

104<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 4278**

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## **AN ACT**

Making omnibus consolidated appropriations for the  
fiscal year ending September 30, 1997, and for  
other purposes.

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## AN ACT

Making omnibus consolidated appropriations for the fiscal year ending September 30, 1997, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

## DIVISION A

1

2 That the following sums are appropriated, out of any  
3 money in the Treasury not otherwise appropriated, for the  
4 several departments, agencies, corporations and other or-  
5 ganizational units of the Government for the fiscal year  
6 1997, and for other purposes, namely:

7

## TITLE I—OMNIBUS APPROPRIATIONS

8

9 Sec. 101(a) For programs, projects or activities in  
10 the Departments of Commerce, Justice, and State, the  
11 Judiciary, and Related Agencies Appropriations Act,  
12 1997, provided as follows, to be effective as if it had been  
13 enacted into law as the regular appropriations Act:

13

## AN ACT

14 Making appropriations for the Departments of  
15 Commerce, Justice, and State, the Judiciary, and related  
16 agencies for the fiscal year ending September 30, 1997,  
17 and for other purposes.

18

## TITLE I—DEPARTMENT OF JUSTICE

19

## GENERAL ADMINISTRATION

20

## SALARIES AND EXPENSES

21

22 For expenses necessary for the administration of  
23 the Department of Justice, \$75,773,000; of which not to  
24 exceed \$3,317,000 is for the Facilities Program 2000, to  
25 remain available until expended: *Provided*, That not to  
exceed 43 permanent positions and 44 full-time equiva-

1 lent workyears and \$7,477,000 shall be expended for the  
2 Department Leadership Program exclusive of augmenta-  
3 tion that occurred in these offices in fiscal year 1996:  
4 *Provided further*, That not to exceed 41 permanent posi-  
5 tions and 48 full-time equivalent workyears and  
6 \$4,660,000 shall be expended for the Offices of Legisla-  
7 tive Affairs and Public Affairs: *Provided further*, That the  
8 latter two aforementioned offices shall not be augmented  
9 by personnel details, temporary transfers of personnel on  
10 either a reimbursable or non-reimbursable basis or any  
11 other type of formal or informal transfer or reimburse-  
12 ment of personnel or funds on either a temporary or  
13 long-term basis.

14         For an additional amount, for enhancements for  
15 the Office of Intelligence Policy and Review and security  
16 measures, \$3,600,000; of which \$2,170,000 is for secu-  
17 rity enhancements: *Provided*, That the entire amount is  
18 designated by Congress as an emergency requirement  
19 pursuant to section 251(b)(2)(D)(i) of the Balanced  
20 Budget and Emergency Deficit Control Act of 1985, as  
21 amended.

22                                 COUNTERTERRORISM FUND

23         For necessary expenses, as determined by the At-  
24 torney General, \$9,450,000, to remain available until ex-  
25 pended, to reimburse any Department of Justice organi-  
26 zation for (1) the costs incurred in reestablishing the

1 operational capability of an office or facility which has  
2 been damaged or destroyed as a result of the bombing of  
3 the Alfred P. Murrah Federal Building in Oklahoma City  
4 or any domestic or international terrorist incident, (2)  
5 the costs of providing support to counter, investigate or  
6 prosecute domestic or international terrorism, including  
7 payment of rewards in connection with these activities,  
8 and (3) the costs of conducting a terrorism threat assess-  
9 ment of Federal agencies and their facilities: *Provided*,  
10 That funds provided under this heading shall be available  
11 only after the Attorney General notifies the Committees  
12 on Appropriations of the House of Representatives and  
13 the Senate in accordance with section 605 of this Act.

14       For an additional amount for necessary expenses,  
15 as determined by the Attorney General, \$20,000,000, to  
16 remain available until expended, to reimburse any De-  
17 partment of Justice organization for (1) the costs in-  
18 curred in reestablishing the operational capability of an  
19 office or facility which has been damaged or destroyed as  
20 a result of any domestic or international terrorist inci-  
21 dent, or (2) the costs of providing support to counter, in-  
22 vestigate or prosecute domestic or international terror-  
23 ism, including payment of rewards in connection with  
24 these activities: *Provided*, That the entire amount is des-  
25 ignated by Congress as an emergency requirement pursu-

1 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
2 and Emergency Deficit Control Act of 1985, as amended.

3 ADMINISTRATIVE REVIEW AND APPEALS

4 For expenses necessary for the administration of  
5 pardon and clemency petitions and immigration related  
6 activities, \$62,000,000.

7 For an additional amount for security measures  
8 for the Executive Office of Immigration Review,  
9 \$1,000,000: *Provided*, That the entire amount is des-  
10 ignated by Congress as an emergency requirement pursu-  
11 ant to section 251(b)(2)(D)(i) of the Balanced Budget,  
12 and Emergency Deficit Control Act of 1985, as amended.

13 VIOLENT CRIME REDUCTION PROGRAMS, ADMINISTRATIVE  
14 REVIEW AND APPEALS

15 For activities authorized by section 130005 of the  
16 Violent Crime Control and Law Enforcement Act of 1994  
17 (Public Law 103–322), as amended, \$48,000,000, to re-  
18 main available until expended, which shall be derived  
19 from the Violent Crime Reduction Trust Fund.

20 OFFICE OF INSPECTOR GENERAL

21 For necessary expenses of the Office of Inspector  
22 General in carrying out the provisions of the Inspector  
23 General Act of 1978, as amended, \$31,960,000; including  
24 not to exceed \$10,000 to meet unforeseen emergencies of  
25 a confidential character, to be expended under the direc-  
26 tion of, and to be accounted for solely under the certifi-

1 cate of, the Attorney General; and for the acquisition,  
 2 lease, maintenance, and operation of motor vehicles, with-  
 3 out regard to the general purchase price limitation for  
 4 the current fiscal year.

