it is made public.

The General Agreement on Trade and Tariffs is not as close to completion. But the draft GATT text, if implemented, would seriously jeopardize domestic health, safety, labor and environmental laws.

Therefore, if the House adopts this resolution, the Administration will be required to engage in a substantial renegotiation of the GATT agreement. For example—

The GATT draft would allow a GATT panel to decide whether our health, safety and environmental laws have a sufficient scientific justification. It would allow other countries to challenge our laws regulating pesticides and food additives, including the Delaney clause. But under Resolution 246, these domestic laws could not be subject to challenge.

The GATT draft would prohibit a country from adopting measures to protect the global environment, including laws that protect endangered species, the oceans, dolphins and the stratospheric ozone layer, as well as future efforts to stop global warming. But under House Concurrent Resolution 246, countries will be able to continue to adopt extraterritorial environmental measures.

The GATT draft would place pressure on the United States to preempt State

and local health and environmental laws. But under House Concurrent Resolution 246, State and local governments could adopt health and environmental laws as long as they did not discriminate against imports.

This resolution goes beyond the House Resolution 146 and the commitments made in the President's May 1, 1991 action plan on trade. It was in the context of NAFTA that the resolution was adopted and those commitments were made. In contrast, the resolution before us explicitly applies to both NAFTA and GATT.

Because of its importance, I am pleased that this resolution has gained bipartisan support. But the administration should understand that we will fight any trade agreement that does comply with House Concurrent Resolution 246.

I consider myself to be a free trader and I will vote for GATT and NAFTA if they do not undercut our health, safety, labor, and environmental laws. The purpose of House Concurrent Resolution 246 is to establish the standard by which NAFTA and GATT will be measured if legislative text to implement either agreement is submitted to the House.

A vote for House Concurrent Resolution 246 is obviously not a vote against free trade. Instead a vote for House Concurrent Resolution 246 is a vote to preserve our sovereign right to protect our citizens and the environment.

I urge all my colleagues to vote to adopt the resolution.

Mr. CRANE. Mr. Speaker, I yield 30 seconds to my good friend and colleague, the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, I rise in support of this, as I said earlier, redundant but not objectionable resolution. I hope very much that we are on the eve of this.

A number of Members, Mr. Speaker, have argued that there has not been enough consultation with Members of Congress on this NAFTA.

I include for the RECORD at this point a list of the meetings which have taken place between representatives of the USTR and Members of Congress.

LIST OF MEETINGS

In addition to the following compilation of staff consultations, Ambassador Hills and others have held over 40 consultations with Members of the House and Senate.

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House Agriculture Committee, Issue: Overview, June 24.

Senate Energy and Natural Resources Committee, Issue: Overview, July 26.

Senate Commerce Committee, Issue: Overview, June 26.

Senate Agriculture Committee, Issue: Overview, June 27.

Senate Banking Committee, Issue: Overview, June 28.

Senate Foreign Relations Committee, Issue: Overview, July 2.

House Energy and Commerce Committee, Issue: Overview, July 8.

House Foreign Affairs Committee, Issue: Overview, July 9.

Senate Finance Committee, Issues: Environment and Labor, July 11.

House Ways and Means Committee, Issue: Energy, July 12.

House Energy and Commerce Committee, Issues: Energy, Standards, Environment, July 15.

House Ways and Means Committee, Issues: Agriculture, Standards, Textiles, July 30.

House Automobile Caucus, Issue: Autos, July 30.

Senate Environment and Public Works Committee, Issues: Environment and Standards, July 31.

House Energy and Commerce Committee, Issues: Environment and Standards, Aug. 1.

Senate Agriculture Committee, Issues: Standards and Environment, Aug. 1.

Senate Finance Committee, Issues: Agriculture and Tariff/Non-Tariff Measures, Aug. 1.

House Foreign Affairs Committee, Subcommittee on Western Hemisphere, Issue: Overview, Aug. 1.

House Agriculture Committee, Issues: Standards and Environment, Aug. 1.

Senate Judiciary Committee, Issue: Intellectual Property Rights, Sep. 6.

Senate Banking Committee, Issue: Insurance, Sep. 9.

House Textile Caucus Staff, Issue: Textiles, Sep. 10.

Senate Textile Group staff, Issue: Textiles, Sep. 10.

House Ways and Means Committee/Chairman's Group, Issue: Overview, Sep. 11.

Senate Agriculture Committee, Issue: Tariff/NTBs, Sep. 12.

House Agriculture Committee, Issue: Tariff/NTBs, Sep. 13.

Senate Finance Committee, Issue: Tariff/NTBs, Sep. 13.

House Ways and Means Committee/Chairman's Group, Issues: Dispute Settlement, IPR and Rules of Origin, Sep. 16.

Senate Finance Committee, Issues: Dispute settlement, IPR and Rules of Origin, Sep. 16.

House Judiciary Committee, Issue: IPR, Sep. 19.

Senate Finance Committee, Issues: Investment, Financial Services, Government Procurement, Sep. 24.

House Ways and Means Committee/Chairman's Group, Issues: Financial Services and IPR, Sep. 27.

House Education and Labor Committee, Issue: Labor, Sep. 27.

Senate Finance Committee, Issue: Telecommunications, Oct. 4.

House Ways and Means Committee/Chairman's Group, Issue: Rules of Origin, Oct. 11.

House Energy and Commerce Committee, Issue: Environmental Review, Oct. 11.

House Ways and Means Committee/Chairman's Group, Issues: Telecommunications and Government Procurement, Oct. 18.

Senate Finance Committee, Issue: Textiles, Oct. 21.

Northwest/Midwest Coalition, Issue: Autos, Oct. 22.

House Agriculture Committee, Issue: Textiles, Oct. 22.

House Agriculture Committee, Issue: Investment, Oct. 22.

House Ways and Means Committee, Issue: Textiles, Oct. 22.

Senate Banking Committee, Issue: Financial Services, Oct. 24.

Hearing, House Energy and Commerce Committee, Issue: NAFTA and Environment, Oct. 31.

House Ways and Means Committee/Chairman's Group, Issue: Environment, Nov. 1.

House Energy and Commerce Committee, Issue: Energy, Nov. 4.

GOP Task Force/NAFTA, Issue: Overview, Nov. 4.

House Ways and Means Committee, Issue: Autos and Rules of Origin, Nov. 4.

House Foreign Affairs Committee, Issue: Environment, Nov. 5.

Senate Finance Committee, Issue: Safeguards, Nov. 5.

Senate Finance Committee, Issue: Financial Services and Insurance, Nov. 7.

House Ways and Means Committee, Issue: Rules of Origin and Tariffs/NTBs, Nov. 13.

House Ways and Means/Judiciary Committees, Issue: IPR, Nov. 13.

House Ways and Means/Energy and Commerce/Banking Committees, Issue: Investment, Nov. 14.

Senate Finance/Foreign Relations/Banking Committees, Issue: Investment, Nov. 14.

House Ways and Means Committee, Issue: Services, Nov. 15.

Senate Finance Committee, Issue: Services, Nov. 15.

Senate Finance Committee, Issue: Labor and Environment, Nov. 19.

Northeast/Midwest Coalition, Issues: Autos and Rules of Origin, Nov. 20

Senate Finance Committee, Issue: Financial Service, Dec. 3.

House Ways and Means Committee, Issue: Safeguards, Dec. 4.

Senate Finance Committee, Issue: Safeguards, Dec. 4.

House Ways and Means/House Agriculture/House Energy and Commerce Committees, Issue: Standards, Dec. 5.

House Ways and Means/House Public Works Committees, Issue: Land Transport, Dec. 5.

Senate Finance/Senate Agriculture Committees, Issue: Standards, Dec. 5.

Senate Finance/Senate Environment and Public Works Committees, Issue: Land Transport, Dec. 5.

House Ways and Means Committee/Chairman's Group, Issue: Temporary Entry, Dec. 6.

Senate Finance/Senate Commerce Committees, Issue: Telecommunications/Services, Dec. 6.

House Ways and Means/House Energy and Commerce Committees, Issue: Telecommunications/Services, Dec. 6.

House Foreign Affairs Committee, Hearing, Issue: NAFTA & Environment, Dec. 9.

Senate NAFTA Agriculture Group, Issue: Agriculture, Dec. 11.

Environmental and Energy Study Conference, Issues: Environment and Energy, Dec. 17.

House Ways and Means Committee, Issue: Dispute Settlement, Dec. 18.

Senate Finance Committee, Issue: Dispute Settlement, Dec. 18.

Senate Finance/Senate Governmental Affairs Committees, Issue: Government Procurement, Dec. 20.

House Ways & Means/House Government Operations Committees, Issue: Government Procurement, Dec. 20.

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Senate Finance Committee/Chairman's Group, Issue: NAFTA Overview, Jan. 14.

House Ways & Means Committee/Chairman's Group, Issue: NAFTA Overview, Jan. 15.

Senate Finance/Senate Energy Committees, Issue: Energy, Jan. 16.

House Ways and Means/House Energy and Commerce Committees, Issue: Energy, Jan. 16.

House Ways and Means Committee/Chairman's Group, Issues: Safeguards and Autos, Jan. 21.

Senate Finance Committee, Issue: Textiles, Jan. 21.
Senate Textile Group, Issue: Textiles, Jan. 22.
House Ways and Means Committee, Issue: Textiles, Jan. 22.
Senate Finance/Senate Labor/Senate Judiciary Committees, Issue: Temporary Entry, Jan. 24.
House Education & Labor/House Judiciary Committees, Issue: Temporary Entry, Jan. 24.
House Ways & Means Committee/Chairman's Group, Issues: Financial Services, Insurance, Investment, Jan. 24.
Senate Finance/Senate Commerce Committees, Issue: Autos, Jan. 28.
Senate Finance Committee/Chairman's Group, Issue: Autos, Jan. 28.
Senate Finance Committee/Chairman's Group, Issues: Tariffs, Agriculture, Financial Services, Jan. 29.
House Ways and Means Committee/Chairman's Group, Issues: Agriculture and Tariffs, Jan. 29.
Senate Finance/Senate Agriculture Committees, Issue: Agriculture, Jan. 30.
House Ways and Means/House Agriculture Committees, Issue: Agriculture, Jan. 30.
House Ways and Means Committee/Chairman's Group, Issues: Services, Telecommunications and Textiles, Jan. 30.
Senate Chairman's Group, Issues: IPR, Land Transport and Safeguards, Feb. 4.
House Chairman's Group, Issues: IPR, Land Transport, Feb. 4.
House Chairman's Group, Issue: Rules of Origin, Feb. 6.
Senate Chairman's Group, Issues: Government Procurement, Standards, and Investment, Feb. 11.
House Chairman's Group, Issues: Government Procurement and Standards, Feb. 11.
Senate Chairman's Group, Issues: Rules of Origin and Textiles, Feb. 13.
House Judiciary/House Education & Labor Committees, Issue: Temporary entry, Feb. 21.
House and Senate Chairman's Groups, Issue: NAFTA, Feb. 24.
Senate Finance/Senate Commerce Committees, Issues: Services and Telecommunications, Feb. 28.
Senate Energy Committee, Issue: Energy, Feb. 28.
Senate Finance Committee, Issue: NAFTA, March 4.
House Ways and Means/House Energy and Commerce/House Agriculture Committees, Issue: Standards, March 5.
House Agriculture Committee, Issue: Agriculture, March 5.
Senate Agriculture Committee, Issue: Agriculture, March 5.
Senate Finance/Senate Agriculture/Senate Environment and Public Works Committees, Issue: Standards, March 6.
Senate Finance Committee, Issue: Dispute settlement, March 6.
House Ways and Means Committee, Issue: Dispute settlement, March 6.
Senate Labor/Senate Finance/Senate Judiciary Committees, Issue: Temporary Entry, March 6.
House Ways and Means Committee, Issue: Safeguards, March 6.
Senate Finance Committee, Issue: Safeguards, March 6.
Senate Judiciary Committee, Issue: IPR, March 9.
Northeast-Midwest Coalition, Issue: Autos and Rules of Origin, March 12.
House Ways and Means Committee, Issue: NAFTA, March 13.
House Judiciary, Education and Labor, Ways and Means Committees, Issue: Temporary Entry Text, March 13.
Senate Banking Committee, Issue: Financial Services, March 16.
Senate Finance Committee, Issue: Land Transport, March 17.
Senate Border State Staff, Issue: Land Transport, March 17.
House Education and Labor Committee, Issue: Temporary Entry, March 18.
House Banking, Ways and Means, Issue: Investment, March 19.
Senate Chairman's Group, Issue: Investment, March 19.
House Ways and Means Committee, Issue: Safeguards, March 19.
Senate Finance Committee, Issue: Safeguards, March 19.
House Chairman's Group, Issue: Labor, March 20.
House Border Offices, Issue: Land Transport, March 20.
Senate Finance and Agriculture, Issue: Agriculture, March 25.
Ways and Means and Agriculture, Issue: Agriculture, March 25.
Environmental Study Conference, Issue: Border Plan/Environmental Review, March 27.
Ways and Means, Government Operations and Small Business Committees, Issue: Government Procurement, March 30.
Senate Finance, Governmental Affairs, Issue: Government Procurement, March 31.
Senate Finance Committee, Issue: NAFTA Overview, April 1.
House Chairman's Group, Issue: NAFTA Overview, April 1.
Ways and Means, Energy and Commerce, Issue: Autos, April 10.
Senate Finance and Commerce Committees, Issue: Autos, April 10.
Energy and Commerce, Levin and Gephardt's staff, Issue: Autos, April 14.
House Foreign Affairs Committee staff, Issue: Energy, May 4.
House Foreign Affairs Committee Hearing/Exec. Ses, Issue: NAFTA and energy, May 5.
House Agriculture Committee, Issue: MTO and IPR, May 6.
House Judiciary Committee, Issue: Temporary Entry, May 7.
Finance, Judiciary, and Labor Committees, Issue: Temporary Entry, May 8.
Senate Finance Committee, Issue: Energy, May 8.
Senate Chairman's Group, Issues: Rules of Origin, Investment, Telecom and Services, May 8.
Ways and Means, Energy and Commerce, Issue: Investment, May 8.
Northeast-Midwest Coalition, Issues: Autos and Rules of Origin, May 11.
House Chairman's Group, Issue: Autos, overview, dispute settlement, telecom and services, May 11.
Senate Chairman's Group, Issues: Ag, S&P, Standards, Autos, Dispute Settlement, May 11.
Senate Chairman's Group, Issues: Safeguards, Land Transport, May 12.
House Banking, Ways and Means, Energy and Commerce, Issue: Insurance, May 13.
Education and Labor, Issue: Temporary Entry, May 15.
House Chairman's Group, Issues: Rules of Origin, Safeguards, IPR, May 15.
House Chairman's Group, Issues: Rules of Origin, Duty Drawback, Ag, S&P, Standards, Land Transport, May 18.
Ways and Means Committee, Issue: Worker Adjustment, May 18.
House Judiciary Committee, Issue: IPR, May 19.
Senate Energy Committee, Issue: Energy, May 20.
Senate Chairman's Group, Issue: Energy, May 20.
Ways and Means LAs, Issue: Worker Adjustment, May 21.
Trade Subcommittee Staff, Issue: NAFTA, May 22.
Senate Finance LAs, Issue: Worker Adjustment, May 22.
Senate Banking Committee, Issue: Financial Services, May 22.
Senate Chairman's Group, Issues: Tariffs and Government Procurement, May 22.
Trade Subcommittee Staff, Ways and Means and SFC, Issue: Overview, May 29.
Senate Banking, Issue: Financial Services/Insurance, May 29.
Energy and Commerce Committee, Issue: Financial Service/Insurance, May 29.
Northeast-Midwest Coalition, Issues: Autos, June 1.
House Chairman's Group, Issues: Financial Services/Insurance/Trade Remedies, June 1.
Senate Chairman's Group, Issues: Financial Services/Insurance/Trade Remedies, Textiles, June 1.
Senate Finance Committee LAs, Issue: Dispute Settlement, June 2.
Ways and Means LAs, Issue: Worker Adjustment, June 4.
Senate Finance Committee Staff, Issue: Temporary Entry, June 5.
Northeast-Midwest Coalition, Issue: Rules of Origin, June 9.
Senate Finance/Senate Agriculture Committees, Issue: Agriculture, June 11.
House Agriculture/Ways and Means Committees, Issue: Agriculture, June 11.
Trade Staff, Issue: Overview on NAFTA, June 12.
Great Lakes Coalition, Issue: NAFTA and Standards, June 16.
House/Senate Soybean Caucus, Issue: Agriculture, June 18.
Senate Finance Committee Trade Staff, Issue: Environment and NAFTA, June 18.
House/Senate Trade Staff, Issue: NAFTA Overview, June 26.
Senate Chairman's Group, Issue: Environment, July 1.
House Chairman's Group, Issue: Environment, July 1.
Ways and Means, Issue: Chapter 19, July 6.
Senate Finance LAs, Issue: Chapter 19, July 7.
Senate Chairman's Group, Issue: Overview of issues, July 9.
House/Senate Trade Staff, Issue: Overview of issues, July 10.
House/Senate Trade Staff, Issue: Overview of issues, July 13.
House Chairman's Group, Issue: Overview of issues, July 14.
Senate Chairman's Group, Issue: Investment, July 16.
House Chairman's Group, Issue: Investment, July 16.
Ways and Means staff, Issue: Rules or origin/duty drawback, July 16.
Ways and Means/House Agriculture, Issue: Agriculture, July 22.
Senate Finance/Agriculture Committees, Issue: Agriculture, July 22.
Senate Energy, Issue: Energy, July 24.
Senate Finance, Issue: Financial Services, July 24.
House Chairman's Group, Issue: Overview of all negotiating groups, July 28.
Senate Agricultural Trade Oversight Group, Issue: Agriculture, Sanitary and Phytosanitary, Environment, July 28.
Senate Chairman's Group, Issue: Overview of all negotiating groups, July 29.

House Agriculture Committee, Issue: Agriculture, Sanitary and Phytosantary, July 30.
House Energy and Commerce, Issue: Energy, August 6.
Senate Energy Committee, Issue: Energy, August 6.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume. Mr. Speaker, I rise in support of House Concurrent Resolution 246—a restatement of the partnership between Congress and the administration in conducting negotiations for a North American Free-Trade Agreement [NAFTA]. As the President and Ambassador Hills proceed to conclude the NAFTA—perhaps as early as this week—I want to congratulate them on a negotiation which is historic in its scope.

This is an agreement which will help lead the United States into a more prosperous and economically dynamic 21st century.

The President's idea for a North American community which is free of investment barriers and trade barriers generated vigorous debate when he first proposed it to the Congress 3 years ago. That debate culminated in the decision to extend fast track negotiating authority for purposes of reaching a NAFTA, as well as an Uruguay round pact.

In cooperation with Congress, the administration developed a detailed action plan which listed the President's commitments to seek certain results in the talks. These goals were reaffirmed by House Resolution 146, and they are in the bill before us today, House Concurrent Resolution 246.

Pledging bipartisan cooperation, the President promised: First, the development and implementation of an expanded program of environmental cooperation parallel with the free trade talks; second, new initiatives to expand United States-Mexico labor cooperation and; third, an effective worker adjustment program—to be developed with the Congress—for workers dislocated by the free trade agreement.

Mr. Speaker, the President has fulfilled and, in many cases, exceeded his promises.

For the first time in any trade negotiation, environmental concerns were pushed to the forefront of policy development. Understandings have been reached with the Mexicans to improve conditions on the border and throughout Mexico.

Presidents Bush and Salinas jointly issued the integrated border plan, which comprehensively addresses air and water pollution, waste disposal, pollution prevention, chemical emergency response, and enforcement.

President Salinas has committed $460 million over 3 years to implement this understanding. On the U.S. side, President Bush requested $241 million in his budget for fiscal year 1993. As it turns out, the House Appropriations Committee failed to approve the full amount of the President's request.

Parallel talks have focused on refining and expanding enforcement activities and training, and encouraging public reporting of potential violations of environmental laws.

The Mexicans appear anxious to pursue environmentally sound policies, and they remain eager students of our methods. Also, during the NAFTA talks, the Government of Mexico signed the Convention of International Trade in Endangered Species [CITES], which aims to stop trade in endangered species.

On labor issues, too, the administration has made significant headway. The NAFTA negotiations have succeeded in shedding unprecedented light on Mexican labor standards and practices and their enforcement.

Mexican leaders have invited us to work with them to improve the conditions for workers on both sides of the border.

Most importantly, the NAFTA promises to create high wage, high skill jobs in the United States. The Institute for International Economics has predicted 175,000 new jobs will be created in the United States as a result of NAFTA and the economic and political reforms in Mexico that it will help support.

Expanding the Canada Free-Trade Agreement to include Mexico will create a market of over 360 million people with a combined annual economic output of $6 trillion. The easing of trade and investment barriers will provide U.S. corporations with opportunities they need to grow and prosper in an increasingly competitive global marketplace.

When the final text of the agreement is transmitted to Congress, we must not judge it in terms of one or two industries, or from the viewpoint of a specific political agenda. Rather we must look at the balance of concessions and what has been achieved for the economy and the future of the country as a whole. Now that the negotiations are wrapping up and the period of congressional consultations on negotiating positions is coming to a close, it is our responsibility to assess the agreement on its merits.

If they prove sound, and I feel confident they will, I urge my colleagues to move forward in good faith to implement the deal struck by the President.

I look forward to realizing the President's goal of turning all of North America into a vibrant region of free trade. I support House Concurrent Resolution 246 as a positive step in that direction.

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Mr. Speaker, I yield back the balance of my time.

Mrs. COLLINS of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan [Mr. BONIOR], the majority whip.

Mr. BONIOR. Mr. Speaker, we meet tonight to consider this resolution—but the real issue before the country is what a free-trade agreement with Mexico will do to America.

Listen to these facts.

Studies say the so-called free-trade agreement will cost the United States as many as 1 million jobs.

An administration study says 40 percent of textile, apparel, steel, and auto jobs will head across the border.

How can American workers compete with people forced to accept 50 cents an hour?

How can we compete with companies that offer no health insurance and don't meet adequate safety standards?

Just today the wires came out, 60,000 new unemployed in the last week in July, the highest unemployment rate in over a decade. Mr. Speaker, how can we let this happen?