5 UNITED STATES PAROLE COMMISSION

6 SALARIES AND EXPENSES

7 For necessary expenses of the United States Pa-  
 8 role Commission as authorized by law, \$4,845,000.

9 LEGAL ACTIVITIES

10 SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

11 For expenses, necessary for the legal activities of  
 12 the Department of Justice, not otherwise provided for,  
 13 including not to exceed \$20,000 for expenses of collecting  
 14 evidence, to be expended under the direction of, and to  
 15 be accounted for solely under the certificate of, the Attor-  
 16 ney General; and rent of private or Government-owned  
 17 space in the District of Columbia; \$420,793,000; of  
 18 which not to exceed \$10,000,000 for litigation support  
 19 contracts shall remain available until expended: *Provided*,  
 20 That of the funds available in this appropriation, not to  
 21 exceed \$17,525,000 shall remain available until expended  
 22 for office automation systems for the legal divisions cov-  
 23 ered by this appropriation, and for the United States At-  
 24 torneys, the Antitrust Division, and offices funded  
 25 through “Salaries and Expenses”, General Administra-

1 tion: *Provided further*, That of the total amount appro-  
2 priated, not to exceed \$1,000 shall be available to the  
3 United States National Central Bureau, INTERPOL, for  
4 official reception and representation expenses: *Provided*  
5 *further*, That notwithstanding 31 U.S.C. 1342, the Attor-  
6 ney General may accept on behalf of the United States,  
7 and credit to this appropriation, gifts of money, personal  
8 property and services, for the purposes of hosting the  
9 International Criminal Police Organization's  
10 (INTERPOL) American Regional Conference in the  
11 United States during fiscal year 1997: *Provided further*,  
12 That not to exceed 8 permanent positions and 10 full-  
13 time equivalent workyears and \$987,000 shall be ex-  
14 pended for the Office of Legislative Affairs and Public  
15 Affairs: *Provided further*, That the latter two aforemen-  
16 tioned offices shall not be augmented by personnel de-  
17 tails, temporary transfers of personnel on either a reim-  
18 bursable or nonreimbursable basis or any other type of  
19 formal or informal transfer or reimbursement of person-  
20 nel or funds on either a temporary or long-term basis.

21 In addition, for reimbursement of expenses of the  
22 Department of Justice associated with processing cases  
23 under the National Childhood Vaccine Injury Act of 1986  
24 as amended, not to exceed \$4,028,000, to be appro-



1 priated from the Vaccine Injury Compensation Trust  
2 Fund.

3       For an additional amount for expenses of the  
4 Criminal Division relating to terrorism, \$1,719,000: *Pro-*  
5 *vided*, That the entire amount is designated by Congress  
6 as an emergency requirement pursuant to section  
7 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
8 Deficit Control Act of 1985, as amended.

9 VIOLENT CRIME REDUCTION PROGRAMS, GENERAL LEGAL  
10 ACTIVITIES

11       For the expeditious deportation of denied asylum  
12 applicants, as authorized by section 130005 of the Vio-  
13 lent Crime Control and Law Enforcement Act of 1994  
14 (Public Law 103–322), as amended, \$7,750,000, to re-  
15 main available until expended, which shall be derived  
16 from the Violent Crime Reduction Trust Fund.

17 SALARIES AND EXPENSES, ANTITRUST DIVISION

18       For expenses necessary for the enforcement of  
19 antitrust and kindred laws, \$76,447,000: *Provided*, That  
20 notwithstanding any other provision of law, not to exceed  
21 \$58,905,000 of offsetting collections derived from fees  
22 collected for premerger notification filings under the  
23 Hart-Scott-Rodino Antitrust Improvements Act of 1976  
24 (15 U.S.C. 18(a)) shall be retained and used for nec-  
25 essary expenses in this appropriation, and shall remain  
26 available until expended: *Provided further*, That the sum

1 herein appropriated from the General Fund shall be re-  
2 duced as such offsetting collections are received during  
3 fiscal year 1997, so as to result in a final fiscal year  
4 1997 appropriation from the General Fund estimated at  
5 not more than \$17,542,000: *Provided further*, That any  
6 fees received in excess of \$58,905,000 in fiscal year  
7 1997, shall remain available until expended, but shall not  
8 be available for obligation until October 1, 1997.

9 SALARIES AND EXPENSES, UNITED STATES ATTORNEYS

10 For necessary expenses of the Office of the United  
11 States Attorneys, including intergovernmental agree-  
12 ments, \$923,340,000; of which not to exceed \$2,500,000  
13 shall be available until September 30, 1998, for the pur-  
14 poses of (1) providing training of personnel of the De-  
15 partment of Justice in debt collection, (2) providing serv-  
16 ices to the Department of Justice related to locating  
17 debtors and their property, such as title searches, debtor  
18 skiptracing, asset searches, credit reports and other in-  
19 vestigations, (3) paying the costs of the Department of  
20 Justice for the sale of property not covered by the sale  
21 proceeds, such as auctioneers' fees and expenses, mainte-  
22 nance and protection of property and businesses, adver-  
23 tising and title search and surveying costs, and (4) pay-  
24 ing the costs of processing and tracking debts owed to  
25 the United States Government: *Provided*, That of the  
26 total amount appropriated, not to exceed \$8,000 shall be

1 available for official reception and representation ex-  
 2 penses: *Provided further*, That not to exceed \$10,000,000  
 3 of those funds available for automated litigation support  
 4 contracts shall remain available until expended: *Provided*  
 5 *further*, That \$1,900,000 for supervision of the Inter-  
 6 national Brotherhood of Teamsters national election,  
 7 shall remain available until expended: *Provided further*,  
 8 That in addition to reimbursable full-time equivalent  
 9 workyears available to the Office of the United States At-  
 10 torneys, not to exceed 8,652 positions and 8,936 full-time  
 11 equivalent workyears shall be supported from the funds  
 12 appropriated in this Act for the United States Attorneys.

13       For an additional amount for expenses relating to  
 14 terrorism and security needs, \$10,900,000: *Provided*,  
 15 That the entire amount is designated by Congress as an  
 16 emergency requirement pursuant to section  
 17 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
 18 Deficit Control Act of 1985, as amended.