This resolution states that Congress will not approve legislation implementing trade agreements like the Mexico FTA if they jeopardize United States health, safety, labor, or environmental laws.

But I believe a trade agreement with Mexico cannot meet these standards.

I voted against fast track.

I would oppose any agreement now. We've already lost nearly 1.8 million manufacturing jobs since the Reagan-Bush team went to work in 1981.

We shouldn't let the White House send American jobs on a fast track to Mexico.

We shouldn't let them give others a free ride in the name of free trade.

We can't let jobs be our No. 1 export.

Mrs. COLLINS of Illinois. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Speaker, what is in debate now is whether or not we can compromise our national sovereignty concerning the health of the citizens of this country, and the Congress, trying to again teach the Secretary of Trade, the Secretary of Commerce, the Secretary of State, that if we do not use markets to change unacceptable behavior, the only other recourse is war.

If this were the law, the sanctions that we put in place against South Africa would be prohibited. Do the Members know why? Because the action complained of did not take place on our shores.

Please, Mr. Secretary of State, please, Madam Secretary of Trade, please, Madam Secretary of Commerce, wake up.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Michigan [Mr. LEVIN].

Mr. LEVIN of Michigan. Mr. Speaker, as others added their comments, I just wanted to add mine. In this resolution and other discussions there has been much reference to worker adjustment, to environmental issues in Mexico.

I hope as we proceed these next hours and the next days we will ask ourselves this question: What will be the long-

term impact on key industries of any agreement? We have to ask ourselves the question not only are we providing for a transition, but a transition to what? What will key industries look like after an agreement in negotiated?

We have asked for some impact analyses of these issues. They have never been forthcoming. Until they are, the American public will not know their import, nor will this Congress.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, if America enters into a free trade agreement with Mexico, we will not even have Ma Bell any more. We will get our phone bill from Taco Bell, so help me God. We won't make a typewriter, a television, a VCR, a telephone.

Let me make this prediction. The only reason Japan is investing in America is, they know that we are going to wise up some day and stop the joy ride. If we pass this free trade agreement, they will build in Mexico and ship the damned stuff up from Mexico at $1 an hour.

I am against this free trade agreement. I think Congress better really think about it before we sign the death warrant for this economy in the next 10 years.

Mrs. COLLINS of Illinois. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota.

Mr. SIKORSKI. Mr. Speaker, I rise in support of the concurrent resolution.

Mr. Speaker, I rise to urge my colleagues to vote in support of House Concurrent Resolution 246.

This nonbinding resolution simply states that the Congress will not tolerate any trade agreements that jeopardize American labor, environmental, health, or safety laws.

The only issue that legitimately should be decided by an international trade body is whether the law discriminates against imports. If it does not discriminate against imports, then the international body has no business striking it down—no matter how arbitrary some other country thinks the law may be.

The issue of whether a law is scientifically justified is an issue to be decided by Congress. We—and not some international body—have the right to decide what laws are scientifically justified to protect the citizens of our country.

Let me back up a bit and tell you how the GATT process really works:

Only countries may participate in the case. There are no briefs filed by interveners or friends of the court. The entire process is highly secretive.

Briefs are secret. Even the decisions are kept secret from the public, until they are final and it is too late to change them in any way.

Where a U.S. health and safety law is being challenged, the administration will be responsible for defending our law. Under the draft GATT agreement, it will have the burden of demonstrating that the U.S. law is scientifically justified. Yet, in many cases, the administration has opposed these very laws in Congress, on the grounds that they are not justified by science.

Obviously, GATT cannot overrule domestic health and safety laws. But an adverse GATT decision can result in fines on a country for continuing to enforce any law that has been declared GATT-illegal. This will place enormous pressure on our country to repeal these important safety, health, and environmental laws.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Speaker, I rise in strong support of House Concurrent Resolution 246, and thank the chairman for bringing it up.

Mr. Speaker, I rise today in strong support of House Concurrent Resolution 246 which expresses the sense of the Congress that trade agreements should not jeopardize U.S. health, safety, labor, and environmental laws.

Passage of House Concurrent Resolution 246 is also important because it states that Congress will not approve legislation to implement NAFTA if the agreement jeopardizes U.S. health, safety, labor, and environmental laws.

Mr. Speaker, our colleagues are reading everyday in the newspapers that negotiations for a proposed North American Free-Trade Agreement [NAFTA] are wrapping up and an agreement may be before Congress in the coming months. I see no reason to rush a NAFTA when the issues to be resolved are so vital to American interests.

Last May, I supported the President's request for "fast track" authority which allows the administration latitude in negotiating a NAFTA. However, I supported the President, as did many of our colleagues in the House, with the provisos that the final agreement have safeguards for our fragile environment, a retraining program for United States workers who may be displaced, and rules of origin which ensure the United States, Mexico, and Canada will solely benefit from a NAFTA.

I wish to commend Majority Leader GEPHARDT and the gentleman from California [Mr. WAXMAN] for their leadership in bringing House Concurrent Resolution 246 before us today. In particular, Majority Leader GEPHARDT has spoken eloquently over the past year regarding these protections for an acceptable NAFTA draft agreement.

Mr. Speaker, House Concurrent Resolution 246 provides American businesses and American workers with deserved protection. I urge our colleagues to support it and support it enthusiastically.

Mrs. COLLINS of Illinois. Mr. Speaker, I yield such time as he may consume to the gentleman from Oregon [Mr. WYDEN].

(Mr. WYDEN asked and was given permission to revise and extend his remarks.)

Mr. WYDEN. Mr. Speaker, I rise in support of the concurrent resolution.

Mr. Speaker, as one of the Democrats who voted for fast track, I can say that free traders should support this resolution.

Expanded trade through the NAFTA and GATT agreements can help grow the economy in the 1990's. But trade that undermines the environment, public health, and worker safety will kill long-term growth. And trade agreements that ignore the health and safety of Americans won't be approved by Congress.

Technology has changed the important issues in trade negotiations. Twenty years ago, the costs of transportation, communications, and tariffs were key factors of competitive advantage. Today, labor quality, capital costs, health care and regulation are far more important.

Unfortunately, trade negotiations are still stuck in the old days, narrowly focused on tariffs and quotas. They ignore the fact that in a global economy, environmental protection, public health, and worker safety are directly affected by the terms on which we trade with other countries.

I am for more trade, not less, and I will not support efforts to throw up protectionist barriers disguised as environmentalism. But neither will I support an outdated agreement that ignores the health of the environment and our workers.

As one who would like to see trade agreements approved, I believe this resolution gives the administration fair notice about what the trade negotiators need to do to win congressional approval.

Ms. PELOSI. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 246, which expresses the sense of the Congress that we will not approve legislation to implement any trade agreement that jeopardizes U.S. health, safety, labor or environmental laws. I am proud to be a cosponsor of this important bill. It sends a clear message to the administration and to the parties with which it is negotiating trade agreements that the United States stands firm to its commitment to lead the world in health, safety, labor and environmental laws.

Trade agreements can be useful instruments. We must ensure, however, that trade agreements are not used as a way to loosen our health, safety, labor or environmental standards. The administration should show leadership and use trade negotiations not only as a way to promote trade, but also as a way to improve the lives of workers and the environment around the world. We cannot allow any trade agreement to be negotiated to the lowest common denominator. we have an obligation to maintain the standards that we have in this country and other countries should try to meet similar standards.

Our workers and industries have suffered from a variety of unfair trade practices condoned and promoted by some of our trading partners. Included in these unfair trade practices are exploitation of their work forces and a lax approach to worker health and safety. In some of these countries, even if laws are on the books to protect workers and the environment, the laws are not enforced. As our workers struggle to compete today, they should not have to return to the abysmal work conditions of last century. If we are not careful, that is where the administration's negotiations will lead.

The ruling by the General Agreement on Tariffs and Trade [GATT] that the U.S. Marine Mammal Protection Act was GATT-illegal has raised the spectre of an empty U.S. global en-

vironmental policy. For the past 12 years, we have had to fight the administration every step of the way to implement environmental protection laws. When we have succeeded, too often the administration has, through the regulatory process, undermined the intent of the laws. Now, through trade agreements and negotiations, the administration could circumvent these laws completely.

As my colleagues know, there are two imminent trade agreements we are likely to have before us, the North American Free-Trade Agreement [NAFTA] and the Uruguay round of the General Agreement on Tariffs and Trade [GATT]. The administration and the U.S. Trade Representative must understand that they should be primarily representing the American people in these negotiations, not the American business community. The American people are speaking in ever louder voices that environmental protection must be a priority. Their voices must be heard.

Mr. Speaker, when this House considered the request for fast-track negotiating authority, I joined by colleagues in emphasizing how seriously we take our health, safety, labor and environmental laws. At that time, the President promised to take our concerns into the trade negotiations and make them a priority. Like most of his promises over the past 4 years, this one, too, seems to have been broken. The U.S. Trade Representative talked about parallel negotiations on environmental and labor issues for NAFTA. These negotiations have either not taken place or they have been meaningless, so far.

I believe that the United States should be a world leader in setting standards. That means upholding our own laws, as well as encouraging some of our goals globally. These negotiations should be an opportunity to improve the lives of people not only in the countries that are our trading partners, but also in our own country. Ultimately, loosening our standards only brings down the quality of life world-wide. That is not what I believe leadership should be.

This House should go firmly on the record in setting the course of our trade negotiations and goals. We know what the American people want, we should insist that the administration respect their concerns in the trade negotiation process. I urge my colleagues to support this important resolution.

Mr. GEPHARDT. Mr. Speaker, I rise today in strong support of House Concurrent Resolution 246 and want to commend Representatives COLLINS, DINGELL, GIBBONS, and ROSTENKOWSKI for their support in moving this legislation. I also want to recognize the efforts of HENRY WAXMAN, the bill's sponsor, the Citizen Trade Watch/Fair Trade Campaign and especially Public Citizen for their tireless effort at getting this legislation before us today.

This legislation sends an important message to President Bush: Congress will not accept trade agreements, and I quote, "if such agreement jeopardizes United States health, safety, labor, or environmental laws." Its message is simple: we want trade agreements that put people first.

The Bush administration has been negotiating for 6 years at the GATT and for more than a year with Mexico and Canada to reach new, far-reaching trade agreements.

Although the GATT has failed to bear fruit, we can learn an important lesson from where the negotiations have been leading and what decisions panels have made.

A GATT panel ruled that our law to protect dolphins—which is applied here at home and on imports—is an illegal restriction on free trade. Essentially, the GATT has told us that we can't protect the world's environment—even if we apply the law equally to United States and foreign fisherman. Similar efforts to protect endangered species, the oceans and the ozone layer would be in jeopardy. That's just plain wrong.

Additionally, our laws on health, safety, labor and other important areas could come under attack—attack from countries whose standards are lower than ours and who wish to sell their products no matter what the cost to our planet and our people. The United States must be a catalyst for change, not its victim.

We have fought too long, and too hard for the standard of living and quality of life that we have. We must not let President Bush compromise our future—that's what this legislation says today.

The President, as I've said, has also been engaged in negotiating with the Mexican and Canadian Governments to reach a North American Free-Trade Agreement.

Although the veil of secrecy will soon be lifted as the negotiations near conclusion on this agreement, it's vital that we tell the President and his people that in the rush to conclude an agreement before the election, we will not jeopardize our laws. We will not sacrifice our laws and standards on the altar of free trade. Rather, as in the GATT, we should use the power of our economy to get others to change, to raise their standards to ours.

It seems we may have some new converts to supporting this legislation, and I welcome their support. The message they send here today by supporting this bill will guide our analysis and votes on the agreements the President may sign. This bill draws a line in the sand and says, don't cross it, because Congress won't let our people down.

Mr. ARCHER. Mr. Speaker, completing and implementing a solid North American Free-Trade Agreement is an issue which will require us to set aside partisan differences and take bold action on behalf of the American people.

The Governments of the United States, Canada, and Mexico are very near completing a historic negotiation that will link three of the largest and most dynamic economies in the world. This negotiation has nearly the breadth of the Uruguay round, and covers an exhaustive range of issues. These include familiar trade barriers, such as tariffs and quotas, as well as newer issues such as services trade, protection of intellectual property rights, and guarantees of trade-related investment opportunities.

In addition, the NAFTA negotiations have given unprecedented attention to the protection and enhancement of each country's laws on environmental, health and safety, and labor standards. These goals and objectives have been developed and pursued jointly by Congress and the administration.

Business, environmental and consumer groups also have been closely consulted. Congress has reviewed and reaffirmed the course of the negotiations on numerous occasions along the way.

There should be no doubt that the President is committed to reaching an agreement which will not weaken our environmental laws, or diminish our rights to protect the health and safety of Americans.

The resolution before us today is but another statement expressing the sense of the Congress about the importance of the NAFTA in protecting U.S. health, safety, labor and environmental laws.

Trade agreements should not weaken these laws, but enhance them. In fact, NAFTA is essential if such laws are to be guaranteed on both sides of the border.

House Concurrent Resolution 246 is consistent with the commitments made by the President to the Congress on May 1 of last year and reflects the importance he places on seeing a good NAFTA agreement achieved in which our country can take pride.

In his letter of May 1, among other commitments, the President pledged to work with President Salinas of Mexico to strengthen environmental protection on both sides of the border and to expand United States-Mexico cooperation on labor standards and worker rights. These goals are to be achieved both within the agreement and in parallel talks.

The roles of the Congress and the President in trade negotiations are inexorably tied.

It is a partnership uniquely provided for under our Constitution. This is what gives our country strength at the negotiating table and the leading role among all nations in constructing and enforcing international trade disciplines.

Now we are nearing the end of the negotiations and we must review the results and decide whether the completed NAFTA agreement can lead us into the 21st century as a vibrant and competitive nation. I believe the answer is clearly "yes".

Some will continue to exploit the process for selfish gain. Some will want to try frantically to move the goal post so that the touchdown will never be made. Some will want to bemoan that the glass is half empty and look with fear toward the future.

However, those that know the responsibilities of governance will clearly see the great successes in the NAFTA negotiations and the tremendous potential for the United States of entering into such an agreement.

Mr. Speaker, a good NAFTA agreement can bring the contents of the glass to overflowing for the American economy and all our citizens. I look forward to continuing to work with the President on these important negotiations and to the implementing process once the talks are concluded.

Ms. LONG. Mr. Speaker, I rise in strong support of the Waxman-Gephardt resolution. Those of us in support of Waxman-Gephardt are not opposed to trade agreements. In fact, we want to support trade agreements that provide jobs for American men and women, that open markets and that strengthen our economy.

But, we will not support trade agreements that undermine the very laws we in this body have enacted to affect health and safety, the environment, agriculture and manufacturing policy.

Specifically, many of us are concerned that the NAFTA and the GATT will grant immense power to international trade panels who will meet in secret to settle disputes and oversee enforcement provisions. According to CRS, such procedures as currently exist in the GATT text would make it virtually impossible for the United States to stop a trade panel ruling calling for a change to one of our laws. It is also my understanding that NAFTA, too, would permit a party to a dispute to choose this flawed GATT dispute settlement mechanism.

We are elected to represent the views of the people of our districts. Mexico, Canada, and Switzerland may be nice places to visit, but when we need input on domestic policy, we should be most concerned with what the people from our districts want, and the laws for our people should be made by those of us whom they elected.

I urge support of the Waxman-Gephardt resolution.

Mr. McMILLAN of North Carolina. Mr. Speaker, while I spoke against this resolution in committee as unnecessary, I will not oppose it.

House Concurrent Resolution 246 passed the Energy and Commerce Committee with our absence of zeal for or against it. It apparently passed the Ways and Means Committee in a gesture of bipartisanship, and the administration now accepts legislative support for what it has repeatedly promised to do.

During the Energy and Commerce Committee's consideration of House Concurrent Resolution 246, I expressed my concern that this resolution would be used not as a means of furthering our interest in environmental protection, but for trade protectionism. I remain somewhat concerned with the possibility that support of this resolution will be exploited by those opposed to fair trade to defeat future trade agreements regardless of their merits.

However, I also understand the need to firmly state that fair trade does not have to adversely impact U.S. health, safety, labor, and environmental laws. During the consideration of fast-track legislation, I supported House Resolution 146, which states that the NAFTA must maintain strict health and safety standards and must be accompanied by a joint program to address environmental conditions on the border.

During the House's consideration of the Clean Air Act in 1990, I, in conjunction with Representative SWIFT, was successful in attaching a provision which requires the President to submit to Congress a report examining the differences in environmental standards maintained by parties to international trade agreements and to evaluate the effect of those differences on economic competitiveness. The provision also requires the administration to develop a strategy for addressing these differences. A preliminary report has been made. However, I have been anxiously awaiting the final report which was due May 15, 1992. I have been waiting for over 2 months. I urge the administration to complete this report at once.

The administration has repeatedly stated that it would send to Congress no trade agreements which jeopardizes U.S. environmental, safety, labor, or health laws. Specifically, the President promised on May 1, 1991, that the United States will not agree to weaken U.S. environmental and health laws as part of the free-trade agreement and that enforcement of our laws will be maintained.

I hope the administration will take this opportunity not only to restate its commitment to environmental issues as an essential part of trade negotiations, but also reinvigorate its consideration of the effect of varying environmental standards on competitiveness and how it proposes to deal with them.

Mr. REED. Mr. Speaker, I rise in strong support of House Concurrent Resolution 246.

I cosponsored this resolution for a number of reasons. But first and foremost, I believe that any expansion of the international sector of our economy should not come at the expense of America's workers, environment, or consumers.

Congress has an obligation to ensure that the American ideals of a clean environment, a safe workplace, honest wages for an honest day's work, and consumer protection are not swept aside during the rush to create a worldwide trade network.

House Concurrent Resolution 246 urges the President to negotiate a General Agreement of Tariffs and Trade [GATT] that does not jeopardize the health, safety labor, and environmental laws America has enacted to protect these ideals.

The case of the United States ban on tuna imports from Mexico, Venezuela, and Vanuatu demonstrates what happens when America laws and ideals come into conflict with international trade rules. In an effort to protect Dolphins from needless slaughter and in accordance with the Marine Mammal Protection Act, the United States banned tuna exports from these nations. However, a GATT panel ruled that our ban violated GATT rules. Today, the case remains unresolved, but it demonstrates what can happen if trade agreements do not permit one nation to maintain its high-level of concern for the environment.

House Concurrent Resolution 246 also touches on the current North American Free-trade Agreement negotiations and lets the President know that NAFTA will not receive our support unless it respects American environmental, labor, consumer, health, and safety concerns. As many know, the current drafts of NAFTA fall short in a number of these areas.

Trade agreements should mean a chance for decent jobs at home, not an invitation to export jobs to countries that ignore their responsibilities to workers, consumes, and the environment.

Mr. Speaker, I urge by colleagues to join me in supporting House Concurrent Resolution 246 and in sending a strong signal to the President that we will not jeopardize America's existing laws.

Mr. MATSUI. Mr. Speaker, I rise today in support of the Gephardt-Waxman resolution to reject any trade agreement that jeopardizes U.S. health, safety, labor, or environmental laws. I feel it is imperative, particularly in light of the almost completed North American Free-Trade Agreement, that we maintain our commitment to providing adequate protection for U.S. workers, farmers, and the environment. Without such protections, trade agreements will only serve to aid our trading partners at substantial U.S. cost—and that is unacceptable.

I have long been a believer in free trade, Mr. Speaker. The international market is developing in leaps and bounds, and the United States cannot afford not to be a part of that market. Protectionist proposals threaten to isolate this country and further decrease our already waning competitiveness. For that reason, I supported continuing fast track procedures last year. I felt that we should empower our negotiators to formulate the best agreement possible with our trading partners to secure strong U.S. participation and cooperation in the international market.

At the time that I supported fast track, the administration committed to Congress that it would pursue parallel negotiations regarding worker retraining, environmental cleanup, increased environmental and labor standards. Yet, I keep hearing that these issues are falling from the administration's priority list. Likewise, it is my understanding that the GATT text fails to uphold U.S. food, technical, and environmental standards.

I must reiterate that, while I believe in the importance of free trade and U.S. participation in the world market, trade agreements must not be achieved at the expense of decreased U.S. standards. The United States has long been internationally respected as a world leader and an economic powerhouse—we did not achieve that status through weak standards or by ignoring our workers and our environment. We must make it a priority to retain our standards and our status as a world leader—and not succumb to lower standards and the role of a follower.

Mr. HAYES of Illinois. Mr. Speaker, I rise in support of House Concurrent Resolution 246. This trade resolution declares that Congress will not support or accept any trade agreements which would jeopardize U.S. health, safety, labor, or environmental laws. Under the administration's most recent North American Free-Trade Agreement draft no attention has been paid to environmental pollutions, infrastructure, worker adjustment programs, human and labor rights. In fact, it is my understanding that U.S. trade negotiators have decided to leave those issues in the hands of the private sector. Without certain worker and environmental safeguards this corporate trade dream will turn into a social and economic nightmare for our increasingly vulnerable American workers, who not only pay taxes to this Nation, but also contribute to the consumption of goods in this country.

Mr. Speaker, in the face of a stagnant economy, and declining wages, our President is knowingly dealing a horrible hand to the workers of America. He has no interest in protecting the environment, worker health and safety matters, communities, nor family adhesiveness or preservation for either American or Mexican workers. It is evident that he wants to further the financial greed of corporations and businesses at the expense of American workers and their families. The President seeks to implement a NAFTA which would ultimately put American workers out on the streets with no job and no health care benefits.

My colleagues, I urge you to support this resolution which would provide Congress a voice to help protect American citizens from

environmental destructions, safety and health problems, and labor and human rights violations. Mr. Speaker, this is a necessary measure. In the name of the American family and society, I ask that Congress adopt this resolution.

Mr. SERRANO. Mr. Speaker, last year I stated in this House that free trade could be the next best thing for this country's economy, but only if the agreement is balanced. I recognize the importance of promoting economic recovery which will serve to strengthen our own position in the global economy, but at what cost?

With unemployment at a 10-year high of 7.8 percent, it is understandable that American workers are anxious about the possible effects of expanded trade with our neighbors without protective guidelines. According to leading economists more than 10 million American jobs could be lost in the 1990's under an unrestricted agreement.