19 VIOLENT CRIME REDUCTION PROGRAMS, UNITED STATES  
 20 ATTORNEYS

21       For activities authorized by sections 40114,  
 22 130005, 190001(b), 190001(d) and 250005 of the Vio-  
 23 lent Crime Control and Law Enforcement Act of 1994  
 24 (Public Law 103–322), as amended, and section 815 of  
 25 the Antiterrorism and Effective Death Penalty Act of  
 26 1996 (Public Law 104–132), \$43,876,000, to remain

1 available until expended, which shall be derived from the  
2 Violent Crime Reduction Trust Fund, of which  
3 \$28,602,000 shall be available to help meet the increased  
4 demands for litigation and related activities, \$4,641,000  
5 for Southwest Border Control, \$1,000,000 for Federal  
6 victim counselors, and \$9,633,000 for expeditious depor-  
7 tation of denied asylum applicants.

8 UNITED STATES TRUSTEE SYSTEM FUND

9 For necessary expenses of the United States  
10 Trustee Program, as authorized by 28 U.S.C. 589a(a),  
11 \$107,950,000, to remain available until expended and to  
12 be derived from the United States Trustee System Fund:  
13 *Provided*, That notwithstanding any other provision of  
14 law, deposits to the Fund shall be available in such  
15 amounts as may be necessary to pay refunds due deposi-  
16 tors: *Provided further*, That notwithstanding any other  
17 provision of law, \$107,950,000 of offsetting collections  
18 derived from fees collected pursuant to 28 U.S.C.  
19 589a(b) shall be retained and used for necessary ex-  
20 penses in this appropriation and remain available until  
21 expended: *Provided further*, That the sum herein appro-  
22 priated from the Fund shall be reduced as such offsetting  
23 collections are received during fiscal year 1997, so as to  
24 result in a final fiscal year 1997 appropriation from the  
25 Fund estimated at \$0: *Provided further*, That any such  
26 fees collected in excess of \$107,950,000 in fiscal year

1 1997 shall remain available until expended but shall not  
2 be available for obligation until October 1, 1997.

3 SALARIES AND EXPENSES, FOREIGN CLAIMS

4 SETTLEMENT COMMISSION

5 For expenses necessary to carry out the activities  
6 of the Foreign Claims Settlement Commission, including  
7 services as authorized by 5 U.S.C. 3109, \$953,000.

8 SALARIES AND EXPENSES, UNITED STATES MARSHALS

9 SERVICE

10 For necessary expenses of the United States Mar-  
11 shals Service; including the acquisition, lease, mainte-  
12 nance, and operation of vehicles and aircraft, and the  
13 purchase of passenger motor vehicles for police-type use,  
14 without regard to the general purchase price limitation  
15 for the current fiscal year, \$457,495,000, as authorized  
16 by 28 U.S.C. 561(i); of which not to exceed \$6,000 shall  
17 be available for official reception and representation ex-  
18 penses; and of which not to exceed \$4,000,000 for devel-  
19 opment, implementation, maintenance and support, and  
20 training for an automated prisoner information system,  
21 and \$2,200,000 to support the Justice Prisoner and  
22 Alien Transportation System, shall remain available until  
23 expended: *Provided*, That, with respect to the amounts  
24 appropriated above, the service of maintaining and trans-  
25 porting State, local, or territorial prisoners shall be con-  
26 sidered a specialized or technical service for purposes of

1 31 U.S.C. 6505, and any prisoners so transported shall  
 2 be considered persons (transported for other than com-  
 3 mercial purposes) whose presence is associated with the  
 4 performance of a governmental function for purposes of  
 5 49 U.S.C. 40102: *Provided further*, That not to exceed 12  
 6 permanent positions and 12 full-time equivalent  
 7 workyears and \$700,000 shall be expended for the Of-  
 8 fices of Legislative Affairs and Public Affairs: *Provided*  
 9 *further*, That the latter two aforementioned offices shall  
 10 not be augmented by personnel details, temporary trans-  
 11 fers of personnel on either a reimbursable or non-  
 12 reimbursable basis or any other type of formal or infor-  
 13 mal transfer or reimbursement of personnel or funds on  
 14 either a temporary or long-term basis.

15 VIOLENT CRIME REDUCTION PROGRAMS, UNITED STATES

16 MARSHALS SERVICE

17 For activities authorized by section 190001(b) of  
 18 the Violent Crime Control and Law Enforcement Act of  
 19 1994 (Public Law 103–322), as amended, \$25,000,000,  
 20 to remain available until expended, which shall be derived  
 21 from the Violent Crime Reduction Trust Fund.

22 FEDERAL PRISONER DETENTION

23 For expenses, related to United States prisoners  
 24 in the custody of the United States Marshals Service as  
 25 authorized in 18 U.S.C. 4013, but not including expenses  
 26 otherwise provided for in appropriations available to the

1 Attorney General, \$405,262,000, as authorized by 28  
2 U.S.C. 561(i), to remain available until expended: *Pro-*  
3 *vided*, That this appropriation hereafter shall not be  
4 available for expenses authorized under 18 U.S.C.  
5 4013(a)(4).

6 FEES AND EXPENSES OF WITNESSES

7 For expenses, mileage, compensation, and per  
8 diems of witnesses, for expenses of contracts for the pro-  
9 curement and supervision of expert witnesses, for private  
10 counsel expenses, and for per diems in lieu of subsistence,  
11 as authorized by law, including advances, \$100,702,000,  
12 to remain available until expended; of which not to exceed  
13 \$4,750,000 may be made available for planning, con-  
14 struction, renovations, maintenance, remodeling, and re-  
15 pair of buildings, and the purchase of equipment incident  
16 thereto, for protected witness safesites; of which not to  
17 exceed \$1,000,000 may be made available for the pur-  
18 chase and maintenance of armored vehicles for transpor-  
19 tation of protected witnesses; and of which not to exceed  
20 \$4,000,000 may be made available for the purchase, in-  
21 stallation and maintenance of a secure, automated infor-  
22 mation network to store and retrieve the identities and  
23 locations of protected witnesses.

## 1 SALARIES AND EXPENSES, COMMUNITY RELATIONS

## 2 SERVICE

3 For necessary expenses of the Community Rela-  
4 tions Service, established by title X of the Civil Rights  
5 Act of 1964, \$5,319,000: *Provided*, That notwithstanding  
6 any other provision of law, upon a determination by the  
7 Attorney General that emergent circumstances require  
8 additional funding for conflict prevention and resolution  
9 activities of the Community Relations Service, the Attor-  
10 ney General may transfer such amounts to the Commu-  
11 nity Relations Service, from available appropriations for  
12 the current fiscal year for the Department of Justice, as  
13 may be necessary to respond to such circumstances: *Pro-*  
14 *vided further*, That any transfer pursuant to this para-  
15 graph shall be treated as a reprogramming under section  
16 605 of this Act and shall not be available for obligation  
17 or expenditure except in compliance with the procedures  
18 set forth in that section.

## 19 ASSETS FORFEITURE FUND

20 For expenses authorized by 28 U.S.C.  
21 524(c)(1)(A)(ii), (B), (C), (F), and (G), as amended,  
22 \$23,000,000, to be derived from the Department of Jus-  
23 tice Assets Forfeiture Fund.



## 1                    RADIATION EXPOSURE COMPENSATION

## 2                    ADMINISTRATIVE EXPENSES

3                    For necessary administrative expenses in accord-  
4                    ance with the Radiation Exposure Compensation Act,  
5                    \$2,000,000.

## 6                    PAYMENT TO RADIATION EXPOSURE COMPENSATION

## 7                    TRUST FUND

8                    For payments to the Radiation Exposure Com-  
9                    pensation Trust Fund, \$13,736,000, not to be available  
10                   for obligation until September 30, 1997.

## 11                   INTERAGENCY LAW ENFORCEMENT

## 12                   INTERAGENCY CRIME AND DRUG ENFORCEMENT

13                   For necessary expenses for the detection, inves-  
14                   tigation, and prosecution of individuals involved in orga-  
15                   nized crime drug trafficking not otherwise provided for,  
16                   to include intergovernmental agreements with State and  
17                   local law enforcement agencies engaged in the investiga-  
18                   tion and prosecution of individuals involved in organized  
19                   crime drug trafficking, \$359,430,000, of which  
20                   \$50,000,000 shall remain available until expended: *Pro-*  
21                   *vided*, That any amounts obligated from appropriations  
22                   under this heading may be used under authorities avail-  
23                   able to the organizations reimbursed from this appropria-  
24                   tion: *Provided further*, That any unobligated balances re-  
25                   maining available at the end of the fiscal year shall revert  
26                   to the Attorney General for reallocation among partici-

1 pating organizations in succeeding fiscal years, subject to  
2 the reprogramming procedures described in section 605  
3 of this Act.

4           FEDERAL BUREAU OF INVESTIGATION

5                   SALARIES AND EXPENSES

6           For necessary expenses of the Federal Bureau of  
7 Investigation for detection, investigation, and prosecution  
8 of crimes against the United States; including purchase  
9 for police-type use of not to exceed 2,706 passenger  
10 motor vehicles, of which 1,945 will be for replacement  
11 only, without regard to the general purchase price limita-  
12 tion for the current fiscal year, and hire of passenger  
13 motor vehicles; acquisition, lease, maintenance, and oper-  
14 ation of aircraft; and not to exceed \$70,000 to meet un-  
15 foreseen emergencies of a confidential character, to be ex-  
16 pended under the direction of, and to be accounted for  
17 solely under the certificate of, the Attorney General;  
18 \$2,451,361,000, of which not to exceed \$50,000,000 for  
19 automated data processing and telecommunications and  
20 technical investigative equipment and \$1,000,000 for un-  
21 dercover operations shall remain available until Septem-  
22 ber 30, 1998; of which not less than \$147,081,000 shall  
23 be for counterterrorism investigations, foreign counter-  
24 intelligence, and other activities related to our national  
25 security; of which not to exceed \$98,400,000 shall remain

1 available until expended; and of which not to exceed  
2 \$10,000,000 is authorized to be made available for mak-  
3 ing payments or advances for expenses arising out of con-  
4 tractual or reimbursable agreements with State and local  
5 law enforcement agencies while engaged in cooperative  
6 activities related to violent crime, terrorism, organized  
7 crime, and drug investigations; and of which \$1,500,000  
8 shall be available to maintain an independent program of-  
9 fice dedicated solely to the relocation of the Criminal Jus-  
10 tice Information Services Division and the automation of  
11 fingerprint identification services: *Provided*, That not to  
12 exceed \$45,000 shall be available for official reception  
13 and representation expenses: *Provided further*, That not  
14 to exceed 81 permanent positions and 85 full-time equiv-  
15 alent workyears and \$5,959,000 shall be expended for the  
16 Office of Legislative Affairs and Public Affairs: *Provided*  
17 *further*, That the latter two aforementioned offices shall  
18 not be augmented by personnel details, temporary trans-  
19 fers of personnel on either a reimbursable or non-  
20 reimbursable basis or any other type of formal or infor-  
21 mal transfer or reimbursement of personnel or funds on  
22 either a temporary or long-term basis.

23       For an additional amount for necessary expenses  
24 of the Federal Bureau of Investigation to prevent and in-  
25 vestigate terrorism activities and incidents; provide for

1 additional agents and support staff; protect key physical  
 2 assets; establish a capability for chemical, biological and  
 3 nuclear research; improve domestic intelligence; and im-  
 4 prove security at Federal Bureau of Investigation offices,  
 5 \$115,610,000, as authorized by the Antiterrorism and  
 6 Effective Death Penalty Act of 1996 (P.L. 104–132):  
 7 *Provided*, That the entire amount is designated by Con-  
 8 gress as an emergency requirement pursuant to section  
 9 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
 10 Deficit Control Act of 1985, as amended.