How much more can we ask the American people to sacrifice? Companies in search of high profits and low wages are only too willing to abandon cities and towns across this Nation. My home State, New York, has been hit hard. The nationwide recession that began in the Northeast continues to demolish communities and families. We have been losing manufacturing jobs at an alarming rate, as businesses close down and relocate. Smith Corona is the latest company to leave upstate New York and move to Mexico, eliminating 700 jobs.

What American dislocated workers need are trade adjustment assistance, retraining programs, and replacement jobs. We in Congress must act upon these concerns.

Mr. Speaker, I always find it ironic how we find resources to send our highly skilled professionals to rebuild the infrastructure of Kuwait and bail out the former Soviet Union. However, when we develop programs to bail out our cities, educate our youth, insure the elderly and the working, the response is a deafening silence.

I urge my colleagues to vote for the Gephardt-Waxman resolution, which will only confirm our commitment to American workers.

Mr. CONYERS. Mr. Speaker, the debate on House Concurrent Resolution 246 is whether or not we can allow our national sovereignty to be compromised and the welfare of the citizens of this country to be threatened.

I support House Concurrent Resolution 246 because of my heartfelt conviction that the Congress must reject any trade agreement that guts important United States and international health, safety, labor, and environmental laws in the interest of expanded trade. This resolution expresses the sense of Congress that we will not approve the Uruguay round of the General Agreement on Tariffs and Trade [GATT], the North American Free Trade Agreement [NAFTA], or any other trade agreement unless U.S. laws protecting human rights, global resources, and plant, animal, and human health and safety are upheld.

House Concurrent Resolution 246 is in response to last year's GATT dispute resolution panel ruling that declared a critical U.S. environmental law protecting several threatened species of dolphin an illegal barrier to trade, and undercut every nation's right and responsibility to conserve and protect global resources beyond its borders.

The Marine Mammal Protection Act of 1972 banned the importation into the United States of tuna caught using a technique that was also responsible for the deaths of large numbers of dolphins. Mexico, one of three countries whose tuna exports were restricted under this law, filed a challenge before the GATT in February 1991 arguing that it limited free trade of Mexican tuna.

In August 1991, the dispute resolution panel of the GATT announced that the restrictive provisions of Marine Mammal Protection Act of 1972 were illegal under the GATT. The panel also determined that no nation had the right to consider how the products it imports are produced, manufactured, or harvested; and that no nation may have any law to protect health, safety, the environment, or a species outside of its own geographic territory if that law could also impact trade.

If this panel opinion is adopted by the full GATT Council, we, the Congress, will be required to eliminate certain provisions of the Marine Mammal Protection Act to come into compliance with the GATT. In fact, we will likely be required to gut several of our environmental laws including provisions that protect the ozone layer and provisions that protect endangered plants, animals, and marine life. We will also have to gut health, safety, and labor laws that protect human life.

The sanctions that we put in place against South Africa would be in violation of international trade law and therefore prohibited. Do the Members know why? Because their egregious human rights abuses did not take place on our shores. The GATT would supersede any and all U.S. laws that seek to protect and improve the human condition and the condition of our planet if they conflict with the expansion of trade.

If we refuse to change our laws the United States will be in violation of the GATT and could face international sanctions as a punishment. This is unconscionable. Please Mr. Secretary of State, please Madam Ambassador, please Madam Secretary of Commerce, wake up. If we do not use our markets to change unacceptable behavior, what other recourse is there but a trade war?

House Concurrent Resolution 246 calls for the President to initiate and complete negotiations to make the GATT compatible with U.S. health, safety, labor, and environmental standards that serve to protect global interests, both within and without our geographic borders. In addition, this resolution expresses our commitment to reject any trade agreement that undermines existing U.S. health, safety, labor, and environmental protections simply to reduce barriers to trade.

I urge my colleagues to support the passage of this resolution and communicate our resolve to our President and to the international community.

Mrs. COLLINS of Illinois. Mr. Speaker, I yield back the balance of my time.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. TORRES). Pursuant to House Resolution 542, the previous question is ordered.

The question is on the concurrent resolution.

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

Mr. WAXMAN. 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 362, nays 0, not voting 72, as follows:

[Roll No. 376]

YEAS—362

Abercrombie	DeLay	Hunter
Alexander	Derrick	Hutto
Allard	Dicks	Hyde
Allen	Dingell	Inhofe
Anderson	Dixon	Jacobs
Andrews (ME)	Donnelly	James
Andrews (NJ)	Dooley	Jenkins
Andrews (TX)	Doolittle	Johnson (CT)
Applegate	Dornan (CA)	Johnson (SD)
Archer	Downey	Johnson (TX)
Armey	Dreier	Johnston
Aspin	Duncan	Jontz
Atkins	Durbin	Kanjorski
AuCoin	Dymally	Kaptur
Bacchus	Eckart	Kasich
Baker	Edwards (CA)	Kennedy
Ballenger	Edwards (TX)	Kennelly
Barrett	Emerson	Kildee
Barton	Engel	Kleczka
Bateman	English	Klug
Bellenson	Erdreich	Kolbe
Bennett	Espy	Kopetski
Bentley	Evans	Kostmayer
Bereuter	Fascell	Kyl
Berman	Fawell	LaFalce
Bilbray	Fazio	Lagomarsino
Bilirakis	Feighan	Lancaster
Blackwell	Fields	Lantos
Bliley	Fish	LaRocco
Boehlert	Flake	Laughlin
Boehner	Foglietta	Leach
Bonior	Ford (MI)	Lehman (CA)
Borski	Franks (CT)	Lent
Boucher	Frost	Levin (MI)
Brewster	Gallo	Lewis (CA)
Brooks	Gekas	Lewis (GA)
Browder	Gephardt	Lightfoot
Brown	Geren	Lipinski
Bruce	Gibbons	Livingston
Bunning	Gilchrest	Lloyd
Burton	Gillmor	Long
Bustamante	Gilman	Lowery (CA)
Byron	Gingrich	Lowey (NY)
Callahan	Glickman	Machtley
Camp	Gonzalez	Manton
Campbell (CO)	Goodling	Markey
Cardin	Goss	Marlenee
Carper	Gradison	Martinez
Carr	Grandy	Matsui
Chandler	Gunderson	Mavroules
Chapman	Hall (TX)	Mazzoli
Clay	Hamilton	McCandless
Clinger	Hammerschmidt	McCloskey
Coble	Hancock	McCollum
Coleman (MO)	Hansen	McCurdy
Coleman (TX)	Harris	McDermott
Collins (IL)	Hayes (IL)	McGrath
Collins (MI)	Hayes (LA)	McHugh
Combest	Hefley	McMillen (MD)
Condit	Hefner	Meyers
Conyers	Henry	Mfume
Cooper	Herger	Michel
Costello	Hoagland	Miller (CA)
Cox (IL)	Hobson	Miller (OH)
Coyne	Hochbrueckner	Miller (WA)
Cramer	Holloway	Mineta
Crane	Hopkins	Mink
Cunningham	Horn	Moakley
Dannemeyer	Houghton	Molinari
Darden	Hoyer	Mollohan
de la Garza	Hubbard	Montgomery
DeFazio	Huckaby	Moody
DeLauro	Hughes	Moorhead

Moran	Riggs	Stallings
Morella	Rinaldo	Stearns
Mrazek	Ritter	Stenholm
Myers	Roberts	Stokes
Nagle	Roe	Studds
Natcher	Roemer	Stump
Neal (MA)	Rogers	Sundquist
Neal (NC)	Ros-Lehtinen	Swett
Nichols	Rose	Swift
Nussle	Rostenkowski	Synar
Oakar	Roth	Tallon
Oberstar	Roukema	Tanner
Olin	Rowland	Tauzin
Olver	Roybal	Taylor (MS)
Ortiz	Russo	Taylor (NC)
Orton	Sabo	Thomas (CA)
Owens (NY)	Sanders	Thomas (GA)
Oxley	Sangmeister	Thomas (WY)
Packard	Santorum	Thornton
Pallone	Sarpalius	Torres
Panetta	Savage	Torricelli
Parker	Sawyer	Traficant
Pastor	Saxton	Unsoeld
Patterson	Schaefer	Upton
Paxon	Scheuer	Valentine
Payne (NJ)	Schiff	Vento
Payne (VA)	Schroeder	Visclosky
Pease	Schumer	Volkmer
Pelosi	Sensenbrenner	Walker
Penny	Serrano	Walsh
Perkins	Sharp	Washington
Peterson (FL)	Shaw	Waters
Peterson (MN)	Shays	Waxman
Petri	Sikorski	Weiss
Pickett	Skaggs	Weldon
Pickle	Skeen	Wheat
Porter	Skelton	Whitten
Poshard	Slattery	Williams
Price	Slaughter	Wise
Rahall	Smith (IA)	Wolf
Ramstad	Smith (NJ)	Wolpe
Ravenel	Smith (OR)	Wyden
Ray	Smith (TX)	Wylie
Reed	Snowe	Young (AK)
Regula	Solomon	Young (FL)
Rhodes	Spence	Zeliff
Richardson	Spratt	Zimmer
Ridge	Staggers	

NOT VOTING—72

Ackerman	Gejdenson	Morrison
Annunzio	Gordon	Murphy
Anthony	Green	Murtha
Barnard	Guarini	Nowak
Bevill	Hall (OH)	Obey
Boxer	Hastert	Owens (UT)
Broomfield	Hatcher	Pursell
Bryant	Hertel	Quillen
Campbell (CA)	Horton	Rangel
Clement	Ireland	Rohrabacher
Coughlin	Jefferson	Schulze
Cox (CA)	Jones (GA)	Shuster
Davis	Jones (NC)	Sisisky
Dellums	Kolter	Smith (FL)
Dickinson	Lehman (FL)	Solarz
Dorgan (ND)	Levine (CA)	Stark
Dwyer	Lewis (FL)	Towns
Early	Luken	Traxler
Edwards (OK)	Martin	Vander Jagt
Ewing	McCrery	Vucanovich
Ford (TN)	McDade	Weber
Frank (MA)	McEwen	Wilson
Gallegly	McMillan (NC)	Yates
Gaydos	McNulty	Yatron

□ 2103

So the current resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. HASTERT. Mr. Speaker, I had to miss two rollcall votes last Thursday evening because I was unavoidably detained. Had I been present, I would have voted "nay" on rollcall vote No. 375 and I would have voted "aye" on rollcall vote No. 376.

MAKING IN ORDER ON TUESDAY, AUGUST 11, 1992, CONSIDERATION OF CONFERENCE REPORT AND AMENDMENTS IN DISAGREEMENT ON H.R. 5487, AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1993

Mr. NATCHER. Mr. Speaker, I ask unanimous consent that it be in order on Tuesday, August 11, 1992, to consider a conference report and amendments reported from conference in disagreement on the bill (H.R. 5487) making appropriations for agriculture, rural development, food and drug administration, and related agencies programs for the fiscal year ending September 30, 1993, and for other purposes, and that the conference report, amendments in disagreement, and motions printed in the joint explanatory statement of the committee of conference to dispose of disagreements reported from conference be considered as read.

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

There was no objection.

ESTABLISHING A JOINT COMMITTEE ON THE ORGANIZATION OF CONGRESS

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the concurrent resolution (H.Con.Res. 192) to establish a Joint Committee on the Organization of Congress, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the Senate amendment, as follows:

Strike out all after the resolving clause and insert:

SECTION 1. ESTABLISHMENT OF COMMITTEE.

(a) ESTABLISHMENT AND MEMBERSHIP.—There is established an ad hoc Joint Committee on the Organization of the Congress (referred to as the "Committee") to be composed of—

(1) 12 members of the Senate—

(B) 6 to be appointed by the Minority Leader; and

(2) 12 members of the House of Representatives—

(A) 6 to be appointed by the Speaker; and

(b) 6 to be appointed by the Minority Leader.

(b) EX OFFICIO MEMBERS.—The Majority Leader and the Minority Leader of the Senate and the Majority Leader and the Minority Leader of the House of Representatives shall be ex officio members of the Committee, to serve as voting members of the Committee. Ex officio members shall not be counted for the purpose of ascertaining the presence of a quorum of the Committee.

(c) ORGANIZATION OF COMMITTEE.—(1) A chairman from each House shall be designated from among the members of the Committee by the Majority Leader of the Senate and the Speaker of the House of Representatives.

(2) A vice chairman from each House shall be designated from among the members of the Committee by the Minority Leader of the Senate and the Minority Leader of the House of Representatives.

(3) The Committee may establish subcommittee comprised of only members from one House. A subcommittee comprised of members from one House may consider only matters related solely to that House.

(4)(A) No recommendation shall be made by the Committee except upon a majority vote of the members representing each House, respectively.

(B) Notwithstanding subparagraph (A), any recommendation with respect to the rules and procedures of on House which only affects matters related solely to that House may only be made and voted on by the members of the committee from that House, and, upon its adoption by a majority of such members, shall be considered to have been adopted by the full committee as a recommendation of the committee. Once such recommendation is adopted, the full committee may vote to make an interim or final report containing such recommendation.

SEC. 2. STUDY OF ORGANIZATION AND OPERATION OF THE CONGRESS.

(a) IN GENERAL.—The Committee shall—

(1) make a full a complete study of the organization and operation of the Congress of the United States; and

(2) recommend improvements in such organization and operation with a view toward strengthening the effectiveness of the Congress, simplifying its operations, improving its relationships with and oversight of other branches of the United States Government, and improving the orderly consideration of legislation.

(b) FOCUS OF STUDY.—The study shall include an examination of—

(1) the organization and operation of each House of the Congress, and the structure of, and the relationships between, the various standing, special, and select committees of the Congress;

(2) the relationship between the two Houses of Congress;

(3) the relationship between the Congress and the executive branch of the Government;

(4) the resources and working tools available to the legislative branch as compared to those available to the executive branch; and

(5) the responsibilities of the leadership, their ability to fulfill those responsibilities, and how that relates to the ability of the Senate and the House of Representatives to perform their legislative functions.

SEC. 3 AUTHORITY AND EMPLOYMENT AND COMPENSATION OF STAFF.

(a) AUTHORITY OF COMMITTEE.—The Committee, or any duly authorized subcommittee thereof, may—

(1) sit and act at such places and times as the Committee, or any duly authorized subcommittee thereof, determines are appropriate during the sessions, recesses, and adjourned periods of Congress; and

(2) require the attendance of witnesses and the production of books, papers, and documents, administer oaths, take testimony, and procure printing and binding.

(b) APPOINTMENT AND COMPENSATION OF STAFF.—(1) The Committee may appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable, but shall utilize existing staff to the extent possible.

(2) The Committee may utilize such voluntary and uncompensated services as it deems necessary and may utilize the services, information, facilities, and personnel of the General Accounting Office, the Office of

Technology Assessment, the Congressional Research Service of the Library of Congress, and other agencies of the legislative branch.

(3) The members and staff of the Committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Committee, other than expenses in connection with meetings of the Committee held in the District of Columbia during such times as the Congress is in session.

(c) WITNESSES.—Witnesses requested to appear before the Committee shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in traveling to and from the places at which they are to appear.

(d) EXPENSES.—

(1) SENATE.—(A) The Senate members of the Committee shall submit a budget of expenses allocable to the Senate to the Committee on Rules and Administration of the Senate. The Committee may expend for expenses allocable to the Senate not to exceed $250,000 from the Contingent Fund of the Senate subject to approval by the Committee on Rules and Administration until a Committee funding resolution is approved by the Senate or, if no funding resolution is approved, until March 1, 1993.

(B) The expenses of the Committee allocable to the Senate shall be paid from the contingent fund of the Senate, upon vouchers signed by the Senate chairman.

(2) HOUSE OR REPRESENTATIVES.—Notwithstanding any law, rule, or other authority, there shall be paid from the contingent fund of the House of Representatives such sums as may be necessary for one-half of the expenses of the committee, with not more than $250,000 to paid with respect to the second session of the One Hundred Second Congress. Such payments shall be made on vouchers signed by the House of Representatives cochairman of the committee and approved by the Committee on House Administration of the House of Representatives. Amounts made available under this paragraph shall be expended in accordance with regulations prescribed by the Committee on House Administration of the House of Representatives.

SEC. 4 COMMITTEE REPORT.

(a) REPORT.—The Committee shall report to the Senate and the House of Representatives the result of its study, together with its recommendations, not later than December 31, 1993.

(b) RECESS OR ADJOURNMENT.—If the Senate, the House of Representatives, or both, are in recess or have adjourned, the report shall be made to the Secretary of the Senate or the Clerk of the House or Representatives, or both, as the case may be.

(c) REFERRAL.—All reports and findings of the Committee shall, when received, be referred tot he appropriate committees of the Senate and the appropriate committees of the House of Representatives.

SEC. 5. CONDUCT OF COMMITTEE BUSINESS.

The Committee shall not conduct any business prior to November 15, 1992.

Attest:

Secretary.

Mr. MOAKLEY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

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

There was no objection.

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

Mr. SOLOMON. Reserving the right to object, Mr. Speaker, I do not intend to object, but I take this reservation for the purpose of allowing the distinguished chairman of the Committee On Rules to explain the request and the amendment in which the gentleman would have the House concur.

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

Mr. SOLOMON. I am happy to yield to the gentleman from Massachusetts.

Mr. MOAKLEY. Mr. Speaker, as the gentleman knows, the House passed House Concurrent Resolution 192 on June 18, 1992. On July 30, the Senate passed the measure with an amendment in the nature of a substitute. The amendment struck section 5 of the House-passed version. Section 5 would have permitted the House membership of the joint committee to report recommendations to our respective caucuses by November 6 of this year for changes in the Rules of the House for the 103d Congress. In its place, the Senate inserted a new section 5 that prohibits the joint committee from conducting "any business prior to November 15th" of this year. It is my understanding that this amendment is acceptable to both sides as the joint committee would still be free to commence organizing activities immediately upon passage of this resolution.

Mr. SOLOMON. Mr. Speaker, further reserving the right to object, I want to take this time to explain my support for the gentleman's request subject to his response and that of the author of the resolution to a couple of questions.

Mr. Speaker, the creation of this joint committee to recommend changes in the operation of Congress is long overdue, as we all know. This resolution was first introduced by the gentleman from Indiana [Mr. HAMILTON], and the gentleman from Ohio [Mr. GRADISON] back on July 31, of last year.

It was finally reported from the Rules Committee on June 5, of this year with a bipartisan amendment in the nature of a substitute and went on to pass the House on June 18, by a vote of 412 to just 4 nay votes. Over a month later, on July 30, to be precise, it was finally passed by the other body by voice vote with one significant change.

The other body struck my amendment, which was section 5 as adopted by the House—a provision that would permit the House membership of the joint committee to report recommendations to our respective caucuses by November 6, of this year for changes in the Rules of the House for the 103d Congress.

In its place, the other body inserted a new section 5 that prohibits the joint committee from conducting "any business prior to November 15 of this year."

I have taken this reservation to express my deep disappointment that a provision that only applied to the House, our body, was excised arbitrarily by the other body. But I am willing to support this resolution under certain understandings in response to two questions which I invite Chairman MOAKLEY and/or Mr. HAMILTON and Mr. GRADISON to answer. Perhaps it would be better for the original sponsors of the bill, the gentleman from Indiana [Mr. HAMILTON] and the gentleman from Ohio [Mr. GRADISON] to answer.

First, is it your understanding, given the legislative history made in the other body by the author of the substitute, that nothing in section 5 will prevent the joint committee from organizing prior to November 15, provided that it conducts no other business prior to that date?

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

Mr. SOLOMON. I am happy to yield to the distinguished chairman.

Mr. HAMILTON. Mr. Speaker, I thank the gentleman for yielding to me. I especially want to thank him for the cooperation he has shown throughout consideration of this matter.

The answer to the gentleman's question is yes. According to Senator BOREN's statement on the Senate floor during consideration of the substitute for House Concurrent Resolution 192, and I quote that statement now:

> In order to avoid being politicized by the election season, the joint committee will begin official business, including voting and the holding of hearings, after November 15; but I am assured by the Rules Committee staff that the language of the resolution would allow for organizing activities, including the hiring of staff, to commence immediately upon passage of the resolution.

□ 2110

So the answer to the question asked by the gentleman from New York [Mr. SOLOMON] is "yes." Given this legislative history, there is nothing in section 5 that would prevent the joint committee from organizing prior to Novem ber 15.

Mr. SOLOMON. I thank the gentleman. That is the kind of answer I think we all wanted.

May I ask, if I could, the ranking member, the gentleman from Ohio [Mr. GRADISON], the vice chairman of the committee, if he agrees with that response?

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

Mr. SOLOMON. I yield to the gentleman from Ohio.

Mr. GRADISON. I thank the gentleman for yielding to me.

Mr. Speaker, I concur fully with the explanation given by the distinguished gentleman from Indiana.

Mr. SOLOMON. I thank the gentleman.

I would ask both gentlemen again: Is it your understanding that nothing in this resolution would prevent the House membership, that is our side

over here in the House of Representatives, the membership of the joint committee from making recommendations for changes in House rules to our respective party caucuses prior to their organizational meetings in early December, if there was some kind of agreement? I yield to the gentleman for that purpose.

Mr. HAMILTON. The answer to the gentleman's question is "yes," as long as no hearing or votes are held before November 15.

Mr. SOLOMON. Does the gentleman concur?

Mr. GRADISON. The gentleman is entirely correct.

Mr. SOLOMON. Finally, is it the intention of the authors of this resolution, should they be appointed as chairman and vice chairman of the joint committee—and I certainly hope they are—to at least consider possible recommendations for changes in the House rules on our side here only prior to the December caucus meetings? I yield to the distinguished gentleman from Indiana.

Mr. HAMILTON. Like the gentleman from New York, I hope the joint committee can begin consideration of possible reform recommendations as soon as possible, ideally before the caucus meetings in December, with two caveats: First, the reform process should be open and inclusive, with a maximum level of participation.

The joint committee's timetable should be a collective decision with all members of the joint committee participating. After all, included among the membership will be the majority and minority leaders of each Chamber as well as other distinguished Members of Congress. Thus, I want to avoid exact predictions about the timetable of reform, if it should be that I was selected as the cochairman. That matter will be settled by the joint committee as a whole and the members have not, as you know, been selected.

The second caveat: I hope that the reform process will be careful and systematic. Only 2 weeks' time will be available for committee consideration after November 15 and before the caucus meetings at the beginning of December. I do not know if that is sufficient time to get the members of the joint committee together and conduct the deliberations necessary to produce recommendations.