11 VIOLENT CRIME REDUCTION PROGRAMS

12 For activities authorized by the Violent Crime  
 13 Control and Law Enforcement Act of 1994 (Public Law  
 14 103–322) as amended (“the 1994 Act”), and the  
 15 Antiterrorism and Effective Death Penalty Act of 1996  
 16 (“the Antiterrorism Act”), \$169,000,000, to remain  
 17 available until expended, which shall be derived from the  
 18 Violent Crime Reduction Trust Fund; of which  
 19 \$76,356,000 shall be for activities authorized by section  
 20 190001(c) of the 1994 Act and section 811 of the  
 21 Antiterrorism Act; \$53,404,000 shall be for activities au-  
 22 thorized by section 190001(b) of the 1994 Act, of which  
 23 \$20,240,000 shall be for activities authorized by section  
 24 103 of the Brady Handgun Violence Prevention Act  
 25 (Public Law 103–159), as amended; \$4,000,000 shall be  
 26 for training and investigative assistance authorized by

1 section 210501 of the 1994 Act; \$9,500,000 shall be for  
2 grants to States, as authorized by section 811(b) of the  
3 Antiterrorism Act; and \$5,500,000 shall be for establish-  
4 ing DNA quality-assurance and proficiency-testing stand-  
5 ards, establishing an index to facilitate law enforcement  
6 exchange of DNA identification information, and related  
7 activities authorized by section 210501 of the 1994 Act.

8 TELECOMMUNICATIONS CARRIER COMPLIANCE FUND

9 For necessary expenses, as determined by the At-  
10 torney General, \$60,000,000, to remain available until  
11 expended, to be deposited in the Telecommunications  
12 Carrier Compliance Fund for making payments to tele-  
13 communications carriers, equipment manufacturers, and  
14 providers of telecommunications support services pursu-  
15 ant to section 110 of this Act: *Provided*, That the entire  
16 amount is designated by Congress as an emergency re-  
17 quirement pursuant to section 251(b)(2)(D)(i) of the  
18 Balanced Budget and Emergency Deficit Control Act of  
19 1985, as amended: *Provided further*, That the entire  
20 amount not previously designated by the President as an  
21 emergency requirement shall be available only to the ex-  
22 tent an official budget request, for a specific dollar  
23 amount that includes designation of the entire amount of  
24 the request as an emergency requirement, as defined in  
25 the Balanced Budget and Emergency Deficit Control Act  
26 of 1985, as amended, is transmitted to Congress.

## 1 CONSTRUCTION

2 For necessary expenses to construct or acquire  
3 buildings and sites by purchase, or as otherwise author-  
4 ized by law (including equipment for such buildings); con-  
5 version and extension of federally-owned buildings; and  
6 preliminary planning and design of projects;  
7 \$41,639,000, to remain available until expended.

## 8 DRUG ENFORCEMENT ADMINISTRATION

## 9 SALARIES AND EXPENSES

10 For necessary expenses of the Drug Enforcement  
11 Administration, including not to exceed \$70,000 to meet  
12 unforeseen emergencies of a confidential character, to be  
13 expended under the direction of, and to be accounted for  
14 solely under the certificate of, the Attorney General; ex-  
15 penses for conducting drug education and training pro-  
16 grams, including travel and related expenses for partici-  
17 pants in such programs and the distribution of items of  
18 token value that promote the goals of such programs;  
19 purchase of not to exceed 1,158 passenger motor vehicles,  
20 of which 1,032 will be for replacement only, for police-  
21 type use without regard to the general purchase price  
22 limitation for the current fiscal year; and acquisition,  
23 lease, maintenance, and operation of aircraft;  
24 \$745,388,000, of which not to exceed \$1,800,000 for re-  
25 search and \$15,000,000 for transfer to the Drug Diver-

1 sion Control Fee Account for operating expenses shall re-  
2 main available until expended, and of which not to exceed  
3 \$4,000,000 for purchase of evidence and payments for in-  
4 formation, not to exceed \$4,000,000 for contracting for  
5 automated data processing and telecommunications  
6 equipment, and not to exceed \$2,000,000 for laboratory  
7 equipment, \$4,000,000 for technical equipment, and  
8 \$2,000,000 for aircraft replacement retrofit and parts,  
9 shall remain available until September 30, 1998; and of  
10 which not to exceed \$50,000 shall be available for official  
11 reception and representation expenses: *Provided*, That  
12 not to exceed 25 permanent positions and 25 full-time  
13 equivalent workyears and \$1,828,000 shall be expended  
14 for the Office of Legislative Affairs and Public Affairs:  
15 *Provided further*, That the latter two aforementioned of-  
16 fices shall not be augmented by personnel details, tem-  
17 porary transfers of personnel on either a reimbursable or  
18 nonreimbursable basis or any other type of formal or in-  
19 formal transfer or reimbursement of personnel or funds  
20 on either a temporary or long-term basis.

21 For an additional amount for security measures  
22 for domestic and foreign Drug Enforcement Administra-  
23 tion offices, \$5,000,000: *Provided*, That the entire  
24 amount is designated by Congress as an emergency re-  
25 quirement pursuant to section 251(b)(2)(D)(i) of the

1 Balanced Budget and Emergency Deficit Control Act of  
2 1985, as amended.

3 VIOLENT CRIME REDUCTION PROGRAMS

4 For activities authorized by sections 180104 and  
5 190001(b) of the Violent Crime Control and Law En-  
6 forcement Act of 1994 (Public Law 103–322), as amend-  
7 ed, and section 814 of the Antiterrorism and Effective  
8 Death Penalty Act of 1996 (Public Law 104–132), and  
9 for the purchase of passenger motor vehicles for police-  
10 type use, as otherwise authorized in this title,  
11 \$220,000,000, to remain available until expended, which  
12 shall be derived from the Violent Crime Reduction Trust  
13 Fund.

14 CONSTRUCTION

15 For necessary expenses to construct or acquire  
16 buildings and sites by purchase, or as otherwise author-  
17 ized by law (including equipment for such buildings); con-  
18 version and extension of federally-owned buildings; and  
19 preliminary planning and design of projects;  
20 \$30,806,000, to remain available until expended.

21 IMMIGRATION AND NATURALIZATION SERVICE

22 SALARIES AND EXPENSES

23 (INCLUDING TRANSFER OF FUNDS)

24 For expenses, not otherwise provided for, nec-  
25 essary for the administration and enforcement of the laws  
26 relating to immigration, naturalization, and alien reg-



1 istration, including not to exceed \$50,000 to meet unfore-  
2 seen emergencies of a confidential character, to be ex-  
3 pended under the direction of, and to be accounted for  
4 solely under the certificate of, the Attorney General; pur-  
5 chase for police type use (not to exceed 2,691, of which  
6 1,711 are for replacement only), without regard to the  
7 general purchase price limitation for the current fiscal  
8 year, and hire of passenger motor vehicles; acquisition,  
9 lease, maintenance and operation of aircraft; and re-  
10 search related to immigration enforcement;  
11 \$1,590,159,000 of which not to exceed \$400,000 for re-  
12 search shall remain available until expended; and of  
13 which not to exceed \$10,000,000 shall be available for  
14 costs associated with the training program for basic offi-  
15 cer training, and \$5,000,000 is for payments or advances  
16 arising out of contractual or reimbursable agreements  
17 with State and local law enforcement agencies while en-  
18 gaged in cooperative activities related to immigration:  
19 *Provided*, That none of the funds available to the Immi-  
20 gration and Naturalization Service shall be available to  
21 pay any employee overtime pay in an amount in excess  
22 of \$30,000 during the calendar year beginning January  
23 1, 1997: *Provided further*, That uniforms may be pur-  
24 chased without regard to the general purchase price limi-  
25 tation for the current fiscal year: *Provided further*, That

1 not to exceed \$5,000 shall be available for official recep-  
2 tion and representation expenses: *Provided further*, That  
3 none of the funds provided in this or any other Act shall  
4 be used for the continued operation of the San Clemente  
5 and Temecula checkpoints unless the checkpoints are  
6 open and traffic is being checked on a continuous 24-  
7 hour basis: *Provided further*, That the Land Border Fee  
8 Pilot Project scheduled to end September 30, 1996, is ex-  
9 tended to September 30, 1999, for projects on both the  
10 northern and southern borders of the United States, ex-  
11 cept that no pilot program may implement a universal  
12 land border crossing toll: *Provided further*, That obligated  
13 and unobligated balances available to “Salaries and Ex-  
14 penses, Community Relations Service” under section  
15 501(c) of the Refugee Education Assistance Act of 1980  
16 are transferred to this account and shall remain available  
17 until expended: *Provided further*, That not to exceed 48  
18 permanent positions and 48 full-time equivalent  
19 workyears and \$4,628,000 shall be expended for the Of-  
20 fice of Legislative Affairs and Public Affairs: *Provided*  
21 *further*, That the latter two aforementioned offices shall  
22 not be augmented by personnel details, temporary trans-  
23 fers of personnel on either a reimbursable or non-  
24 reimbursable basis or any other type of formal or infor-

mal transfer or reimbursement of personnel or funds on either a temporary or long-term basis.

For an additional amount to support the detention and removal of aliens with ties to terrorist organizations and expand the detention and removal of illegal aliens and enhance the intelligence of the Immigration and Naturalization Service, \$15,000,000, of which \$10,000,000 shall be for detention and removal of aliens: *Provided*, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

#### VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by sections 130002, 130005, 130006, 130007, and 190001(b) of the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 103–322), as amended, and section 813 of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132), \$500,000,000, to remain available until expended, which will be derived from the Violent Crime Reduction Trust Fund, of which \$66,217,000 shall be for expeditious deportation of denied asylum applicants, \$317,256,000 shall be for improving border controls, and \$116,527,000 shall be for detention and deportation proceedings: *Provided*, That amounts not required for asylum processing provided under the expeditious de-

1 portation of denied asylum applicants shall also be avail-  
2 able for other deportation program activities.

3 CONSTRUCTION

4 For planning, construction, renovation, equipping,  
5 and maintenance of buildings and facilities necessary for  
6 the administration and enforcement of the laws relating  
7 to immigration, naturalization, and alien registration, not  
8 otherwise provided for, \$9,841,000, to remain available  
9 until expended.

10 FEDERAL PRISON SYSTEM

11 SALARIES AND EXPENSES

12 For expenses necessary for the administration, op-  
13 eration, and maintenance of Federal penal and correc-  
14 tional institutions, including purchase (not to exceed 836,  
15 of which 572 are for replacement only) and hire of law  
16 enforcement and passenger motor vehicles, and for the  
17 provision of technical assistance and advice on corrections  
18 related issues to foreign governments; \$2,768,316,000:  
19 *Provided*, That the Attorney General may transfer to the  
20 Health Resources and Services Administration such  
21 amounts as may be necessary for direct expenditures by  
22 that Administration for medical relief for inmates of Fed-  
23 eral penal and correctional institutions: *Provided further*,  
24 That the Director of the Federal Prison System (FPS),  
25 where necessary, may enter into contracts with a fiscal  
26 agent/fiscal intermediary claims processor to determine

1 the amounts payable to persons who, on behalf of the  
2 FPS, furnish health services to individuals committed to  
3 the custody of the FPS: *Provided further*, That uniforms  
4 may be purchased without regard to the general purchase  
5 price limitation for the current fiscal year: *Provided fur-*  
6 *ther*, That not to exceed \$6,000 shall be available for offi-  
7 cial reception and representation expenses: *Provided fur-*  
8 *ther*, That not to exceed \$90,000,000 for the activation  
9 of new facilities shall remain available until September  
10 30, 1998: *Provided further*, That of the amounts provided  
11 for Contract Confinement, not to exceed \$20,000,000  
12 shall remain available until expended to make payments  
13 in advance for grants, contracts and reimbursable agree-  
14 ments, and other expenses authorized by section 501(c)  
15 of the Refugee Education Assistance Act of 1980, as  
16 amended, for the care and security in the United States  
17 of Cuban and Haitian entrants: *Provided further*, That  
18 notwithstanding section 4(d) of the Service Contract Act  
19 of 1965 (41 U.S.C. 353(d)), FPS may enter into con-  
20 tracts and other agreements with private entities for peri-  
21 ods of not to exceed 3 years and 7 additional option years  
22 for the confinement of Federal prisoners: *Provided fur-*  
23 *ther*, That the National Institute of Corrections hereafter  
24 shall be included in the FPS Salaries and Expenses  
25 budget, in the Contract Confinement program and shall

1 continue to perform its current functions under 18  
2 U.S.C. 4351, et seq., with the exception of its grant pro-  
3 gram and shall collect reimbursement for services when-  
4 ever possible: *Provided further*, That any unexpended bal-  
5 ances available to the “National Institute of Corrections”  
6 account shall be credited to and merged with this appro-  
7 priation, to remain available until expended.