Mr. SOLOMON. I certainly want to thank the gentleman. I again ask the gentleman from Ohio if he concurs in that statement.

Mr. GRADISON. I do concur. I think we have to recognize that when we initially introduced this proposal in July of last year, we had hoped we would be much farther along by the time the House organizes for the next session. We may turn out to be, so I do not want to raise any false hopes; the reality is there is not a lot of time between now and then to allow us to focus on these issues. Certainly, it would be my hope that we would move as far ahead as we can. It would also be my hope, I would say to the gentleman from New York, that if it did not prove possible—I stress if it did not prove possible—for the new group to give a comprehensive set of recommendations to the House of Representatives, it would certainly be desirable in my mind when rules are adopted for the next Congress that they either be for, say, a year so there is a requirement that they be reexamined, or if they are for 2 years, that it be done with the clear understanding and expression that there is an awareness that this group may be coming in with some recommendations and that nothing that would be involved in the adoption of the rules for, let us say, the 2 years, would stand in the way of reexamining them in light of our recommendations.

Mr. SOLOMON. Well, let me just say to both of you gentlemen I most certainly hope that the Speaker and minority leader do see fit to appoint the gentleman from Indiana [Mr. HAMILTON] and the gentleman from Ohio [Mr. GRADISON] as chairman and cochairman of this commission. It is badly needed. We all have a great deal of respect for both of you, and I would hope that the gentleman from Massachusetts [Mr. MOAKLEY], the chairman of the Committee on Rules, with a great deal of expertise in this area, and myself as ranking Republican, could also serve with you. We hope something good will come out of this. I have a lot of faith in both of you gentleman that it will.

Having said that, with those assurances, Mr. Speaker, I withdraw my reservation of objection and urge support of the request of our chairman.

The SPEAKER pro tempore (Mr. TORRES). Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A motion to reconsider was laid on the table.

TIMETABLE FOR AMENDMENTS TO CHILD SAFETY PROTECTION AND CONSUMER PRODUCTS COMMISSION IMPROVEMENT ACT

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

Mr. MOAKLEY. Mr. Speaker, the Committee on Rules plans to meet during the week of August 10, 1992, to take testimony on the Child Safety Protection and Consumer Products Commission Improvement Act. A request will be made for a rule that would require amendments be printed in the CONGRESSIONAL RECORD prior to consideration of H.R. 4706. It is anticipated that the House will proceed to consideration of the bill during the week of September 7. Therefore, to fully protect their rights, Members should have their amendments printed in the CONGRESSIONAL RECORD prior to beginning debate on H.R. 4706 during that week. This should allow Members ample time to prepare and file their amendments.

COMMERCIAL SPACE COMPETITIVENESS ACT OF 1991

Mr. HALL of Texas. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services be discharged from further consideration of the bill (H.R. 3848) to encourage the growth and development of commercial space activities in the United States, and for other purposes, and ask for its immediate consideration in the House of the bill, as reported by the Committee on Science, Space, and Technology.

The Clerk read the title of the bill.

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

Mr. WALKER. Mr. Speaker, reserving the right to object, I do so so that the gentleman from Texas may explain the bill that he is bringing to the floor by unanimous consent.

Mr. Speaker, I yield to the gentleman from Texas [Mr. HALL].

Mr. HALL of Texas. I thank the gentleman from Pennsylvania. I also thank the gentleman from Pennsylvania for his input into the bill. Many parts of this bill were written, encouraged, and passed by the gentleman from Pennsylvania and others of the committee.

Actually, H.R. 3848 is designed simply to encourage the growth of commercial space business by taking advantage of the tremendous purchasing power of the U.S. Government. I think since the Government buys about 90 percent of the space goods, it is logical we encourage the use of commercial space products. That is basically what this bill does, it removes impediments for such purposes.

I offer a letter from the Committee on Armed Services signed by the gentleman from Wisconsin [Mr. ASPIN].

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, July 29, 1992.

Hon. GEORGE E. BROWN, Jr.,
Chairman, Committee on Science, Space, and Technology, U.S. House of Representatives, Washington, DC.

DEAR GEORGE: It is our understanding that you would like to consider on the House floor prior to the August recess, H.R. 3848, the Commercial Space Competitiveness Act, which was ordered reported by your committee on July 1, 1992.

Although the Armed Services Committee, to which the bill was referred jointly, has not had an opportunity to hold hearings on this bill or report it, we have reviewed the provisions of the bill as reported from your committee which fall within the jurisdiction of this committee. We appreciate the changes you made in full committee to re-

flect discussions between our staffs. However, we are still concerned over the inclusion of Title III, Use of Missile Assets for Space Launch, and believe that it should be dropped from the bill in order to allow our committee the opportunity to fully explore the ramifications of using missiles that are excess to military requirements.

In the interest of expediting consideration of H.R. 3848, we would have no objection to your bringing this bill up under suspension of the rules if Title III is dropped.

In allowing consideration of this bill without it being formally considered by the committee, we are in no way waiving any subsequent jurisdiction over this issue nor our right to be conferees on H.R. 3848.

We would also appreciate your including a copy of this letter in any report you intend to file, or if it that is not possible, in the Congressional Record during consideration of this bill.

Sincerely,

LES ASPIN,
Chairman.
WILLIAM L. DICKINSON,
Ranking Minority Member.
RONALD V. DELLUMS,
Chairman, Subcommittee on Research and Development.
ROBERT W. DAVIS,
Ranking Minority Member, Subcommittee on Research and Development.

Mr. WALKER. Further reserving the right to object, Mr. Speaker, I rise in support of H.R. 3848, the Commercial Space Competitiveness Act of 1992. Developed on a bipartisan basis with Chairman HALL and Chairman BROWN, this bill will take incremental, but nonetheless important, steps toward ensuring that the United States be competitive in the one area that has the unlimited potential—space.

Throughout our history as man has expanded his horizons through the natural instinct to explore, economic activity has followed his curiosity.

The United States must start to look to the future to position itself to meet the global competition that is already fierce in the space transportation industry.

The bill before us will continue the launch insurance program that enables the U.S. commercial space transportation industry to continue to function.

It will require that all areas of the Government procure when practicable launches from the commercial sector.

The bill will also encourage the development of a new infrastructure needed to support a modern and safe American space launch industry.

This legislation also provides incentives to small entrepreneurs to provide launch and launch-support services to the Federal Government, although the needed termination liability to guarantee that these entrepreneurs will have a safety net in case the Government for fiscal reasons cannot meet its contractual obligations.

Again, I appreciate the majority's willingness to work with us on this measure and urge the adoption of this bill.

Mr. BROWN. Mr. Speaker, H.R. 3848, the Commercial Space Competitiveness Act of 1992, represents a bipartisan set of proposals to encourage commercial space activities in the United States.

Commercial space activities have been an important part of our Nation's civil space program since the 1960's. The first commercial space business, communications satellites, now accounts for over $4 billion in revenues and provides vital services such as distribution of broadcast and cable television programming, international telecommunications to areas not served by undersea cables, and networks for business telecommunications.

While the communications satellite business prospers without a significant U.S. Government market or close involvement with Government space programs, the other main areas of space business activity—launch vehicles and remote sensing—both depend much more strongly on Government markets and Government policies. Although the Department of Commerce estimates that these areas will account for only about $700 million in revenues in 1992, they have experienced healthy growth rates in recent years. In addition, microgravity research, which could yield new insights useful for ground-based materials processing or biomedical applications, remains almost entirely dependent on Government-funded projects.

H.R. 3848 contains a set of initiatives designed to encourage the growth and development of those areas of commercial space business that remain heavily influenced by the U.S. Government as a customer. H.R. 3848 seeks to use the power of the Government's procurement purse to both promote the development of commercial space products and save the Government money on space goods and services that it needs.

One modification has been made to the bill reported by the committee. By mutual agreement with the Armed Services Committee, to whom the bill was also referred, we have eliminated two sections dealing with the use of missile assets for space launch.

In spite of this decision, it is clear that a governmentwide policy on the use or sale of missile assets is needed to prevent undue disruption to the commercial launch industry. I would also like to note that the language in the bill reported by the committee on July 1, was acceptable to the Defense Department and the Air Force. I hope that we can revisit this issue and that we will be successful in enacting this portion of the reported bill in the near future.

I would like to commend the chairman of the Subcommittee on Space, Mr. HALL of Texas, and the ranking Republican of the Committee on Science, Space, and Technology, Mr. WALKER, for their constructive work on this bill. I believe it is an important step forward in expanding the scale and scope of commercial space activities and taking maximum advantage of commercial capabilities to reduce the cost of the civil space program. I urge the adoption of the bill.

Mr. PACKARD. Mr. Speaker, H.R. 3848, the Commercial Space Competitiveness Act of 1992 is intended to encourage the growth and development of commercial space activities, including the purchase of commercial space goods and services by the Federal Government. In the Space Subcommittee of the Science, Space, and Technology Committee, I offered an amendment to H.R. 3848 which extended the provisions of the Launch Services Purchase Act of 1990 beyond NASA to the entire Federal Government.

One of the main goals of the Launch Services Purchase Act was to encourage the safe and successful launch of Government and private payloads into orbit at the lowest possible cost. NASA and the commercial launch industry are continually striving for this goal and it is now time that the rest of the Federal agencies be required to purchase their launch services commercially.

By enacting this portion of the Commercial Space Competitiveness Act, we intend to further the development of the private launch industry in this Nation by putting the private sector in charge of the production and operation of most expendable launch systems. By pursuing this course of action, we can show the world that we stand behind our commercial launch industry and that we have confidence that this industry will be able to provide competitively priced launch services without excessive oversight by the Federal Government.

I would like to take this opportunity to thank the ranking Republican of the Science Committee, Mr. WALKER, who has shown outstanding leadership in the commercialization of space and who was a tremendous help to me in developing title II of the bill. I would also like to thank the chairman and ranking Republican of the Space Subcommittee, Mr. HALL and Mr. SENSENBRENNER, for their support as well as the chairman of the full committee, Mr. BROWN.

My thanks are also extended to these gentlemen for their cooperation and support of report language that provides for a study by the Department of Commerce in consultation with the Department of Transportation on a problem that currently exists for U.S. launch service suppliers and is only going to intensify in the future.

The problem is that the Export-Import Bank [Eximbank] does not consider a launch of a U.S. satellite by a U.S. launch supplier to be an export. Therefore, U.S. launch service suppliers are at a distinct disadvantage in competing with foreign suppliers for U.S. payloads. This is because our foreign competitors are able to offer government-backed financing whereas the U.S. suppliers are not able to do so because launch of a U.S. satellite is not considered to be an export.

This situation needs immediate attention so that we can find ways to level the competitive playing field.

In closing, I am strongly supportive of H.R. 3848 and I am dedicated to its eventual enactment.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the bill, as follows:

H.R. 3848

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 "Commercial Space Competitiveness Act of 1991".

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.

The Congress finds that—

(1) commercial activities of the private sector have substantially contributed to the strength of both the United States space program and the national economy;

(2) a robust United States space transportation capability remains a vital cornerstone of the United States space program;

(3) the availability of commercial launch services is essential for the continued growth of the United States commercial space sector;

(4) a timely extension of the excess third party claims payment provisions of the Commercial Space Launch Act is appropriate and necessary to enable the private sector to continue covering maximum probable liability risks while protecting the private sector from uninsurable levels of liability which could hinder international competitiveness;

(5) greater Federal use of commercial launch services for suborbital launches would increase the efficiency of the United States space science program and improve the capabilities of the United States commercial launch industry;

(6) a program to demonstrate how the space science community can purchase launch services directly from the private sector has the potential to increase the efficiency of the United States space science program and improve the capabilities of the United States commercial launch industry;

(7) improvements and additions to the Nation's space transportation infrastructure contribute to a robust and cost effective space transportation capability for both public sector and private sector users;

(8) private sector use of available Government facilities on a reimbursable basis contributes to a stronger commercial space sector;

(9) the appropriate use by the Government, or the sale to the private sector, of decommissioned missile assets for the purpose of space launch could contribute to United States space launch capabilities;

(10) the Federal Government should purchase space goods and services which are commercially available, or could be made available commercially in response to a Government procurement request, whenever such goods or services meet Government mission requirements in a cost effective manner;

(11) it is appropriate for the Government to act as an anchor tenant for commercial space development projects which have a reasonable potential to develop non-Federal markets and which meet Federal needs in a cost effective manner; and

(12) the provision of compensation to commercial providers of space goods and services for termination of contracts at the convenience of the Government assists in enabling the private sector to invest in space activities which are initially dependent on Government purchases.

SEC. 102. DEFINITIONS.

For the purposes of this Act—

(1) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(2) the term "agency" means an executive agency as defined by section 105 of title 5, United States Code;

(3) the term "anchor tenancy" means an arrangement in which the United States Government agrees to procure sufficient quantities of a commercial space product or service needed to meet Government mission requirements so that a commercial venture is made viable;

(4) the term "commercial" means having—

(A) private capital at risk; and

(B) primary financial and management responsibility for the activity reside with the private sector;

(5) the term "cost effective" means costing no more than the available alternatives, taking into account all related costs including, in the case of Government costs, applicable Government labor and overhead costs as well as contractor charges;

(6) the term "launch" means to place, or attempt to place, a launch vehicle and payload, if any, in a suborbital trajectory, in Earth orbit in outer space, or otherwise in outer space;

(7) the term "launch services" means activities involved in the preparation of a launch vehicle and its payload for launch and the conduct of a launch;

(8) the term "launch support facilities" means facilities required to support launch activities, including launch vehicle assembly, launch vehicle operations and control, communications, flight safety functions, and payload operations, control, and processing;

(9) the term "launch vehicle" means any vehicle constructed for the purpose of operating in, or placing a payload in, outer space or in suborbital trajectories, and includes components of that vehicle;

(10) the term "missile assets" means any missile systems or components of any missile systems decommissioned from the military arsenal, including rocket motors and engines, propellants, structural elements, electrical and electronic equipment, and associated flight and ground support equipment;

(11) the term "payload" means an object which a person undertakes to launch, and includes subcomponents of the launch vehicle specifically designed or adapted for that object;

(12) the term "payload integration services" means activities involved in integrating multiple payloads into a single payload for launch or integrating a payload with a launch vehicle;

(13) the term "space recovery support facilities" means facilities required to support activities related to the recovery of payloads returned from space to a space recovery site, including operations and control, communications, flight safety functions, and payload processing;

(14) the term "space transportation infrastructure" means facilities, associated equipment, and real property, including launch sites, launch support facilities, space recovery sites, and space recovery support facilities, required to perform launch or space recovery activities;

(15) the term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and any other commonwealth, territory, or possession of the United States; and

(16) the term "United States" means the States, collectively.

TITLE II—SPACE TRANSPORTATION

SEC. 201. EXTENSION OF GOVERNMENT PAYMENT OF EXCESS THIRD PARTY CLAIMS.

Section 16 of the Commercial Space Launch Act (49 U.S.C. App. 2615) is amended in subsection (b)(5) by striking "the date that is 5 years following the date of enactment of the Commercial Space Launch Act Amendments of 1988" and inserting in lieu thereof "January 1, 2000".

SEC. 202. REQUIREMENT TO PROCURE COMMERCIAL LAUNCH SERVICES.

(a) PROCUREMENT OF LAUNCH SERVICES FOR SUBORBITAL PAYLOADS.—(1) Section 204(a) of the Launch Services Purchase Act of 1990 (42 U.S.C. 2465d(a)) is amended by inserting ", including suborbital payloads," after "its primary payloads".

(2) The amendment made by paragraph (1) shall apply only to payloads scheduled for launch after September 30, 1993.

(b) AVAILABILITY OF COMMERCIAL LAUNCH SERVICES.—Section 204(b)(2) of the Launch Services Purchase Act of 1990 (49 U.S.C. 2465d(b)(2)) is amended to read as follows:

"(2) cost effective commercial launch services to meet specific mission requirements are not reasonably available, would not be available when required, and could not be made available in response to a procurement request;".

(c) REPORT ON SUBORBITAL PROGRAMS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to Congress a report providing a plan for the National Aeronautics and Space Administration to make greater use of commercial launch services for its suborbital launch programs. Such plan shall identify planned or potential suborbital payloads which cannot utilize commercial launch services, and describe in detail why commercial launch services cannot meet the mission requirements or be made available in a reasonable and cost effective manner for such payloads.

SEC. 203. LAUNCH VOUCHER DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a demonstration program to award vouchers for the payment of commercial launch services and payload integration services for the purpose of launching small scientific payloads.

(b) AWARD OF VOUCHERS.—The Administrator shall award vouchers under subsection (a) to scientific researchers, research teams, and research institutes as part of grants administered by the National Aeronautics and Space Administration for the development and construction of—

(1) scientific payloads to be placed in suborbital trajectories; and

(2) small scientific payloads to be placed in orbit.

(c) ASSISTANCE.—The Administrator may provide awardees with such assistance, including contract formulation and technical support during proposal evaluation, as may be necessary to ensure the purchase of cost effective and reasonably reliable commercial launch services and payload integration services.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to Congress a report providing a plan for carrying out this section, identifying which planned or potential payloads will be included in the launch voucher demonstration program, and listing which commercially available launch vehicles will be included in the program.

SEC. 204. SPACE TRANSPORTATION INFRASTRUCTURE MATCHING GRANTS.

(a) FEDERAL GRANT PROGRAM.—The Secretary of Transportation may make grants for projects recommended pursuant to subsection (b) to assist the United States space transportation industry and the States in financing—

(1) the improvement or development of space transportation infrastructure within the United States;

(2) the engineering and designing of such space transportation infrastructure projects; and

(3) technical studies to define how new or improved space transportation infrastructure can best meet Federal space transportation needs and the needs of the United States commercial space transportation industry.

(b) SELECTION OF PROJECTS.—(1) There is established a Selection Committee which shall include 1 representative each from the Department of Transportation, the Department of Defense, and the National Aeronautics and Space Administration. The Selection Committee shall be chaired by the representative from the Department of Transportation.

(2) The Selection Committee shall review grant applications under this section and shall make recommendations to the Secretary of Transportation for awarding such grants.

(3) The Selection Committee shall take into account the following factors in its review of grant applications:

(A) The contribution of the proposed grant activity to Federal space transportation needs.

(B) The extent of industry's financial contribution to the proposed grant activity.

(C) The extent of industry participation in the proposed grant activity.

(D) The positive impact of the proposed grant activity on the international competitiveness of the United States space transportation industry.

(E) The extent of State contributions to the proposed grant activity.

(F) The impact of the proposed grant activity on launch operations and other activities at Federal launch ranges.

(4) The Secretary of Transportation shall give preference to those applications with greater levels of industry financial contributions, all other factors being equal.

(c) LIMITATIONS AND CONDITIONS.—(1) The Federal grant for any project under this section shall not exceed 50 percent of the cost of such project.

(2) No grant shall be awarded under this section for projects for which less than 10 percent of the cost of such projects will be borne by the private sector.

(3) No grant shall be awarded under this section unless the Selection Committee determines that the applicant has or will have the legal, financial, and technical capacity to carry out the proposed project.

(4) For grants which do not utilize Federal Government property, no grant shall be awarded under this section unless the Secretary of Transportation, in consultation with the Administrator and the Secretary of Defense, determines that the applicant—

(A) has or will have satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and the equipment for which the grant is provided; and

(B) has or will have sufficient capability to maintain the facilities and equipment, and will maintain such facilities and equipment.

SEC. 205. COMMERCIAL SPACE TRANSPORTATION TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund to be known as the Commercial Space Transportation Trust Fund (hereafter in this section referred to as the "Trust Fund"). The Trust Fund shall consist of all revenues from any fees assessed by the Department of Transportation for the licensing of commercial launch activities.

(b) PURPOSE.—Subject to the availability of appropriations, revenues deposited in the Trust Fund shall be used only to fund projects that directly benefit the United States space transportation industry.

(c) SELECTION OF PROJECTS.—The Secretary of Transportation shall select projects recommended by an Industry Selection Committee composed of 1 representative from each of the companies which have paid, or will have paid, fees described in subsection (a) within a period, not to exceed 2 years, to be determined by the Secretary of Transportation. Voting of such Industry Selection Committee shall be weighted according to the dollar amount of each company's fee payments within such period.

(d) LIMITATION.—Trust Fund revenues shall not be used to pay the operating or other expenses of the Department of Transportation.

SEC. 206. IDENTIFICATION OF EXCESS FACILITIES.

(a) IDENTIFICATION.—The Administrator, in coordination with the Secretary of Defense and the Secretary of Transportation, shall conduct an inventory and identify all launch support facilities owned by the United States Government that are excess or are otherwise not needed for public use. To the extent practicable, the Administrator shall also identify any launch support facilities which, due to their capacity and their utility to non-Federal entities, could be made available for use by non-Federal entities on a reimbursable basis without interfering with Federal activities.

(b) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to Congress a report containing the results of the identification required under subsection (a). Portions of such report may be classified and protected from public disclosure if such classification is necessary to protect national security.

TITLE III—USE OF MISSILE ASSETS FOR SPACE LAUNCH

SEC. 301. USE OF MISSILE ASSETS BY FEDERAL AGENCIES.

(a) IN GENERAL.—(1) Federal agencies, including the National Aeronautics and Space Administration and the Department of Defense, may make use of missile assets only when the use of the missile assets, alone or in combination with other Federal assets or commercially purchased components, is a more cost effective means to launch a payload or conduct an experiment than commercial launch services.

(2) When using missile assets for space launch, an agency shall make the missile assets available as Government furnished equipment and shall purchase commercial launch services from the private sector, unless the agency determines that—

(A) cost effective commercial launch services to meet specific mission requirements are not reasonably available, would not be available when required, and could not be made available in response to a procurement request; or

(B) national security requirements preclude the use of commercial launch services.

(b) COST ESTIMATION.—(1) When determining whether the use of missile assets is cost effective, an agency shall—

(A) evaluate the cost of using missile assets on the basis of all direct and indirect costs attributable to the storage, refurbishment, and use of the missile assets, compliance with verification provisions of international treaties, and arrangements necessary for release of technical and cost data, including applicable Government labor and overhead costs; and

(B) estimate the reliability of launch vehicles constructed from missile assets, alone or in combination with other components, and of commercially procured vehicles, and include an estimated cost for expected launch failures over the expected number of launches in the computation of costs.