8 VIOLENT CRIME REDUCTION PROGRAMS

9 For substance abuse treatment in Federal prisons  
10 as authorized by section 32001(e) of the Violent Crime  
11 Control and Law Enforcement Act of 1994 (Public Law  
12 103–322), as amended, \$25,224,000, to remain available  
13 until expended, which shall be derived from the Violent  
14 Crime Reduction Trust Fund.

15 BUILDINGS AND FACILITIES

16 For planning, acquisition of sites and construction  
17 of new facilities; leasing the Oklahoma City Airport Trust  
18 Facility; purchase and acquisition of facilities and remodel-  
19 ing, and equipping of such facilities for penal and cor-  
20 rectional use, including all necessary expenses incident  
21 thereto, by contract or force account; and constructing,  
22 remodeling, and equipping necessary buildings and facili-  
23 ties at existing penal and correctional institutions, includ-  
24 ing all necessary expenses incident thereto, by contract or  
25 force account; \$395,700,000, to remain available until ex-  
26 pended, of which not to exceed \$14,074,000 shall be

1 available to construct areas for inmate work programs:  
2 *Provided*, That labor of United States prisoners may be  
3 used for work performed under this appropriation: *Pro-*  
4 *vided further*, That not to exceed 10 percent of the funds  
5 appropriated to “Buildings and Facilities” in this Act or  
6 any other Act may be transferred to “Salaries and Ex-  
7 penses”, Federal Prison System, upon notification by the  
8 Attorney General to the Committees on Appropriations of  
9 the House of Representatives and the Senate in compli-  
10 ance with provisions set forth in section 605 of this Act:  
11 *Provided further*, That of the total amount appropriated,  
12 not to exceed \$36,570,000 shall be available for the ren-  
13 ovation and construction of United States Marshals Serv-  
14 ice prisoner-holding facilities.

15       FEDERAL PRISON INDUSTRIES, INCORPORATED

16       The Federal Prison Industries, Incorporated, is  
17 hereby authorized to make such expenditures, within the  
18 limits of funds and borrowing authority available, and in  
19 accord with the law, and to make such contracts and  
20 commitments, without regard to fiscal year limitations as  
21 provided by section 9104 of title 31, United States Code,  
22 as may be necessary in carrying out the program set  
23 forth in the budget for the current fiscal year for such  
24 corporation, including purchase of (not to exceed five for  
25 replacement only) and hire of passenger motor vehicles.

1     LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
2                     PRISON INDUSTRIES, INCORPORATED

3             Not to exceed \$3,042,000 of the funds of the cor-  
4     poration shall be available for its administrative expenses,  
5     and for services as authorized by 5 U.S.C. 3109, to be  
6     computed on an accrual basis to be determined in accord-  
7     ance with the corporation's current prescribed accounting  
8     system, and such amounts shall be exclusive of deprecia-  
9     tion, payment of claims, and expenditures which the said  
10    accounting system requires to be capitalized or charged  
11    to cost of commodities acquired or produced, including  
12    selling and shipping expenses, and expenses in connection  
13    with acquisition, construction, operation, maintenance,  
14    improvement, protection, or disposition of facilities and  
15    other property belonging to the corporation or in which  
16    it has an interest.

17                     OFFICE OF JUSTICE PROGRAMS  
18                     JUSTICE ASSISTANCE

19             For grants, contracts, cooperative agreements,  
20     and other assistance authorized by title I of the Omnibus  
21     Crime Control and Safe Streets Act of 1968, as amend-  
22     ed, and the Missing Children's Assistance Act, as amend-  
23     ed, including salaries and expenses in connection there-  
24     with, and with the Victims of Crime Act of 1984, as  
25     amended, \$101,429,000, to remain available until ex-



1 pending, as authorized by section 1001 of title I of the  
2 Omnibus Crime Control and Safe Streets Act, as amend-  
3 ed by Public Law 102–534 (106 Stat. 3524).

4       For an additional amount, \$17,000,000, to re-  
5 main available until expended; of which \$5,000,000 shall  
6 be for Local Firefighter and Emergency Services Train-  
7 ing Grants as authorized by section 819 of the  
8 Antiterrorism and Effective Death Penalty Act of 1996  
9 (“the Antiterrorism Act”); of which \$10,000,000 shall be  
10 for development of counterterrorism technologies to help  
11 State and local law enforcement combat terrorism, as au-  
12 thorized by section 821 of the Antiterrorism Act; of  
13 which \$2,000,000 shall be for specialized multi-agency  
14 response training: *Provided*, That the entire amount is  
15 designated by Congress as an emergency requirement  
16 pursuant to section 251(b)(2)(D)(i) of the Balanced  
17 Budget and Emergency Deficit Control Act of 1985, as  
18 amended: *Provided further*, That the entire amount not  
19 previously designated by the President as an emergency  
20 requirement shall be available only to the extent an offi-  
21 cial budget request, for a specific dollar amount that in-  
22 cludes designation of the entire amount of the request as  
23 an emergency requirement, as defined in the Balanced  
24 Budget and Emergency Deficit Control Act of 1985, as  
25 amended, is transmitted to Congress.