(2) When it cannot be determined whether the cost of using missile assets for a specific space launch application is less than the cost of commercial launch services, an agency shall purchase commercial launch services unless the agency determines that—

(A) cost effective commercial launch services to meet specific mission requirements are not reasonably available, would not be available when required, and could not be made available in response to a procurement request; or

(B) the development or launch of launch vehicles constructed from missile assets will substantially benefit the commercial space sector and will not substantially damage existing United States launch services and launch systems providers.

(c) IMPACT ON COMMERCIAL SECTOR.—In considering whether to use missile assets for space launch, an agency shall give due consideration to the impact of such use on the competitiveness of the United States commercial space sector in international markets, private investment in launch vehicles, and the future availability of commercial launch services to the Federal Government and the private sector, and shall take all feasible actions to mitigate harm to United States commercial space corporations and maximize the potential benefits of the missile assets to the United States commercial space sector.

(d) FULL AND OPEN COMPETITION.—(1) An agency using missile assets for space launch shall—

(A) conduct a full and open competition for any contract to provide launch services or payload integration services for vehicles constructed from the missile assets; and

(B) make available, to the extent practicable, all relevant technical and cost data concerning the missile assets to all prospective bidders who are qualified to be awarded such contracts, including arranging for the release or licensing by any valid owner, on an equitable basis, of such data which are the property of a private sector entity.

(2) In carrying out this subsection, an agency may limit the availability of data described in paragraph (1)(B) to domestic entities.

SEC. 302. SALE OF MISSILE ASSETS TO PRIVATE SECTOR.

(a) IN GENERAL.—Federal agencies may provide for the acquisition by the private sector of missile assets of the United States which are excess or are otherwise not needed for public use if the agency which owns the missile assets determines that—

(1) United States private sector entities will not be substantially harmed by such acquisition; or

(2) the acquisition of such assets by the private sector will significantly increase United States space launch capabilities.

(b) FAIR MARKET VALUE.—Section 15(b)(1) of the Commercial Space Launch Act (49 U.S.C. App. 2614(b)(1)) is amended by adding at the end the following: "For the purposes of this paragraph, an agency providing launch property may define 'fair market value' as the most beneficial price offered to the Government at auction.".

(c) FAIR AND OPEN COMPETITION.—Section 15 of the Commercial Space Launch Act (49 U.S.C. App. 2614) is amended by adding at the end the following new subsection:

"(e)(1) In order to promote fair and open competition, an agency providing launch property shall, to the extent practicable, make available all relevant technical and cost data concerning the launch property to all prospective bidders who are qualified to acquire the launch property, including arranging for the release or licensing by any valid owner, on an equitable basis, of such data which are the property of a private sector entity.

"(2) In carrying out this subsection, an agency may limit the availability of such data to domestic entities.".

(d) FAIR TRADE NEGOTIATIONS.—It is the sense of Congress that the potential release of missile assets by foreign governments, or the offer of launch services by foreign entities using such missile assets, should be addressed in fair trade negotiations on space goods and services.

(e) FOREIGN MISSILE ASSET SALES.—Federal agencies shall consider the potential release of missile assets by foreign governments, and the offer of launch services by foreign entities using such missile assets, in decisions regarding the sale of United States missile assets.

TITLE IV—MISCELLANEOUS

SEC. 401. ANCHOR TENANCY AND TERMINATION LIABILITY.

(a) ANCHOR TENANCY CONTRACTS.—The Administrator may enter into anchor tenancy contracts for the purchase of a good or service in order to increase the viability of a commercial space venture if the Administrator determines that—

(1) the good or service meets the mission requirements of the National Aeronautics and Space Administration;

(2) the commercially procured good or service is cost effective;

(3) the good or service is procured through a competitive process;

(4) existing or potential customers for the good or service other than the United States Government have been specifically identified;

(5) the long-term viability of the venture is not dependent upon a continued Government market or other nonreimbursable Government support; and

(6) private capital is at risk in the venture.

(b) TERMINATION LIABILITY.—Section 203(c) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(c)) is amended—

(1) by redesignating paragraphs (7) through (13) as paragraphs (8) through (14) respectively;

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

"(7) to enter into contracts for commercially provided goods and services for periods that are in excess of the period for which funds are available for obligation; and to provide for the payment of contingent liability which may accrue in excess of available appropriations, in the event the Government for its convenience terminates such contracts, from appropriations originally available for the performance of the contract, or from other unobligated appropriations currently available for the procurement of related goods and services;";

(3) by inserting "and" at the end of paragraph (13), as so redesignated by paragraph (1) of this section; and

(4) by striking "; and" at the end of paragraph (14), as so redesignated by paragraph (1) of this section, and inserting in lieu thereof a period.

SEC. 402. USE OF GOVERNMENT FACILITIES.

(a) AUTHORITY.—Federal agencies, including the National Aeronautics and Space Administration and the Department of Defense, may allow non-Federal entities to use their space-related facilities on a reimbursable basis if the Administrator, the Secretary of Defense, or the appropriate agency head determines that—

(1) the facilities will be used to support commercial space activities;

(2) such use can be supported by existing or planned Federal resources;

(3) such use is compatible with Federal activities;

(4) equivalent commercial services are not available on reasonable terms; and

(5) such use is consistent with public safety, national security, and international treaty obligations.

In carrying out paragraph (5), each agency head shall consult with appropriate Federal officials.

(b) REIMBURSEMENT PAYMENT.—(1) The reimbursement referred to in subsection (a) shall be an amount equal to the direct costs (including salaries of United States civilian and contractor personnel) incurred by the United States as a result of the use of such facilities by the private sector. For the purposes of this paragraph, the term "direct costs" means the actual costs that can be unambiguously associated with such use, and would not be borne by the United States Government in the absence of such use.

(2) The amount of any payment received by the United States for use of facilities under this subsection shall be credited to the appropriation from which the cost of providing such facilities was paid.

SEC. 403. PROTECTION OF INFORMATION DEVELOPED UNDER SPACE ACT AGREEMENTS.

Section 303 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2454) is amended—

(1) by inserting "(a)" after "SEC. 303.";

(2) by striking "and (B)" and inserting in lieu thereof "(B)";

(3) by inserting ", and (C) information described in subsection (b)" after "national security"; and

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

"(b) The Administrator, for a period of up to 5 years after the development of information that results from activities conducted under an agreement entered into under section 203(c) (5) and (6) of this Act, and that would be a trade secret or commercial or financial information that is privileged or confidential under the meaning of section 552(b)(4) of title 5, United States Code, if the information had been obtained from a non-Federal party participating in such an agreement, may provide appropriate protections against the dissemination of such information, including exemption from subchapter II of chapter 5 of title 5, United States Code.".

SEC. 404. COMMERCIAL SPACE ACHIEVEMENT AWARD.

(a) ESTABLISHMENT.—There is established a Commercial Space Achievement Award. The award shall consist of a medal, which shall be of such design and materials and bear inscriptions as determined by the Secretary of Commerce. A cash prize may also be awarded if funding for the prize is available under subsection (d).

(b) CRITERIA FOR AWARD.—The Secretary of Commerce shall periodically make, and the Chairman of the National Space Council shall present, awards under this section to individuals, corporations, corporate divisions, or corporate subsidiaries substantially engaged in commercial space activities who in the opinion of the Secretary of Commerce best meet the following criteria:

(1) For corporate entities, at least one-half of the revenues from the space-related activities of the corporation, division, or subsidiary is derived from sources other than the United States Government.

(2) The activities and achievements of the individual, corporation, division, or subsidiary have substantially contributed to the United States gross national product and the stature of United States industry in international markets, with due consideration for both the economic magnitude and the technical quality of the activities and achievements.

(3) The individual, corporation, division, or subsidiary has substantially advanced space technology and space applications directly related to commercial space activities.

(c) LIMITATIONS.—No individual or corporate entity may receive an award under this section more than once every 5 years.

(d) FUNDING FOR AWARD.—The Secretary of Commerce may seek and accept gifts of money from public and private sources for the purpose of making cash prize awards under this section. Such money may be used only for that purpose, only such money may be used for that purpose, and the Secretary of Commerce shall make publicly available an itemized list of the sources of such funding.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. HALL OF TEXAS

Mr. HALL of Texas. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. HALL of Texas.

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Commercial Space Competitiveness Act of 1992".

TITLE I—GENERAL PROVISIONS

SEC. 101. FINDINGS.

The Congress finds that—

(1) commercial activities of the private sector have substantially contributed to the strength of both the United States space program and the national economy;

(2) a robust United States space transportation capability remains a vital cornerstone of the United States space program;

(3) the availability of commercial launch services is essential for the continued growth of the United States commercial space sector;

(4) a timely extension of the excess third party claims payment provisions of the Commercial Space Launch Act is appropriate and necessary to enable the private sector to continue covering maximum probable liability risks while protecting the private sector from uninsurable levels of liability which could hinder international competitiveness;

(5) greater Federal use of commercial launch services for suborbital launches would increase the efficiency of the United States space science program and improve the capabilities of the United States commercial launch industry;

(6) a program to demonstrate how the space science community can purchase launch services directly from the private sector has the potential to increase the efficiency of the United States space science program and improve the capabilities of the United States commercial launch industry;

(7) improvements and additions to the Nation's space transportation infrastructure contribute to a robust and cost effective

space transportation capability for both public sector and private sector users;

(8) private sector use of available Government facilities on a reimbursable basis contributes to a stronger commercial space sector;

(9) the Federal Government should purchase space goods and services which are commercially available, or could be made available commercially in response to a Government procurement request, whenever such goods or services meet Government mission requirements in a cost effective manner;

(10) it is appropriate for the Government to act as an anchor tenant for commercial space development projects which have a reasonable potential to develop non-Federal markets and which meet Federal needs in a cost effective manner; and

(11) the provision of compensation to commercial providers of space goods and services for termination of contracts at the convenience of the Government assists in enabling the private sector to invest in space activities which are initially dependent on Government purchases.

SEC. 102. DEFINITIONS.

For the purposes of this Act—

(1) the term "Administrator" means the Administrator of the National Aeronautics and Space Administration;

(2) the term "agency" means an executive agency as defined by section 105 of title 5, United States Code;

(3) the term "anchor tenancy" means an arrangement in which the United States Government agrees to procure sufficient quantities of a commercial space product or service needed to meet Government mission requirements so that a commercial venture is made viable;

(4) the term "commercial" means having—

(A) private capital at risk; and

(B) primary financial and management responsibility for the activity reside with the private sector;

(5) the term "cost effective" means costing no more than the available alternatives, determined by a comparison of all related direct and indirect costs including, in the case of Government costs, applicable Government labor and overhead costs as well as contractor charges, and taking into account the ability of each alternative to accommodate mission requirements as well as the related factors of risk, reliability, schedule, and technical performance;

(6) the term "launch" means to place, or attempt to place, a launch vehicle and payload, if any, in a suborbital trajectory, in Earth orbit in outer space, or otherwise in outer space;

(7) the term "launch services" means activities involved in the preparation of a launch vehicle and its payload for launch and the conduct of a launch;

(8) the term "launch support facilities" means facilities located at launch sites or launch ranges that are required to support launch activities, including launch vehicle assembly, launch vehicle operations and control, communications, flight safety functions, and payload operations, control, and processing;

(9) the term "launch vehicle" means any vehicle constructed for the purpose of operating in, or placing a payload in, outer space or in suborbital trajectories, and includes components of that vehicle;

(10) the term "payload" means an object which a person undertakes to launch, and includes subcomponents of the launch vehicle specifically designed or adapted for that object;

(11) the term "payload integration services" means activities involved in integrating multiple payloads into a single payload for launch or integrating a payload with a launch vehicle;

(12) the term "space recovery support facilities" means facilities required to support activities related to the recovery of payloads returned from space to a space recovery site, including operations and control, communications, flight safety functions, and payload processing;

(13) the term "space transportation infrastructure" means facilities, associated equipment, and real property, including launch sites, launch support facilities, space recovery sites, and space recovery support facilities, required to perform launch or space recovery activities;

(14) the term "State" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and any other commonwealth, territory, or possession of the United States; and

(15) the term "United States" means the States, collectively.

TITLE II—SPACE TRANSPORTATION

SEC. 201. EXTENSION OF GOVERNMENT PAYMENT OF EXCESS THIRD PARTY CLAIMS.

Section 16 of the Commercial Space Launch Act (49 U.S.C. App. 2615) is amended in subsection (b)(5) by striking "the date that is 5 years following the date of enactment of the Commercial Space Launch Act Amendments of 1988" and inserting in lieu thereof "January 1, 2000".

SEC. 202. REQUIREMENT TO PROCURE COMMERCIAL LAUNCH SERVICES.

(a) AMENDMENT.—Section 204 of the Launch Services Purchase Act of 1990 (42 U.S.C. 2465d) is amended to read as follows:

"SEC. 204. REQUIREMENT TO PROCURE COMMERCIAL LAUNCH SERVICES.

"(a) IN GENERAL.—Except as otherwise provided in this section, the Federal Government shall purchase launch services for its primary payloads, including suborbital payloads, from commercial providers whenever such services are required in the course of its activities.

"(b) EXCEPTIONS.—The Federal Government shall not be required to purchase launch services as provided in subsection (a) if the appropriate agency determines that—

"(1) the payload requires the unique capabilities of the space shuttle;

"(2) cost effective commercial launch services to meet mission requirements are not reasonably available, would not be reasonably available when required, and could not be made available in response to a procurement request;

"(3) the use of commercial launch services poses an unacceptable risk of loss of a unique scientific opportunity; or

"(4) the payload serves national security or foreign policy purposes.

Within 30 days after any such determination by the National Aeronautics and Space Administration, the Administrator shall notify the Committee on Science, Space, and Technology of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate in writing of the determination and its rationale.

"(c) REPORT ON SUBORBITAL PROGRAMS.—Not later than 1 year after the date of enactment of the Commercial Space Competitiveness Act of 1992, the Administrator of the National Aeronautics and Space Administration shall submit to Congress a report providing a plan for the National Aeronautics and Space Administration to make greater use of commercial launch services for its suborbital launch programs. Such plan shall identify planned or potential suborbital payloads which cannot utilize commercial launch services, and describe in detail why commercial launch services cannot meet the mission requirements or be made available in a reasonable and cost effective manner for such payloads.

"(d) FEDERAL GOVERNMENT LAUNCH VEHICLES.—Launch vehicles shall be acquired or owned by the Federal Government only—

"(1) as required under circumstances described in subsection (b); or

"(2) for conducting research and development on, and testing of, launch technology.

"(e) PHASE-IN PERIOD.—Subsections (a) and (d) shall not apply to launch services and launch vehicles for which a purchase contract has been signed before the date that is 180 days after the date of enactment of the Commercial Space Competitiveness Act of 1992.

"(f) HISTORICAL PURPOSES.—This title shall not be interpreted to prohibit the Federal Government from acquiring, owning, or maintaining launch vehicles solely for historical display purposes.".

(b) EFFECTIVE DATE.—The application of such section 204 to suborbital payloads shall begin with respect to payloads scheduled for launch after December 31, 1993.

SEC. 203. PURCHASE OF LAUNCH SERVICES.

Section 205 of the Launch Services Purchase Act of 1990 (42 U.S.C. 2465e) is amended by striking "National Aeronautics and Space Administration" each place it appears and inserting in lieu thereof "Federal Government".

SEC. 204. LAUNCH VOUCHER DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a demonstration program to award vouchers for the payment of commercial launch services and payload integration services for the purpose of launching small payloads.

(b) AWARD OF VOUCHERS.—The Administrator shall award vouchers under subsection (a) to researchers, research teams, and research institutes as part of grants administered by the National Aeronautics and Space Administration for the development and construction of—

(1) payloads to be placed in suborbital trajectories; and

(2) small payloads to be placed in orbit.

(c) ASSISTANCE.—The Administrator may provide awardees with such assistance, including contract formulation and technical support during proposal evaluation, as may be necessary to ensure the purchase of cost effective and reasonably reliable commercial launch services and payload integration services.

(d) REPORT.—Not later than 1 year after the date of enactment of this Act, the Administrator shall submit to Congress a report providing a plan for carrying out this section, identifying which planned or potential payloads will be included in the launch voucher demonstration program, and listing which commercially available launch vehicles will be included in the program.

SEC. 205. SPACE TRANSPORTATION INFRASTRUCTURE MATCHING GRANTS.

(a) FEDERAL GRANT PROGRAM.—The Secretary of Transportation may make grants for projects recommended pursuant to subsection (b) to assist the United States com-

mercial space transportation industry and the States in financing—

(1) the improvement or development of space transportation infrastructure within the United States;

(2) the engineering and designing of such space transportation infrastructure projects; and

(3) technical studies to define how new or improved space transportation infrastructure can best meet the needs of the United States commercial space transportation industry.

(b) SELECTION OF PROJECTS.—(1) There is established a Selection Committee which shall include 1 representative each from the Department of Transportation, the Department of Defense, and the National Aeronautics and Space Administration. The Selection Committee shall be chaired by the representative from the Department of Transportation.

(2) The Selection Committee shall review grant applications under this section and shall make recommendations to the Secretary of Transportation for awarding such grants.

(3) The Selection Committee shall take into account the following factors in its review of grant applications:

(A) The contribution of the proposed grant activity to industry capabilities which serve Federal space transportation needs.

(B) The extent of industry's financial contribution to the proposed grant activity.

(C) The extent of industry participation in the proposed grant activity.

(D) The positive impact of the proposed grant activity on the international competitiveness of the United States space transportation industry.

(E) The extent of State contributions to the proposed grant activity.

(F) The impact of the proposed grant activity on launch operations and other activities at Federal launch ranges.

(4) The Secretary of Transportation shall give preference to those applications with greater levels of industry financial contributions, all other factors being equal.

(c) LIMITATIONS AND CONDITIONS.—(1) The Federal grant for any project under this section shall not exceed 50 percent of the cost of such project.

(2) No grant shall be awarded under this section for projects for which less than 10 percent of the cost of such projects will be borne by the private sector.

(3) No grant shall be awarded under this section unless the Selection Committee determines that the applicant has or will have the legal, financial, and technical capacity to carry out the proposed project.

(4) For grant applications which propose to utilize Federal Government property, no grant shall be awarded without obtaining the specific consent of the appropriate agency head.

(5) For grant applications which do not propose to utilize Federal Government property, no grant shall be awarded under this section unless the Secretary of Transportation determines that the applicant—

(A) has or will have satisfactory continuing control, through operation or lease or otherwise, over the use of the facilities and the equipment for which the grant is provided; and

(B) has or will have sufficient capability to maintain the facilities and equipment, and will maintain such facilities and equipment.

SEC. 206. COMMERCIAL SPACE TRANSPORTATION TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund to be known as the Commercial Space Transportation Trust Fund (hereafter in this section referred to as the "Trust Fund"). The Trust Fund shall consist of all revenues from any fees assessed by the Department of Transportation for the licensing of commercial launch activities.

(b) PURPOSE.—Subject to the availability of appropriations, revenues deposited in the Trust Fund shall be used only to fund projects that directly benefit the United States space transportation industry.

(c) SELECTION OF PROJECTS.—The Secretary of Transportation shall select projects recommended by an Industry Selection Committee composed of 1 representative from each of the companies which have paid, or will have paid, fees described in subsection (a) within a period, not to exceed 2 years, to be determined by the Secretary of Transportation. Voting of such Industry Selection Committee shall be weighted according to the dollar amount of each company's fee payments within such period.

(d) LIMITATION.—Trust Fund revenues shall not be used to pay the operating or other expenses of the Department of Transportation.

SEC. 207. IDENTIFICATION OF LAUNCH SUPPORT FACILITIES.

(a) IDENTIFICATION.—The Administrator and the Secretary of Defense, as appropriate, in coordination with the Secretary of Transportation, shall conduct an inventory and identify all launch support facilities owned by the United States Government. To the extent practicable, the Administrator and the Secretary of Defense shall also identify any launch support facilities which could be made available for use by non-Federal entities on a reimbursable basis without interfering with Federal activities.

(b) REPORT TO CONGRESS.—Not later than 1 year after the date of enactment of this Act, the Administrator and the Secretary of Defense each shall submit to Congress a report containing the results of the identification required under subsection (a). Portions of such report may be classified and protected from public disclosure if such classification is necessary to protect national security.

TITLE III—MISCELLANEOUS

SEC. 301. ANCHOR TENANCY AND TERMINATION LIABILITY.

(a) ANCHOR TENANCY CONTRACTS.—Subject to appropriations, the Administrator may enter into multiyear anchor tenancy contracts for the purchase of a good or service in order to increase the viability of a commercial space venture if the Administrator determines that—

(1) the good or service meets the mission requirements of the National Aeronautics and Space Administration;

(2) the commercially procured good or service is cost effective;

(3) the good or service is procured through a competitive process;

(4) existing or potential customers for the good or service other than the United States Government have been specifically identified;

(5) the long-term viability of the venture is not dependent upon a continued Government market or other nonreimbursable Government support; and

(6) private capital is at risk in the venture.

(b) TERMINATION LIABILITY.—(1) Contracts entered into under subsection (a) may provide for the payment of termination liability in the event that the Government terminates such contracts for its convenience.

(2) Contracts that provide for the payment of termination liability, as described in paragraph (1), shall include a fixed schedule of such termination liability payments. Liability under such contracts shall not exceed the total payments which the Government would have made after the date of termination to purchase the good or service if the contract were not terminated.

(3) Subject to appropriations, funds available for such termination liability payments may be used for purchase of the good or service upon successful delivery of the good or service pursuant to the contract.

(c) LIMITATIONS.—(1) Contracts entered into under this section shall not exceed 10 years in duration.

(2) Such contracts shall provide for delivery of the good or service on a firm, fixed-price basis.

(3) Such contracts shall provide for no payments to the contractor before successful delivery of the good or service, except to the extent that the Administrator considers such payments to be in the best interest of the United States.

(4) To the extent practicable, reasonable performance specifications shall be used to define technical requirements in such contracts.

(5) In any such contract, the Administrator shall reserve the right to terminate the contract for cause without payment of termination liability in the event of a lack of adequate technical progress or the failure of the good or service to meet performance specifications of the contract.

SEC. 302. USE OF GOVERNMENT FACILITIES.

(a) AUTHORITY.—Federal agencies, including the National Aeronautics and Space Administration and the Department of Defense, may allow non-Federal entities to use their space-related facilities on a reimbursable basis if the Administrator, the Secretary of Defense, or the appropriate agency head determines that—

(1) the facilities will be used to support commercial space activities;

(2) such use can be supported by existing or planned Federal resources;

(3) such use is compatible with Federal activities;

(4) equivalent commercial services are not available on reasonable terms; and

(5) such use is consistent with public safety, national security, and international treaty obligations.

In carrying out paragraph (5), each agency head shall consult with appropriate Federal officials.

(b) REIMBURSEMENT PAYMENT.—(1) The reimbursement referred to in subsection (a) may be an amount equal to the direct costs (including salaries of United States civilian and contractor personnel) incurred by the United States as a result of the use of such facilities by the private sector. For the purposes of this paragraph, the term "direct costs" means the actual costs that can be unambiguously associated with such use, and would not be borne by the United States Government in the absence of such use.

(2) The amount of any payment received by the United States for use of facilities under this subsection shall be credited to the appropriation from which the cost of providing such facilities was paid.

SEC. 303. PROTECTION OF INFORMATION DEVELOPED UNDER SPACE ACT AGREEMENTS.

Section 303 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2454) is amended—

(1) by inserting "(a)" after "SEC. 303.";

(2) by striking "and (B)" and inserting in lieu thereof "(B)";

(3) by inserting ", and (C) information described in subsection (b)" after "national security"; and

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

"(b) The Administrator, for a period of up to 5 years after the development of information that results from activities conducted under an agreement entered into under section 203(c) (5) and (6) of this Act, and that would be a trade secret or commercial or financial information that is privileged or confidential under the meaning of section 552(b)(4) of title 5, United States Code, if the information had been obtained from a non-Federal party participating in such an agreement, may provide appropriate protections against the dissemination of such information, including exemption from subchapter II of chapter 5 of title 5, United States Code.".

SEC. 304. COMMERCIAL SPACE ACHIEVEMENT AWARD.

(a) ESTABLISHMENT.—There is established a Commercial Space Achievement Award. The award shall consist of a medal, which shall be of such design and materials and bear inscriptions as determined by the Secretary of Commerce. A cash prize may also be awarded if funding for the prize is available under subsection (d).

(b) CRITERIA FOR AWARD.—The Secretary of Commerce shall periodically make, and the Chairman of the National Space Council shall present, awards under this section to individuals, corporations, corporate divisions, or corporate subsidiaries substantially engaged in commercial space activities who in the opinion of the Secretary of Commerce best meet the following criteria:

(1) For corporate entities, at least one-half of the revenues from the space-related activities of the corporation, division, or subsidiary is derived from sources other than the United States Government.

(2) The activities and achievements of the individual, corporation, division, or subsidiary have substantially contributed to the United States gross national product and the stature of United States industry in international markets, with due consideration for both the economic magnitude and the technical quality of the activities and achievements.

(3) The individual, corporation, division, or subsidiary has substantially advanced space technology and space applications directly related to commercial space activities.

(c) LIMITATIONS.—No individual or corporate entity may receive an award under this section more than once every 5 years.

(d) FUNDING FOR AWARD.—The Secretary of Commerce may seek and accept gifts of money from public and private sources for the purpose of making cash prize awards under this section. Such money may be used only for that purpose, only such money may be used for that purpose, and the Secretary of Commerce shall make publicly available an itemized list of the sources of such funding.

SEC. 305. USE OF DOMESTIC PRODUCTS.

(a) PROHIBITION AGAINST FRAUDULENT USE OF "MADE IN AMERICA" LABELS.—(1) A person shall not intentionally affix a label bearing the inscription of "Made in America", or any inscription with that meaning, to any product sold in or shipped to the United States, if that product is not a domestic product.

(2) A person who violates paragraph (1) shall not be eligible for any contract for a procurement carried out with amounts authorized under this Act, including any subcontract under such a contract pursuant to the debarment, suspension, and ineligibility procedures in subpart 9.4 of chapter 1 of title 48, Code of Federal Regulations, or any successor procedures thereto.

(b) COMPLIANCE WITH BUY AMERICAN ACT.—(1) Except as provided in paragraph (2), the head of each agency which conducts procurements shall ensure that such procurements are conducted in compliance with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a through 10c, popularly known as the "Buy American Act").

(2) This subsection shall apply only to procurements made for which—

(A) amounts are authorized by this Act to be made available; and

(B) solicitations for bids are issued after the date of enactment of this Act.

(3) The Administrator, before January 1, 1994, shall report to the Congress on procurements covered under this subsection of products that are not domestic products.

(c) DEFINITIONS.—For the purposes of this section, the term "domestic product" means a product—

(1) that is manufactured or produced in the United States; and

(2) at least 50 percent of the cost of the articles, materials, or supplies of which are mined, produced, or manufactured in the United States.

Mr. HALL of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the amendment in the nature of a substitute be considered as read and printed in the RECORD.

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

There was no objection.

The SPEAKER pro tempore. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas [Mr. HALL].

The amendment in the nature of a substitute was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, passed, and a motion to reconsider was laid on the table.

□ 2120

GENERAL LEAVE

Mr. HALL of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3848, the bill just passed.

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

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1079

Mr. JONTZ. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1079.

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

There was no objection.

LEGISLATIVE PROGRAM

(Mr. SOLOMON asked and was given permission to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, I ask for this 1-minute for the purpose of engaging the deputy majority whip, the gentleman from Georgia [Mr. LEWIS] in a colloquy about the schedule for the remainder of the week and for next week.

Mr. LEWIS of Georgia. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Mr. Speaker, I yield to the gentleman from Georgia [Mr. LEWIS] for that purpose.

Mr. LEWIS of Georgia. Mr. Speaker, the program for the House of Representatives for the week of August 10 is as follows:

On Monday the House will meet at noon for 30 suspensions. There will not be rollcall votes. the votes will occur on Tuesday. The first vote shall not occur until after 1:30.

On Tuesday, Mr. Speaker, the House will meet at noon, and the House will also meet at 10 Wednesday.

The bills that will be considered will be:

H.R. 5487, the Agriculture and related agencies appropriations of fiscal year 1993, the conference report; House Resolution 5466, the Airline Competitiveness Enhancement Act, and I that will be subject to a rule; H.R. 4323, the Neighborhood Schools Improvement Act, which is also subject to a rule; House Resolution 4394, Merchant Mariners' Document legislation, which is also subject to a rule; and House Resolution 5754, Water Resources Development Act of 1992, which is also subject to a rule.

At the close of the week's business, Mr. Speaker, the House will adjourn until noon on Wednesday, September 9, for the August/Labor Day district work period and also for the Republican National Convention.

As my friend, the gentleman from New York [Mr. SOLOMON], my friend, well knows, conference reports may be brought up at any time.

Mr. SOLOMON. Mr. Speaker, would the gentleman inform us if tomorrow, August 7, Friday, is a pro forma day or not?

Mr. LEWIS of Georgia. We will not be in at all on tomorrow.

Mr. SOLOMON. All right.

And just to clarify, there are no votes on Monday, and the earliest possible votes would be around 1:30 on Tuesday?

Mr. LEWIS of Georgia. The gentleman from New York [Mr. SOLOMON] is correct. There will not be any recorded votes on Monday. The earliest recorded vote will occur on Tuesday around 1:30.

Mr. SOLOMON. Mr. Speaker, I thank the gentleman from Georgia [Mr. LEWIS].

I would just remind the Speaker and the Democrat leadership that it is the Republican Convention this coming week for a 2-week period. There are many Members who are members of the platform committee who are delegates to that convention, and we on this side

were promised the same courtesy that was given when the Democrat Convention was taking place, that there would be a very light schedule as far as votes on Tuesday and Wednesday of this coming week go, and we just want to remind them of that because there will be many of our Members missing, and we would like to have as few votes as possible.

In other words, no heavy lifting.

Mr. LEWIS of Georgia. Mr. Speaker, this side of the aisle and the leadership will be very considerate.

Mr. SOLOMON. I thank the gentlemena from Georgia [Mr. LEWIS] for his courtesies, and I wish him a happy weekend.

Mr. LEWIS of Georgia. I say to the gentlemen, "Same to you, sir."

ADJOURNMENT FROM THURSDAY, AUGUST 6, 1992, TO MONDAY, AUGUST 10, 1992

Mr. LEWIS of Georgia. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at noon on Monday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. LEWIS of Georgia. 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 Georgia?

There was no objection.

CHILDHOOD CANCER MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 492) designating September 1992 as "Childhood Cancer Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

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

Mr. RIDGE. Mr. Speaker, reserving the right to object, I certainly do not object to this piece of legislation, but I take my reservation to yield such time as he may consume to my colleague and friend, the chief sponsor of the resolution, the gentleman from New Jersey [Mr. ROE].

Mr. ROE. Mr. Speaker, I rise in strong support of House Joint Resolution 492, a resolution which would designate the month of September 1992, as "Childhood Cancer Month."

I would like to thank the distinguished gentleman from Ohio [Mr. SAWYER], chairman of the Subcommittee on Census and Population, for his support for this resolution and his efforts in expediting its consideration.

I would like to also thank my good friend and colleague, JOHN PAUL HAMMERSCHMIDT, who worked so energetically in gathering support for this effort.

According to the Department of Health and Human Services, dramatic progress has been made in the early diagnosis and treatment of cancer. As a result, the number of child deaths from cancer in the United States declined by 36 percent between 1973 and 1987. Despite such encouraging progress, cancer deaths are the leading cause of death by disease among children between the ages of 3 and 14.

This resolution will recognize and applaud the overwhelming love, devotion and courage of the families and friends, the volunteers who give so generously of themselves, the private and governmental agencies whose staffs work so hard to provide timely and effective services, the scientists and health care professionals so essential for their medical and emotional support, and the children who must struggle with this disease—especially the children.

Sadly, too many of us have been touched by the heartbreak and devastating realities of cancer—the enormous physical, emotional, and financial challenges to be dealt with on a daily basis. That children should have to face these realities is all the more heartbreaking.

Former chief counsel of our committee, Public Works and Transportation, Dick Sullivan, and his lovely wife, Julie, lost their 8-year-old daughter, Teresa Marie, to cancer. For a parent, there is no greater loss. But out of their despair, Dick and Julie were determined to make a difference, to ease the way for those who would follow—thus, their lifetime commitment to the work of the Candlelighters Childhood Cancer Foundation.

Also, a current member of my committee staff, Maureen Dubia, and her family are constantly in our prayers as they cope with the challenges of her son John's leukemia. God willing, young John will win his fight.

There is a strength and commitment within this community of people that we as a Nation would truly find inspiring. It is important that we have an opportunity to understand the daily challenges they must face and to honor their outstanding loving response to those challenges.

House Joint Resolution 492 does that and I urge its adoption.

Mr. RIDGE. Mr. Speaker, I thank the gentleman from New Jersey [Mr. ROE] for his remarks.

Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 492

Whereas dramatic progress has been made in the early diagnosis and treatment of cancer and, as a result, young cancer victims and their families no longer need to relinquish their dreams for the future;

Whereas according to the Department of Health and Human Services, the number of child deaths from cancer in the United States declined by 36 percent between 1973 and 1987;

Whereas despite such encouraging progress, cancer deaths continue to be the leading cause of death by disease among children between the ages of 3 and 14;

Whereas families facing the specter of childhood cancer need the best possible medical care and emotional support that can be provided;

Whereas brothers and sisters of young cancer victims need special consideration both at home and at school;

Whereas young cancer victims need financial help, understanding and compassion, and the opportunity to express and pursue the fresh, unjaded dreams that are the hallmark of childhood;

Whereas many private organizations (including the National Cancer Institute) and government agencies throughout the United States are working to meet the needs of children with cancer and hundreds of private volunteer organizations at both the national and international level (including the American Cancer Society, the Leukemia Society of America, the Candlelighters Childhood Cancer Foundation, and the Ronald McDonald Foundation) are helping parents and children to cope with this tremendous problem; and

Whereas recognition should be given to the dedication and hard work of scientists, health care professionals, and volunteers who are working to overcome childhood cancer, to assist its victims, and to express admiration and support for the courageous youngsters and parents who struggle with this disease: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That September 1992 is designated as "Childhood Cancer Month", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate programs, ceremonies, and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

82D AIRBORNE DIVISION 50TH ANNIVERSARY RECOGNITION DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 270) to designate August 15, 1992, as 82d Airborne Division 50th Anniver-

sary Recognition Day, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

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

Mr. RIDGE. Reserving the right to object, Mr. Speaker, under my reservation I yield to my friend and colleague, the chairman of the subcommittee, the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I rise at this point only to recognize the work of our friend and colleague, the gentleman from North Carolina [Mr. ROSE].

Mr. RIDGE. Mr. Speaker, further reserving the right to object, I yield to the gentleman from California [Mr. HUNTER] who was Airborne, although perhaps not with that division.

Mr. HUNTER. Mr. Speaker, I just want to remark that there is another Airborne unit, the 173d Airborne Brigade, the first conventional unit in Vietnam in 1965, which lost 200 sky soldiers on Thanksgiving Day at Dak To; in 1967 it had a celebrated history, with a number of legendary fighters in their ranks.

Mr. Speaker, I would hope that very shortly we will have a commemorative up here to celebrate the 173d Airborne Brigade and the sky soldiers.

□ 2130

Mr. RIDGE. Mr. Speaker, in the meantime we will encourage Members to celebrate this commemorative.

Mr. ROSE. Mr. Speaker, I am pleased to rise today and provide the House with an opportunity to recognize one of the greatest fighting units in the history of our military. Next Saturday, August 15, the 82d Airborne Division will celebrate its 50th anniversary. During my 20 years of service in the House, I have been fortunate to represent the men and women at Fort Bragg, NC, where the 82d is stationed. I ask that my colleagues join me today in thanking the 82d Airborne Division for 50 outstanding years of service to this Nation. Your support for this humble effort to recognize a tradition of excellence is greatly appreciated.

The 82d Division was formed on August 25, 1917, as a conventional infantry division. The 82d distinguished itself in World War I by seeing more continuous combat than any other U.S. division. With the belief that World War I was the war to end all wars, the 82d Division was deactivated for over 20 years.

World War II ushered in new technologies which completely changed the dynamics of combat. The battlefields of World War II would not be mazed with the trenches that had dominated wars since the American Civil War. The battles of World War II would be fought with highly mobile divisions. With advances in aircraft design, the need arose for a new soldier, the paratrooper.

The 82d was reactivated on March 25, 1942, as an infantry division. It was redesignated on August 15, 1942, as the 82d Airborne Division.

In 1943, the 82d Airborne Division was deployed to the European theater, fighting in the campaigns of North Africa, Sicily, and Salerno, Italy. During the Normandy invasion the 82d was one of the first combat elements to land in France. The 82d continued to distinguished itself in combat until the surrender of Germany in May 1945.

The 82d Airborne served for 5 months in Berlin after World War II as occupational force. It was during this time that General Patton, while viewing the 82d's honor guard, made the comment, "In all my years in the Army and all the honor guards I've seen, the 82d's honor guard is undoubtedly the best." Since that time the 82d has been known as America's Guard of Honor and 82d Airborne All-American Division.

After the 82d Airborne's tour of duty in Berlin it was assigned to Fort Bragg, in my hometown of Fayetteville, NC. It is now part of the U.S. Army's rapid deployment force, capable of deploying its forces around the world within 18 hours of notification.

The 82d Airborne Division is recognized around the world as an elite fighting unit that remains on the cutting-edge of our Armed Forces.

The 82d has exemplified its speed and courage by being some of the first combat forces to be committed in our most recent conflicts, Grenada, Panama, and the Persian Gulf. In fact, it was the lightly armed 82d Airborne Division which was the first ground force in Saudi Arabia during the Persian Gulf conflict. It was the men and women of the 82d who drew the line in the sand, that Saddam Hussein did not cross.

I think that it is very proper to honor the fine men and women, both past and present, who have served in the 82d Airborne by designating August 15, 1992, as 82d Airborne Division 50th Anniversary Recognition Day. I ask the support of my colleagues in the passage of House Joint Resolution 453.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

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

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 270

Whereas 50 years ago, brave men and women of the United States made tremendous sacrifices to defend freedom and to save the world from tyranny and aggression during World War II;

Whereas, during World War II, the American paratrooper became a new type of fighting soldier;

Whereas, from the drop zones of Sicily and Normandy to the desert sands of Iraq, the paratroopers of the 82d Airborne Division of the United States Army have distinguished themselves as being among those who were the first to answer the call to go in harm's way;

Whereas the 82d Airborne Division is recognized as an elite fighting force that continues to be on the cutting-edge of our Armed Forces;

Whereas today, as for the past 50 years, the 82d Airborne Division's ranks are filled with some of our Nation's best soldiers; and

Whereas it is appropriate that we recognize the 82d Airborne Division on the 50th anniversary of its formation and pay tribute to the gallant paratroopers, past and present, who wear the maroon beret: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 15, 1992, is designated as "82d Airborne Division 50th Anniversary Recognition Day". The President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities acknowledging the many important contributions of the 82d Airborne Division of the United States Army over the past 50 years.

The Senate joint resolution was ordered to be read a third time, was read a third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material on House Joint Resolution 492 and Senate Joint Resolution 270.

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

There was no objection.

COMMUNICATION FROM HON. DAN ROSTENKOWSKI, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Hon. DAN ROSTENKOWSKI, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 6, 1992.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to inform you, pursuant to Rule L of the Rules of the House, that the Custodian of Records of my office has been served with a subpoena issued by the United States District Court for the District of Columbia.

Sincerely yours,

DAN ROSTENKOWSKI.

COMMUNICATION FROM HON. JOE KOLTER, MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication from Hon. JOE KOLTER, Member of Congress:

HOUSE OF REPRESENTATIVES,
Washington, DC, August 6, 1992.

Hon. THOMAS S. FOLEY,
Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: This is to inform you, pursuant to Rule L of the Rules of the House, that the Custodian of Records of my office has been served with a subpoena issued by the United States District Court for the District of Columbia.

Sincerely,

JOE KOLTER.

THE RUSSIAN SINKHOLE

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

Mr. DUNCAN. Mr. Speaker, today we will take up a multi-billion-dollar aid package for the former Soviet Union. In a recent column in the New York Times, that paper's foreign affairs specialist, Leslie Gelb, said this: "Various forms of Western aid to the ex-Soviet state totaled about $50 billion in the last 20 months, and the money has virtually disappeared without a trace or a dent on the economic picture."

He then wrote that American political leaders should "think again and hard about rescue plans. The danger is that we will waste billions, and, even more tragically, fail to zero in on what can be realistically accomplished by outside aid."

Now, Mr. Gelb works for the New York Times. He is almost always in favor of foreign aid. Yet he also wrote this in his column: "For now, Western governments should not throw away their aid on saving governments that can only save themselves."

The title of his column is "The Russian Sinkhole." I am sure that this package of billions in aid will pass, but I really believe it is a mistake for us to pour more money down this Russian sinkhole.

The article referred to is as follows:

THE RUSSIAN SINKHOLE

(By Leslie H. Gelb)

As the U.S. foreign policy establishment stampedes toward a megabillion-dollar comprehensive "aid" program for the ex-Soviet Union, consider the following facts:

These states have 44 nuclear power plants, including 15 of the Chernobyl style, many of which are in terrible shape and could spring radioactive leaks. One near St. Petersburg leaked two weeks ago.

Ukraine and Kazakhstan now threaten to take control of intercontinental-range missiles on their territory. If they do, they would instantly become the third- and fourth-largest nuclear powers after the U.S. and Russia.

The debt of Russia is running at 25 percent of its total Government expenditures for the first quarter of this year. There is massive underpayment of taxes by business enterprises and local governments.

Wages have dropped so low relative to freed prices that some 90 percent of Russians now live below subsistence levels. Subsistence is about 1,500 rubles monthly, while per capita income now totals about 900 rubles monthly or $8.25. Life will get much worse if, as expected, production in key sectors falls an additional 50 percent this year.

The ex-Soviet states are now meeting only 30 percent of their interest payments (and almost no principal) on debts to the West of $70 billion. Most of this is owed to or guaranteed by Western governments.

Various forms of Western aid to the ex-Soviet states totaled about $50 billion in the last 20 months, and the money has virtually disappeared without a trace or a dent on the economic picture. Tens of billions in hard currency controlled by Communist Party officials also vanished in the last two years.

These sad facts—plus civil and ethnic wars and the lack of cooperation among the ex-Soviet republics—suggest that the new states are nearing military, economic and political anarchy.

Such considerations should cause American political leaders to think again, and hard, about rescue plans. The danger is that we will waste billions and, even more tragically, fail to zero in on what can be realistically accomplished by outside aid.

My particular concern is Richard Nixon's recent proposal for a comprehensive aid plan. He argued that anything less would ignite a "Who lost Russia?" debate. He accused President Bush of playing "a penny-ante game" where the stakes were geopolitical survival. He called for tens of billions of dollars to stabilize the ruble and more tens of billions in other help. He made more modest and practical proposals as well. But the practical ideas have gotten lost in the political scramble he triggered.

Mr. Bush, stung by the Nixon charges, is now under the gun to present a big-bucks plan to salvage his reputation as a "foreign policy" President. Governor Clinton, the leading Democratic Presidential contender, could try to pre-empt and outbid him in a major world affairs address Wednesday. Congressional leaders and foreign policy gurus are also jumping on the now fashionable big-bucks, big-plan bandwagon.

The West should be working on plans for big aid programs—currency stabilization, import and export credits and the like. But these plans have to be for later, when and if the threat of anarchy subsides and some stability returns. Any cash given now would simply vanish down a vast sink drain.

For now, Western governments should not throw away their aid on saving governments that can only save themselves. Instead, they should focus on specific, pressing and solvable problems and on seeding the future of democracy.

First priority must go to the nukes. This means immediate help to repair or shut down unsafe nuclear reactors. It means talking very tough with Ukraine and others about their nuclear weapons aspirations and putting experts on the ground now to help them dismantle weapons.

The second priority should be agriculture and food aid. Without bread, the return of dictatorships will be inevitable.

The third priority has to be sending experts and technical aid directly to groups committed to running businesses and making democracy work.

The stakes could not be higher. All the more reason for substantial, practical and immediate aid—not for grand illusions.

MAINTAINING AND CREATING JOBS, THE MOST IMPORTANT ISSUE FACING THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, earlier this evening the House unanimously passed House Concurrent Resolution 246 stating that Congress will not accept any trade agreement, including the potential North American Free-Trade Agreement being rushed to completion by the Bush administration which jeopardizes U.S. health, safety, labor, or environmental laws.

Mr. Speaker, I rise tonight to speak about the most important issue that faces our Nation today—jobs—maintaining and creating a range of jobs—from minimum wage to high-paying jobs—with fair benefits for our citizens. As I speak to you this evening, the Bush administration is rushing to put the final touches on a North American Free Trade-Agreement [NAFTA] with Mexico and Canada. As currently negotiated, it will help accelerate the loss of United States jobs to low-wage Mexico. As we know only too well, the process of job migration to Mexico has already widely begun.

Mr. Speaker, I am going to be reading into the RECORD over the next several weeks testimony presented by American workers at field hearings held across this country on job losses that have already occurred to Mexico.

This statement comes from Henry James Laird, a former employee of Eaton Corp. in Bellevue, OH.

BELLEVUE, OH,
March 30, 1992.

The EDUCATION AND LABOR COMMITTEE,
House of Representatives,
Washington, DC.

My dislocation from the Eaton Corporation is only one of the four plant closures or downsizings that have been my misfortune to experience. I was employed there for over five years as a maintenance mechanic plantwide doing everything from air conditioning to plumbing, line maintenance and facility care and repair. Part of the time I did repair on the line that was shipped to Mexico. My last wage was $12.38 plus overtime.

The plant manager called a plant meeting to announce the line was being moved to Mexico around early to mid 1989. I assisted with the breakdown and shipment of the automotive controls line to Mexico which included 4 and 5 ton presses and other related equipment. The last line to be sent there left after the plant closing was announced, displacing 75–100 workers and was gone by the end of 1990. This left a very large floor area which was used for the storage of other finished goods. When the plant closure was announced they said the reason was that there was too much floor space in the plant so this was the beginning of the end of the Eaton plant in Fremont. It became too expensive to keep the plant open when it was under capacity. Several engineers and maintenance men went to Mexico to help set up the machinery to help get them started.

I am currently looking for work again from another partial closure. I am a veteran of 3 tours in Vietnam as a Navy Machinist Mate. As a single head of household with 2 kids at home I am finding it tough to make my house payments. Right now I am behind 1 month on my mortgage and my health insurance expires March 31, 1992. I am basically a hard working guy who believes in going out and finding work, not waiting for the job to come to me. Today's job market is really challenging.

In closing I would like to ask you Congressmen to bring our jobs back home to America where they belong. God Bless America.

Yours truly,

HENRY JAMES LAIRD.

Mr. Speaker, the administration has claimed that by simply reducing tariffs

between the United States, Mexico, and Canada, prosperity will be created in all three countries. Yet the NAFTA negotiations continue to engender significant opposition because they ignore critical social, economic, and political divergences that a trade agreement cannot address and, more likely, will exacerbate. Nothing in the central body of the agreement to date addresses the need for free elections, political freedoms, human rights, individual and labor rights, decent standards of living, environmentally safe working and living conditions—these should be fundamental enforceable precepts underpinning any workable economic negotiation.

Tonight I want to bring your attention to an important new study that sheds light on the realities of a poorly and hastily negotiated NAFTA. The Economic Policy Institute has just released a study entitled "The Effect of George Bush's NAFTA On American Workers: Ladder Up or Ladder Down." The alarming findings of this report are that the agreement proposed by President Bush will remove rapidly all remaining barriers to the flow of capital, goods, and services across North American borders, leaving the fate of U.S. incomes, working conditions, and environmental and social regulation entirely to economic and political chance.

The report finds that, as presently designed, the proposed NAFTA agreement will harm the United States' long-term economic competitiveness and put in jeopardy the jobs of hundreds of thousands of American workers. It will also put downward pressure on the wages of millions more Americans working in sectors not directly affected by the agreement.

It doesn't take much common sense to recognize that corporations seeking to maximize profits will locate production where costs are lower. This includes labor costs, corporate taxes, and the costs related to complying with environmental or workplace safety regulations. Quite simply, why wouldn't a company relocate in order to pay $1.50 an hour wages with no benefits rather than $10 an hour wages with benefits? Sixty-eight percent of all investment in Mexico already is United States investment.

There is ample evidence that this is exactly what is happening in the Mexican maquiladoras. The real advantage of producing in the maquiladora sector does not lie in avoiding tariffs, but rather in taking advantage of ultracheap wages and lax environmental and labor standards. Wages in the maquiladora sector are approximately one-tenth to one-fourteenth of United States manufacturing wages, and the Mexican government has lacked both the resources and the will to enforce even basic worker-safety provisions or environmental regulations.

We all know about the painful examples of plant relocation to Mexico—Smith Corona, Dura, Delco, Green Giant, General Motors, and Zenith—to name only a few. Over the next several weeks I will be sharing more personal testimony from American workers who have lost their jobs to Mexico. I will be sharing these compelling stories of how workers in these plants went from being taxpaying citizens supporting themselves and their families with good paying jobs with benefits to the long-term unemployment lines, with little hope of finding new or equivalent employment.

The Economic Policy Institute reinforces what we've already known for some time. That is that nothing in the Bush administration's NAFTA strategy suggests that workers dislocated as a result of this new trade agreement will fare any better than dislocated workers have fared in the past. Moreover, the consensus of long-range public and private forecasters is that growth in the U.S. economy will be considerably slower over the next decade than in the last, suggesting that the fortunes of trade-dislocated workers in the United States will suffer more. I will also be reminding listeners that this agreement is being negotiated by an administration that has continually zeroed-out funding for trade adjustment assistance programs, has vetoed the minimum wage, and has waited 2 years before signing unemployment compensation legislation to deal with America's millions of jobless. We all know that the fundamental economic purpose of NAFTA is to facilitate the shift in investment to Mexico so Mexico can pay its debts to money center banks. The Bush administration has made a conscious decision to promote such a strategy. High United States Government officials have encouraged United States producers to shift to Mexico in order to take advantage of low wages. Former United States Secretary of Commerce Mosbacher even distributed materials at a meeting of business investors interested in Mexico encouraging them to move south of the border. He forecast even more cheap labor in the future because of a prospective increase in the gap between the U.S. minimum wage and the Mexican direct wage. These are Bush administration officials blatantly and clearly promoting low-wage strategies for American companies.

Many U.S. companies are trying to cut costs in the short term by heading south of the border—even without the help and encouragement of the administration's trade policy. We have seen firsthand how this pattern has already been established in the maquiladora program—the existing Mexican free-trade initiative—which has drawn thousands of United States companies to relocate part or all of their operations in Mexico. It is estimated 1,700 United States companies have located in Mexico and employ 500,000 workers. Those workers have not improved their standards of living, but the corporations that exploit their labor have made millions.

In my judgment, many U.S. firms caught in a competitive battle internationally, are opting for cheap labor rather than investing here at home in research and development, and education and training that could lead to long-term productivity and quality gains in the United States. The Bush administration is actively promoting this flawed strategy in its earnest pursuit of the NAFTA. U.S. companies cannot ultimately be globally pre-eminent by relying solely on short-term, low wage strategies to bring down U.S. cost structures. Any potential NAFTA should not permit United States companies to turn their backs on the plight of either United States or Mexican workers' well-being.

Mr. Speaker, I ask you, is this the kind of continent we want? A continent of declining wages and increasing unemployment in entire sectors of the U.S. work force? A continent where United States consumers benefit from American workers who don't earn a fair wage. Is this the kind of future we want to leave our children? I say absolutely not. Unless there is a dramatic shift in the content of what is currently being negotiated by the Bush administration, his agreement will not be supported by this Member of Congress, and many others. As Members of Congress, we must be sure that any agreement will raise incomes and expand jobs in the United States, Canada, and Mexico. Nothing short of this will do.

□ 2140

Mr. Speaker, I yield to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I just wanted to say to the gentlewoman that there are a number of bluecollar Republicans who join with her in opposing the North American Free-Trade Agreement, the so-called Free-Trade Agreement with Mexico. Let me just say that one problem that we have is that neither one of the Presidential candidates or both of the Presidential candidates, President Bush, who I support very strongly, and Bill Clinton, who the gentlewoman, I think, supports very strongly, both of them have on several separate occasions endorsed the Mexican Free-Trade Agreement.

The only Presidential contender who objected to the Mexican Free-Trade Agreement was Ross Perot, who is no longer in the race.

So let me say to the gentlewoman that I think it is important for us on the House floor, Republicans and Democrats, to analyze this agreement and to point out the problems and the dangers for American workers and American businesses.

One thing I would like to say to the gentlewoman is that one problem that we have, we discussed the environment today and the fact that we want Mexico to put good environmental laws on the books. The problem is, they have excellent environmental laws on the books, but they do not have enforcement.

And we have to look at this agreement as it is going to be enacted and as it is going to be implemented, not merely as it is going to be written.

If history is a determinant of what the future is going to be, I think we can anticipate that there will be nice words written on pieces of paper, minute orders and commitments to environmental cleanup that when funds run low in the Mexican treasury and when other items take priority, they will be ignored and we will see a continuation of a situation like we have in California where the New River, coming through the industrial area in Mexicali, comes into the United States as the most polluted river in North America and deposits its toxics and other dangerous contaminants in the Salton Sea on the North American side.

TRADE AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. HUNTER] is recognized for 5 minutes.

Mr. HUNTER. Mr. Speaker, I just want to tell the gentlewoman that thousands of jobs are at stake, and it is very important that we remember, as the cry goes out that somehow the Mexican Free-Trade Agreement will help consumers, that the real definition of a consumer in this country is an American worker with a job and a paycheck. And consumer items are not our problem right now.

We have got all the cheap consumer items we need with ads blaring on radio and television and K-Mart shoppers attention.

What we need are high-paying jobs. This is not because Mexican workers are not productive. It is because they are productive, and they can approach 80 to 90 percent of the productivity of American workers while receiving a dollar an hour wage, so that we must realize that it is not fair for us to throw our workers into the pits with 93-cents-an-hour workers.

Anywhere in the world, no matter how deserving and nice those workers may be, it does not do a credit and it does not accrue to the benefit of American families to do that.

I hope to work with the gentlewoman in the future in advising Governor Clinton and President Bush that their position on free trade is not a correct one.

Ms. KAPTUR. Mr. Speaker, if the gentleman would yield, I greatly look forward to continue working with him. He has been such a leader on this, and he actually knows the problem. He has experienced it. He is close to the border. I come from way north in the United States. But I share exactly his concerns and truly will work with him and try to sensitize the next President of the United States, whoever that might be.

Mr. HUNTER. Mr. Speaker, I thank the gentlewoman. I hope that President Bush takes our advice.

ERIC MONEYPENNY

Mr. HUNTER. Mr. Speaker, I came here tonight to talk about Americanism and a person who literally embodies all the wonderful things, all the wonderful qualities that this Nation is known for around the world. And interestingly, this gentleman is a guy from Australia. His name is Eric Moneypenny. He is a guy who was born in Brisbane in Queensland, Australia, in June 1916. He attended grammar school and high school there.

□ 2150

Later he served at the Battle of Tobruk, and throughout the war he worked for a corporation in the islands of the South Pacific. He worked for a couple of years there, and went to Europe. Finally he traveled to the United States, when he was working for the United States Air Force in England and decided that he would like to come to the United States. He ended up residing in San Diego County, CA, and that is where I met Eric Moneypenny.

The incredible thing about Eric Moneypenny is that in this world of those of us who work in government and make a good living at it, Eric Moneypenny had a desire to help people, and he did it for free. He came to my office and he offered to work on housing for people who could not afford housing, and to work housing issues, and he asked nothing for it.

For the wonderful folks of National City, and Coronado, and Chula Vista, and Imperial Beach, and Lemon Grove, and San Diego County, and later on all of East County, El Cajon, and La Mesa and points west or points east, all the way out to Imperial County in California, Eric Moneypenny was not only a smiling face for folks who came into the office that needed help, but he was a guy who knew how to get things done. He had been working for the city of Chula Vista as a part-time senior housing specialist, and remained there until 1992. Every time he had a spare moment he went to work as a volunteer for his fellow Americans.

Eric Moneypenny has decided to go back to Australia, and this country is going to be poorer for his absence. I just want to say to Eric and to all of the people who are like Eric, who work for this country and for their fellow man for no pay, because they believe in the goodness of America, thank you for what you have done. You have truly made Australia a rich and wonderful place in the hearts of many Americans like myself who do not know much about Australia except for Eric Moneypenny.

IN MEMORY OF GEORGE THOMAS LELAND III

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. WASHINGTON] is recognized for 5 minutes.

Mr. WASHINGTON. Mr. Speaker, this evening I rise in memory of George Thomas Leland III, departed, and remind Members that the person affectionately known as Mickey Leland to all of them died 3 years ago tomorrow, on August 7, 1989, in a plane crash in Ethiopia. He died proving that effort is its own reward.

He was a colleague of most of the Members, the present Members of the U.S. House of Representatives. He was a friend of all who knew him. Since I have been in Congress as the successor to that office, I have heard thousands of Mickey Leland stories. I knew before I came here that he touched the lives of so many people because I had the pleasure of being his friend for many years, beginning in 1971 when we were both college students at Texas Southern University in Houston. That friendship lasted through until his death, and is with me now.

Mickey Leland was a great friend of all people, I believe. He believed in the brotherhood of mankind. He proved that greater love hath no man than he who would lay down his life for his friend, because he literally died for the cause in which he believed so deeply, and that is feeding hungry people throughout the world, and most especially in Ethiopia.

I pause at this time and at this late hour just for that purpose, to say that Mickey is gone but not forgotten.

LEGISLATION TO APPLY THE COMMUNITY REINVESTMENT ACT TO FOREIGN BANKS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois, [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, today I am introducing the Community Reinvestment Act Amendments of 1992. This legislation applies the Community Reinvestment Act [CRA] to all foreign bank branches operating in the United States. It is important that foreign banks operating in this country be committed to lending in the United States. Currently, CRA applies to all domestic banks, foreign subsidiaries, and FDIC-insured foreign branches. This legislation adds uninsured foreign branches to this list.

Today, foreign banks hold 24 percent of the banking assets in the United States. Until re-

cently, it was common knowledge that foreign banks hold 30 percent of the commercial and industrial loans in the United States. Now the Federal Reserve has just revised that figure to 45 percent after taking into account loans by offshore institutions to U.S. borrowers.

Our country obviously needs the credit foreign banks are extending. And foreign banks have made a serious investment in their U.S. operations. We must make sure our goals and the foreign banks' goal do not diverge. We must make sure that people who live in Anytown U.S.A. or own businesses on Main Street America can obtain credit. For this reason, all foreign institutions accepting deposits here in the United States must come under the jurisdiction of CRA. This is the only way we can make sure banks are putting money back into the neighborhoods from which they take deposits.

I am certain that non-FDIC insured foreign banks will howl in protest about this bill. They will use the overregulation argument, much the same as the domestic banks did when CRA was first enacted and when it was amended in FIRREA. They will ask for special status because they are foreign institutions serving a different clientele. But let me remind them that this legislation fully complies with the principle of national treatment. Foreign banks are still given all the rights and privileges of domestic banks. Under my bill, foreign branches are treated exactly the same as domestic branches. Both will have to comply with CRA.

The impetus behind this legislation is the low loan to asset ratios of some of the largest foreign financial institutions in this country. As I had mentioned in a June 9 floor statement, a number of foreign financial institutions operating in this country have very low loan to asset ratios in the United States. Fuji Bank, the fifth largest bank in the world has a 29-percent loan to asset ratio at its main New York branch. Overall, only 33 cents of every dollar of Fuji's assets in the United States are loans. This is not enough.

This picture was not always so grim. While large foreign banks located in the United States generally have a much lower loan to asset ratio than domestic institutions, the differential has widened during the recent credit crunch. In 1988, large domestic institutions had an average loan to asset ratio of 62 percent. Large foreign banks in the United States weighted in with a loan to asset ratio of 49 percent. In 1991, large domestic institutions dipped to a loan to asset ratio to 60 percent, while large foreign institutions tumbled to a loan to asset ratio of only 40 percent.

It appears that large foreign banks abandoned Americans and American businesses in their time of need. During the credit crunch of the last few years, large foreign institutions tightened the reins on lending much more than domestic institutions. Foreign financial institutions are not demonstrating as a great a commitment to the lending in the United States as their domestic counterparts. If they will not voluntarily make this commitment, then the laws should be changed to require them to do so. This bill serves exactly that purpose.

The Community Reinvestment Act Amendments of 1992 does not impose onerous restrictions on foreign branches. It only mandates that they follow the same regulations as their domestic counterparts. And even more importantly, it requires foreign bank branches to provide for the credit needs of the communities in which they do business. That is not asking too much of institutions which gather deposits in the United States.

INTRODUCTION OF LEGISLATION TO DIRECT THE IRS TO MODIFY PURCHASE PRICE LIMITS UNDER THE MORTGAGE REVENUE BOND PROGRAM TO REFLECT HOUSING COSTS IN WESTCHESTER COUNTY, NY

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, today I rise to introduce legislation to enable more first-time home buyers in Westchester County to obtain low-interest mortgages under the Federal Mortgage Revenue Bond [MRB] Program. The bill would raise the maximum purchase price that low- and moderate-income home buyers in Westchester County can pay for homes financed through the MRB Program to a level that more accurately reflects housing costs in Westchester County. Only with this change can Westchester residents have an opportunity to participate fully in the MRB Program.

This legislation will help make the American dream a reality for more Westchester residents. During this recession, too many families are having to forgo home ownership, because they cannot afford to finance a home. This bill will give Westchester residents an equal opportunity to participate in this successful program by adjusting it to market conditions in our community.

The MRB Program allows States and municipalities to sell tax-free municipal bonds and to use the proceeds to offer below-market rate mortgages to qualified first-time home buyers. The program targets low- and moderate-income people through caps on the incomes of participants and on the price of homes that can be purchased.

Unfortunately, in certain areas, such as Westchester County, those limits are set so low that they severely inhibit participation in the program. This occurs because the figures governing Westchester County's participation in the MRB Program are based on the Census Bureau's metropolitan statistical area [MSA], which includes Westchester County and New York City. Not surprisingly, Westchester's housing prices are not reflected in overall metropolitan figures. Consequently, statistics for the MSA do not accurately represent conditions in Westchester.

The National Affordable Housing Act of 1990 included language which I wrote to separate Westchester County from New York City's MSA for the purpose of calculating Westchester's median income. Previously, the income figures for the New York City MSA were so low that Westchester was being shortchanged on housing assistance, because eligibility for such programs is usually tied to median income levels.

My amendment to the National Affordable Housing Act solved that problem without altering New York City's income calculation. The language directed the Department of Housing and Urban Development [HUD], in measuring New York City's MSA, keep Westchester in New York City's MSA. This ensures that Westchester receives its fair share of housing assistance based on its own income figures, without adversely affecting New York City's housing programs.

In order for Westchester to effectively participate in the MRB Program, it is necessary to make a similar change in the way the program's purchase price limits are set.

When the Internal Revenue Service [IRS] sets the maximum purchase price in Westchester County for homes financed through the MRB Program, it groups Westchester together with New York City where average housing costs are significantly lower. The average cost of a three-bedroom home in Westchester County is over $312,000—$115,000 more than a similar residence in New York City. Westchester residents participating in the MRB Program, as it is currently structured, must buy a house valued at less than $145,000. The supply of single-family homes in this price range is extremely small. This naturally restricts the number of homes that qualified home buyers in Westchester can choose. Consequently, Westchester County's participation in the program is very limited.

Other communities in New York State and the Nation, which have purchase price limits geared to their own markets, are participating in the MRB Program at a much higher rate than Westchester County. Suffolk County, for example, which has its own purchase price limits, participates in the MRB Program 10 times as much as Westchester County. Raising Westchester's purchase price limit to a level that reflects the Westchester market would help more low- and moderate-income people in our area purchase homes through the program.

The Mortgage Revenue Bond Program is a valuable tool for helping low- and moderate-income people overcome barriers to home ownership. But current law unnecessarily restricts many residents in Westchester County from participating in the program. The legislation which I am introducing today would correct that problem at a time when more and more Americans are losing sight of the dream of home ownership. This measure can help keep that dream alive.

IN MEMORY OF DAN CERCONE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. COYNE] is recognized for 5 minutes.

Mr. COYNE. Mr. Speaker, today I am proud to pay tribute to Dan Cercone, a man who was an outstanding citizen of the city of Pittsburgh and a friend to many individuals in our community, especially to the residents of the Bloomfield section of Pittsburgh. Dan Cercone passed away on July 6, 1992, at the age of 79.

Dan Cercone came to western Pennsylvania in 1925 at the age of 12 from his native Italy. He entered our country excited about taking

part in the American experiment in liberty and individual opportunity. He also celebrated the idea of community commitment and a shared responsibility to make the world a better place for each new generation.

Dan Cercone was an integral part of the Bloomfield community in Pittsburgh. A barber by profession, he was known as one of the best in the business. While his barber shop was a popular site to visit in Bloomfield, Dan Cercone was known far outside his local community as the only four time national award winner in men's hair styling. He developed and patented a unique brand of scissors which revolutionized his industry and are in wide use today in communities across America.

Over the course of a remarkable life, Dan Cercone served his community in a large number of civic roles which earned him the unofficial title of "Mayor of Bloomfield." Dan Cercone was known for his willingness to take younger men and women under his wing and serve as a mentor. He sponsored other Italian immigrants. He established and funded youth sports leagues and organized and supported several civic and business associations. While Dan never sought elected office, he earned the gratitude of many local public officials who benefitted from his sage advice on issues of concern to the residents of Bloomfield and the city of Pittsburgh. "The Mayor of Bloomfield" represented his constituents well.

Mr. Speaker, Dan Cercone was a man who lived his life well and served both his family and his community in many ways. He never wasted his time with rhetoric about family values. He set a true example of daily commitment to family values for both his daughter and grandchildren as well as the community at large. Dan Cercone was a man who will be long remembered with gratitude and affection in Bloomfield and the city of Pittsburgh. I join with the men and women of our community in paying tribute to Dan Cercone, a friend to all who knew him.

HOUSE REPUBLICAN BUDGET ENFORCEMENT OPTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. GRADISON] is recognized for 10 minutes.

Mr. GRADISON. Mr. Speaker, members of the House Budget Committee participated in a series of Budget Committee meetings over several weeks at which various reforms in the congressional budget process were discussed. At the end of this process, we concluded that the best reform in the way the budget is formulated and executed continues to be a constitutional amendment to require a balanced budget. That continues to be our first choice.

Our fallback, second-best option would be to amend the Panetta proposal, H.R. 5676 to remove any possibility of an automatic tax increase or an automatic reduction of Social Security benefits. We would also seek to maintain a firewall between domestic and nondomestic spending.

Our ideas are incorporated in the following one-page explanation I would like to include in the RECORD at this point.

HOUSE REPUBLICAN BUDGET ENFORCEMENT OPTION

Principles: Strike automatic Social Security cuts and tax increases from Panetta's plan, add a firewall and add Stenholm balanced budget constitutional amendment concepts.

Goal: Achieve balanced budget by fiscal year 1998, by restraining spending, without raising taxes or reducing Social Security.

THREE-FIFTHS MAJORITY TO ADOPT TWO-YEAR JOINT BUDGET

At the beginning of each Congress, a two-year Joint Budget Resolution would be enacted. This would bring the President to the bargaining table at the beginning of the budget cycle, not the end.

The Joint Resolution would establish for the two upcoming fiscal years the total amount of budget authority and outlays for discretionary spending, total mandatory spending levels, the revenue floor, and the public debt limit.

If carrying out the Joint Resolution would result in a deficit for any year, a three-fifths majority of the whole number of each house would be required to pass it. Further, spending could exceed levels provided in the Joint Resolution only if agreed to by a three-fifths majority of the whole number of each house—similar to Stenholm Constitutional Amendment.

No spending or tax bills or congressional budget resolutions could be considered until the Joint Budget Resolution had been enacted. The President would not be required to send a budget to Congress until the Joint Budget Resolution had been enacted.

If a Joint Budget Resolution failed to be enacted before the beginning of a fiscal year, then appropriations are deemed to have been enacted at the lower of the prior year's level or current services.

MAKE THE FOLLOWING ADDITIONAL CHANGES TO THE PANETTA BILL

Strike automatic tax increases: H.R. 5676 would automatically impose an additional, new tax bracket and would reduce or eliminate indexation of tax brackets as part of the sequestration process. That is, unlike the Democratic bill, the Republican plan would not include automatic tax increases when Congress failed to reduce spending.

Strike automatic Social Security reductions: H.R. 5676 would reduce Social Security benefits when sequestration is carried out to enforce pay-as-you-go requirements. The Republican plan would not reduce Social Security benefits.

Impose separate appropriations caps for National Security—including international affairs—and for domestic discretionary spending. H.R. 5676 would put an overall cap on all appropriations, running the risk of gutting defense in order to satisfy demands for ever more domestic spending. The Republican plan would provide two separate caps. If spending in either area was less than the cap, the savings would be used for deficit reduction.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. CLEMENT (at the request of Mr. GEPHARDT) for today, after 1 p.m., on account of official business.

Mr. GORDON (at the request of Mr. GEPHARDT) for today, after 1:15 p.m., on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special order heretofore entered, was granted to:

(The following Members (at the request of Mr. HUNTER) to revise and extend their remarks and include extraneous material:)

Mr. GRADISON, for 10 minutes, today.

Mr. HUNTER, for 5 minutes, today.

(The following Members (at the request of Mr. WASHINGTON) to revise and extend their remarks and include extraneous material:)

Mr. PEASE, for 5 minutes, today.

Mr. WASHINGTON, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. SAVAGE, for 60 minutes each day, on September 15, 22, 29 and October 6.

Mrs. COLLINS of Illinois, for 5 minutes each day, on September 9, 10, 11, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 28, 29 and 30.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HUNTER) and to include extraneous matter:)

Mr. DORNAN of California.
Mr. SMITH of New Jersey.
Mr. GILMAN.
Mr. SAXTON.
Mr. BLAZ.
Mr. BEREUTER.
Mr. SANTORUM.
Mr. EMERSON.
Mr. YOUNG of Alaska.
Mr. CAMP in two instances.
Mr. THOMAS of California in two instances.
Mr. MARLENEE.
Mr. PORTER.

(The following Members (at the request of Mr. WASHINGTON) and to include extraneous matter:)

Mr. FASCELL in three instances.
Mr. VISCLOSKY.
Mr. ROE.
Ms. DELAURO.
Mr. REED.
Mr. ACKERMAN.
Mr. YATRON.
Mr. ASPIN.
Mr. FALEOMAVAEGA.
Ms. NORTON.
Mr. DORGAN of North Dakota.
Mrs. SCHROEDER.
Mr. VALENTINE.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4437. An act to authorize funds for the implementation of the settlement agreement reached between the Pueblo de Cochiti and the United States Army Corps of Engineers under the authority of Public Law 100-202.

ADJOURNMENT IN MEMORY OF GEORGE THOMAS LELAND, III

Mr. WASHINGTON. Mr. Speaker, I ask unanimous consent that when the House adjourn tonight, it adjourn in the memory of George Thomas "Mickey" Leland III.

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

There was no objection.

ADJOURNMENT

Mr. WASHINGTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 55 minutes p.m.) under its previous order, the House adjourned until Monday, August 10, 1992, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4073. A letter from the Secretary of the Interior, transmitting certification that the lands to be irrigated are capable of sustained agricultural production and will not result in toxic or hazardous irrigation return flows; jointly, to the Committees on Appropriations and Interior and Insular Affairs.

4074. A letter from the Acting Chairman, Nuclear Regulatory Commission, transmitting the Commission's report on abnormal occurrences at licensed nuclear facilities for the first calendar quarter of 1992; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 5008. A bill to amend title 38, United States Code, to reform the formula for payment of dependency and indemnity compensation to survivors of veterans dying from service-connected causes, and for other purposes (Rept. 102–753, Pt. 2). Ordered to be printed.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4715. A bill to authorize expenditures for fiscal year 1993 for the operation and maintenance of the Panama Canal, and for other purposes; with an amendment (Rept. 102–790). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. S. 1029. An act to designate certain lands in the State of Colorado as components of the National Wilderness Preservation System, and for other purposes; with an amendment (Rept. 102–810, Pt. 1). Ordered to be printed.

Mr. FORD of Michigan: Committee of Conference. Conference report on H.R. 3033 (Rept. 102–811). Ordered to be printed.

Mr. ASPIN: Committee on Armed Services. H.R. 4164. A bill to provide for the transfer of excess land to the Government of Guam, and for other purposes; with an amendment (Rept. 102–812, Pt. 1). Ordered to be printed.

Mr. ASPIN: Committee on Armed Services. H.R. 4404. A bill to withdraw and reserve certain public lands and minerals within the State of Colorado for military uses, and for other purposes; with an amendment (Rept. 102–813, Pt. 1). Ordered to be printed.

Mr. DINGELL: Committee on Energy and Commerce. H.R. 4016. A bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to require the Federal Government, before termination of Federal activities on any real property owned by the Government, to identify real property where no hazardous substance was stored, released, or disposed of; with an amendment (Rept. 102–814). Referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4802. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *Mariposa* (Rept. 102–791). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4987. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States (Rept. 102–792). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5094. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *A Weigh of Life* (Rept. 102–793). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5128. A bill to authorize a certificate of documentation for the vessel *Reddy Jane* (Rept. 102–794). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5148. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States (Rept. 102–795). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5163. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *Wild Goose* (Rept. 102–796). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5197. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States (Rept. 102–797). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5190. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States. (Rept. 102–798). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5226. A bill to authorize a certificate of documentation for the vessel *Touch of Class*. (Rept. 102–799). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5227. A bill to authorize a certificate of documentation for the vessel *Liquid Gold*. (Rept. 102–800). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5228. A bill to authorize a certificate of documentation for the vessel *Delphinus II*. (Rept. 102–801). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5358. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *Caminante*. (Rept. 102–802). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5410. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States. (Rept. 102–803). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5425. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *High Calibre* (Rept. 102–804). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4719. A bill to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *50–50* (Rept. 102–805). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4469. A bill to clear certain impediments to the licensing of the vessel *Hazana* for employment in the coastwise trade of the United States (Rept. 102–806). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 4191. A bill to clear certain impediments to the licensing of the vessel *Southern Yankee* for employment in the coastwise trade of the United States (Rept. 102–807). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 3086. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States (Rept. 102–808). Referred to the Committee of the Whole House.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 3005. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States (Rept. 102–809). Referred to the Committee of the Whole House.

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. CHANDLER (for himself, Mr. HUGHES, and Mr. BOEHLERT):

H.R. 5786. A bill to establish a Commission on Retirement Income Policy; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. ALLEN (for himself, Mr. ROHRABACHER, Mr. DANNEMEYER, Mr. SMITH of Texas, Mr. COBLE, and Mr. BOEHNER):

H.R. 5787. A bill to repeal the Service Contract Act of 1965; to the Committee on Education and Labor.

By Mr. ANNUNZIO:

H.R. 5788. A bill to amend the Community Reinvestment Act of 1977 to include domestic branches of foreign banks within the scope of the act; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BROOKS:

H.R. 5789. A bill to authorize the Secretary of the Army to construct a child care facility for Federal employees at Fort Point, Galveston, TX, and for other purposes; to the Committee on Armed Services.

By Mr. DARDEN:

H.R. 5790. A bill to repeal the mandatory 20-percent income tax withholding on eligible rollover distributions which are not rolled over; to the Committee on Ways and Means.

By Mr. JACOBS (for himself and Mr. BURTON of Indiana):

H.R. 5791. A bill entitled, "Domestic Relations Order Interstate Compliance Act of 1992"; to the Committee on the Judiciary.

By Mr. JACOBS (for himself, Mr. DOWNEY, Mr. MATSUI, Mr. GIBBONS, Mr. CARDIN, and Mr. MCDERMOTT):

H.R. 5792. A bill to provide for the inclusion of specific items in any listing of impairments for the evaluation of human immunodeficiency virus [HIV] infection prescribed in regulations of the Secretary for use in making determinations of disability under titles II and XVI of the Social Security Act; to the Committee on Ways and Means.

By Mrs. LOWEY of New York:

H.R. 5793. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain areas in applying the purchase price requirements applicable to mortgage revenue bonds; to the Committee on Ways and Means.

By Mr. SHAYS (for himself and Mr. MFUME):

H.R. 5794. A bill to amend title IV of the Social Security Act to eliminate disincentives in the program of aid to families with dependent children that prevent recipients of such aid from working toward self-sufficiency; to the Committee on Ways and Means.

H.R. 5795. A bill to amend the Internal Revenue Code of 1986 to stimulate employment in, and to promote revitalization of, targeted urban areas designated as enterprise zones, by providing Federal tax relief for employment and investments, and for other purposes; jointly, to the Committee on Ways and Means, the Judiciary, and Banking, Finance and Urban Affairs.

By Mr. YOUNG of Alaska:

H.R. 5796. A bill to implement the Convention for the Conservation of Anadromous Stocks in the North Pacific Ocean, signed in Moscow, February 11, 1992; to the Committee on Merchant Marine and Fisheries.

By Mr. HUNTER (for himself, Mr. BENNETT, Mr. BLAZ, Mr. BUSTAMANTE, Mr. CONDIT, Mr. CUNNINGHAM, Mr. DORNAN of California, Mr. GINGRICH, Mr. HAMMERSCHMIDT, Mr. HORTON, Mr. JOHNSON of Texas, Mr. CRAMER, Mr. MCGRATH, Mr. MCNULTY, Ms. OAKAR, Mr. PACKARD, Mr. PARKER, Mr. RITTER, Mr. SANTORUM, Mr. SAXTON, Mr. SOLOMON, and Mr. TOWNS):

H. Con. Res. 354. Concurrent resolution expressing the sense of the Congress that a United States guided missile cruiser should be named the "U.S.S. Pearl Harbor"; to the Committee on Armed Services.

By Mr. COLEMAN of Texas:

H. Res. 546. Resolution concerning the crisis in Bosnia-Hercegovina; to the Committee on Foreign Affairs.

By Mr. DANNEMEYER (for himself, Mr. ARMEY, Mr. FIELDS, Mr. STUMP, and Mr. HOLLOWAY):

H. Res. 547. Resolution expressing the sense of the House of Representatives that a Presidential commission should be established to investigate whether there has been any measurable depletion of stratospheric ozone beyond that caused by natural phenomena, whether it has been proven that the use of chlorofluorocarbons damages stratospheric ozone, and whether the phaseout of chlorofluorocarbons will have any effect on stratospheric ozone; jointly, to the Committees on Science, Space, and Technology and Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. DICKS introduced a bill (H.R. 5797) for the relief of Thomasina Coltrain; 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. 252: Mr. MARKEY.
H.R. 338: Mrs. MINK.
H.R. 643: Mr. ROBERTS.
H.R. 766: Ms. WATERS.
H.R. 919: Mr. BARRETT.
H.R. 943: Mr. JONTZ.
H.R. 944: Mr. PALLONE.
H.R. 1473: Mr. PENNY.
H.R. 1527: Mr. ANDREWS of Maine.
H.R. 1573: Mr. GONZALEZ, Mr. MARTINEZ, Mr. GINGRICH, Mr. EMERSON, Mr. GORDON, Mr. JACOBS, Mr. JOHNSON of South Dakota, and Mr. THORNTON.
H.R. 1771: Mr. YOUNG of Florida.
H.R. 2164: Mr. PALLONE, Mrs. BYRON, Mr. LAROCCO, Mr. COX of Illinois, Mr. BRYANT, Mr. ORTON, Mr. STALLINGS, Mrs. LLOYD, Mr. SIKORSKI, Mr. PETERSON of Minnesota, and Mr. MCCLOSKEY.
H.R. 2385: Mr. RHODES and Mr. SLATTERY.
H.R. 2625: Mr. CAMPBELL of Colorado, Mr. SAXTON, Mr. SANTORUM, Mr. BREWSTER, Mr. MCCANDLESS, Mr. KLUG, Mr. MYERS of Indiana, and Mr. HEFLEY.
H.R. 3561: Mr. WYLIE.
H.R. 4192: Mr. DARDEN.
H.R. 4418: Mr. HASTERT, Mr. HAYES of Illinois, Mr. EVANS, Mr. MARLENEE, Mr. ROE, Mr. LAGOMARSINO, Mr. MINETA, Mr. MOORHEAD, Mr. BARTON of Texas, Mr. JEFFERSON, and Mr. RINALDO.
H.R. 4551: Mr. SWIFT, Mr. RICHARDSON, Mr. WOLPE, and Mr. DEFAZIO.
H.R. 4606: Mr. SCHAEFER and Ms. ROS-LEHTINEN.
H.R. 4749: Mr. PACKARD.
H.R. 5003: Mr. SCHAEFER.
H.R. 5117: Mr. ATKINS, Mr. FRANK of Massachusetts, and Mr. RICHARDSON.
H.R. 5162: Mr. MAVROULES, Mr. BERMAN, Mr. DELLUMS, Mr. SYNAR, Mr. BEILENSON, Mr. KOSTMAYER, Mr. OBERSTAR, Mr. BROWN, Mr. WALSH, Mr. FISH, Mr. SABO, Mr. TOWNS, Mr. WEISS, and Mr. OWENS of New York.
H.R. 5231: Mr. CHAPMAN.
H.R. 5234: Mr. PANETTA and Mr. PACKARD.
H.R. 5250: Mr. LENT, Mr. PICKETT, Mr. HUTTO, Mr. POSHARD, Mr. GEREN of Texas, Mr. LAUGHLIN, Mr. BOEHNER, Mr. SCHAEFER, Mr. PAXON, Mr. SANTORUM, and Mr. ROWLAND.
H.R. 5282: Ms. ROS-LEHTINEN.
H.R. 5316: Mr. HOUGHTON.
H.R. 5389: Mr. PORTER and Mr. ATKINS.
H.R. 5507: Mr. EVANS.
H.R. 5521: Mr. HOCHBRUECKNER, Mr. WALSH, Mr. SPENCE, Mr. BACCHUS, and Mr. VALENTINE.
H.R. 5530: Mr. RITTER.
H.R. 5550: Mr. SCHAEFER.
H.R. 5552: Mr. SCHAEFER.
H.R. 5553: Mr. SCHAEFER.
H.R. 5592: Mr. SHAYS.
H.R. 5610: Mr. GILLMOR, Mr. HUGHES, and Mr. IRELAND.
H.R. 5626: Ms. LONG.
H.R. 5729: Mr. RAMSTAD, Mr. COBLE, Mr. GOSS, Mr. DORNAN of California, and Mr. FAWELL.
H.R. 5733: Mr. GRANDY, Mr. ARCHER, and Mr. KYL.
H.R. 5740: Mr. LAFALCE and Mr. ORTON.
H.R. 5760: Mr. PARKER.
H.R. 5773: Mr. ALLEN, Mr. BARTON of Texas, Mr. BLILEY, Mr. CAMPBELL of California, Mr. COBLE, Mr. FAWELL, Mr. GOSS, Mr. LEWIS of Florida, Mr. PACKARD, Mr. RHODES, Mr. RITTER, Mr. ROHRABACHER, Mr. SENSENBRENNER, Mr. SMITH of Texas, and Mr. ZIMMER.
H.R. 5775: Mr. BOEHNER and Mr. WALSH.
H.J. Res. 106: Mr. BURTON of Indiana.
H.J. Res. 422: Mr. ECKART, Mr. FIELDS, Mr. HARRIS, Mr. HUBBARD, Mr. JONES of North Carolina, Mr. KOLTER, Mr. STAGGERS, Mr. HALL of Texas, and Mr. BEILENSON.
H.J. Res. 454: Ms. MOLINARI, Mr. CHAPMAN, and Mrs. MEYERS of Kansas.
H.J. Res. 471: Mr. LIVINGSTON, Mr. LANTOS, Mr. MCMILLEN of Maryland, Mrs. ROUKEMA, Mr. GUARINI, Mr. TOWNS, Mr. KLECZKA, Mr. COUGHLIN, Mr. SHAYS, Mr. WOLPE, Mr. SPRATT, Mr. MONTGOMERY, Mr. YOUNG of Alaska, Mr. LAFALCE, Mr. HORTON, Mr. COLEMAN of Texas, Mr. SANDERS, Mr. ESPY, Mr. CRAMER, Mr. ROE, Mr. YOUNG of Florida, Ms. NORTON, Mr. EVANS, Mr. SERRANO, Mr. KASICH, and Mr. BENNETT.
H.J. Res. 475: Mr. BATEMAN.
H.J. Res. 492: Mr. CLEMENT, Mr. DE LA GARZA, Mr. YOUNG of Florida, Mrs. VUCANOVICH, Mr. MCCOLLUM, Mr. BONIOR, Mr. BROWDER, Mr. ACKERMAN, Mr. WEISS, Mr. BRUCE, Mr. PAYNE of Virginia, Mr. SABO, Mr. LEWIS of Georgia, Mr. SHUSTER, Mr. JONES of Georgia, Mr. PETERSON of Florida, Mr. RAHALL, Mr. SANGMEISTER, Mr. BOEHLERT, Mr. INHOFE, Mr. DUNCAN, Mr. HANCOCK, Mr. MINETA, Mr. COX of California, Mr. PETRI, Mr. ZELIFF, Mr. COSTELLO, Mr. LAUGHLIN, Mr. EWING, Mr. MATSUI, Mr. DOWNEY, Mr. GEKAS, Mr. SAWYER, Mr. LIPINSKI, Mr. BALLENGER, Mr. NICHOLS, Mr. SOLARZ, Mr. DELLUMS, Mr. LAGOMARSINO, Mr. ROYBAL, Mr. BERMAN, Ms. WATERS, Mr. MARTINEZ, Mr. DYMALLY, Mr. LOWERY of California, Mr. LEWIS of California, Mr. SCHULZE, Mr. MURTHA, and Ms. PELOSI.
H.J. Res. 530: Mr. CLEMENT, Mr. COSTELLO, Mr. ANDREWS of Texas, Mr. SUNDQUIST, Mr. GUARINI, Mr. KLUG, Mr. MCNULTY, Mr. WALSH, Mr. COUGHLIN, Mr. TOWNS, Ms. SNOWE, Mr. HORTON, Mr. DOWNEY, Mrs. LLOYD, Mr. HENRY, Mr. MCMILLAN of North

Carolina, Mr. LEHMAN of California, Mr. FROST, Mr. GEREN of Texas, Mr. MARTIN, Mr. CRAMER, Mr. BRUCE, Mr. KLECZKA, Mr. PAYNE, of New Jersey, and Mr. POSHARD.

H. Con. Res. 344: Mr. WOLPE, Ms. LONG, Mr. MCCLOSKEY, Mr. WEISS, Mr. CHANDLER, Mr. GEJDENSON, Mrs. MINK, Mr. MFUME, Mr. SCHUMER, and Mr. CLEMENT.

H. Con. Res. 347: Mr. EVANS and Mr. HUGHES.

H. Con. Res. 352: Mr. HAMILTON and Mr. BROOMFIELD.

H. Res. 484: Mr. WELDON, Mr. PORTER, Mr. HUTTO, Mr. HUCKABY, and Mr. SCHAEFER.

H. Res. 490: Mr. KOSTMAYER, Mr. MAVROULES, and Mr. GOSS.

H. Res. 515: Mrs. MINK, Mr. DEFAZIO, Mr. GEJDENSON, Mr. MFUME, Mr. BLACKWELL, Mr. FAWELL, Mr. COSTELLO, Mr. EVANS, Mr. ANDREWS of Maine, Mr. OWENS of New York, Mr. ABERCROMBIE, Mr. COX of Illinois, Mr. ORTON, Mr. KENNEDY, Ms. WATERS, Mr. LIPINSKI, Ms. DELAURO, Mr. TRAFICANT, and Mr. PETERSON of Minnesota.

H. Res. 524: Mr. MURPHY, Mr. KILDEE, Mr. GOODLING, Mr. COLEMAN of Missouri, and Mr. FAZIO.

H. Res. 538: Ms. NORTON and Mrs. MEYERS of Kansas.

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. 1079: Mr. JONTZ.