## 1 STATE AND LOCAL LAW ENFORCEMENT ASSISTANCE

2 For grants, contracts, cooperative agreements,  
3 and other assistance authorized by part E of title I of the  
4 Omnibus Crime Control and Safe Streets Act of 1968, as  
5 amended, for State and Local Narcotics Control and Jus-  
6 tice Assistance Improvements, notwithstanding the provi-  
7 sions of section 511 of said Act, \$361,000,000, to remain  
8 available until expended, as authorized by section 1001 of  
9 title I of said Act, as amended by Public Law 102-534  
10 (106 Stat. 3524), of which \$60,000,000 shall be available  
11 to carry out the provisions of chapter A of subpart 2 of  
12 part E of title I of said Act, for discretionary grants  
13 under the Edward Byrne Memorial State and Local Law  
14 Enforcement Assistance Programs.

## 15 VIOLENT CRIME REDUCTION PROGRAMS, STATE AND

## 16 LOCAL LAW ENFORCEMENT ASSISTANCE

17 For assistance (including amounts for administra-  
18 tive costs for management and administration, which  
19 amounts shall be transferred to and merged with the  
20 “Justice Assistance” account) authorized by the Violent  
21 Crime Control and Law Enforcement Act of 1994 (Public  
22 Law 103-322), as amended (“the 1994 Act”); the Omni-  
23 bus Crime Control and Safe Streets Act of 1968, as  
24 amended (“the 1968 Act”); and the Victims of Child  
25 Abuse Act of 1990, as amended (“the 1990 Act”);  
26 \$2,036,150,000, to remain available until expended,

1 which shall be derived from the Violent Crime Reduction  
2 Trust Fund; of which \$523,000,000 shall be for Local  
3 Law Enforcement Block Grants, pursuant to H.R. 728  
4 as passed by the House of Representatives on February  
5 14, 1995, except that for purposes of this Act, the Com-  
6 monwealth of Puerto Rico shall be considered a “unit of  
7 local government” as well as a “State”, for the purposes  
8 set forth in paragraphs (A), (B), (D), (F), and (I) of sec-  
9 tion 101(a)(2) of H.R. 728 and for establishing crime  
10 prevention programs involving cooperation between com-  
11 munity residents and law enforcement personnel in order  
12 to control, detect, or investigate crime or the prosecution  
13 of criminals: *Provided*, That no funds provided under this  
14 heading may be used as matching funds for any other  
15 Federal grant program: *Provided further*, That  
16 \$20,000,000 of this amount shall be for Boys and Girls  
17 Clubs in public housing facilities and other areas in co-  
18 operation with State and local law enforcement: *Provided*  
19 *further*, That funds may also be used to defray the costs  
20 of indemnification insurance for law enforcement officers;  
21 of which \$50,000,000 shall be for grants to upgrade  
22 criminal records, as authorized by section 106(b) of the  
23 Brady Handgun Violence Prevention Act of 1993, as  
24 amended, and section 4(b) of the National Child Protec-  
25 tion Act of 1993; of which \$199,000,000 shall be avail-

1 able as authorized by section 1001 of title I of the 1968  
2 Act, to carry out the provisions of subpart 1, part E of  
3 title I of the 1968 Act, notwithstanding section 511 of  
4 said Act, for the Edward Byrne Memorial State and  
5 Local Law Enforcement Assistance Programs; of which  
6 \$330,000,000 shall be for the State Criminal Alien As-  
7 sistance Program, as authorized by section 242(j) of the  
8 Immigration and Nationality Act, as amended; of which  
9 \$670,000,000 shall be for Violent Offender Incarceration  
10 and Truth in Sentencing Incentive Grants pursuant to  
11 subtitle A of title II of the 1994 Act, of which  
12 \$170,000,000 shall be available for payments to States  
13 for incarceration of criminal aliens, and of which  
14 \$12,500,000 shall be available for the Cooperative Agree-  
15 ment Program: *Provided further*, That funds made avail-  
16 able for Violent Offender Incarceration and Truth in  
17 Sentencing Incentive Grants to the State of California  
18 may, at the discretion of the recipient, be used for pay-  
19 ments for the incarceration of criminal aliens: *Provided*  
20 *further*, That beginning in fiscal year 1999, and there-  
21 after, no funds shall be available to make grants to a  
22 State pursuant to section 20103 or section 20104 of the  
23 Violent Crime Control and Law Enforcement Act of 1994  
24 unless no later than September 1, 1998, such State has  
25 implemented a program of controlled substance testing

1 and intervention for appropriate categories of convicted  
2 offenders during periods of incarceration and criminal  
3 justice supervision, with sanctions including denial or rev-  
4 ocation of release for positive controlled substance tests,  
5 consistent with guidelines issued by the Attorney General;  
6 of which \$6,000,000 shall be for the Court Appointed  
7 Special Advocate Program, as authorized by section 218  
8 of the 1990 Act; of which \$1,000,000 shall be for Child  
9 Abuse Training Programs for Judicial Personnel and  
10 Practitioners, as authorized by section 224 of the 1990  
11 Act; of which \$145,000,000 shall be for Grants to Com-  
12 bat Violence Against Women, to States, units of local  
13 government, and Indian tribal governments, as author-  
14 ized by section 1001(a)(18) of the 1968 Act; of which  
15 \$33,000,000 shall be for Grants to Encourage Arrest  
16 Policies to States, units of local government, and Indian  
17 tribal governments, as authorized by section 1001(a)(19)  
18 of the 1968 Act; of which \$8,000,000 shall be for Rural  
19 Domestic Violence and Child Abuse Enforcement Assist-  
20 ance Grants, as authorized by section 40295 of the 1994  
21 Act; of which \$1,000,000 shall be for training programs  
22 to assist probation and parole officers who work with re-  
23 leased sex offenders, as authorized by section 40152(c) of  
24 the 1994 Act; of which \$550,000 shall be for grants for  
25 televised testimony, as authorized by section 1001(a)(7)

1 of the 1968 Act; of which \$1,750,000 shall be for na-  
2 tional stalker and domestic violence reduction, as author-  
3 ized by section 40603 of the 1994 Act; of which  
4 \$30,000,000 shall be for grants for residential substance  
5 abuse treatment for State prisoners as authorized by sec-  
6 tion 1001(a)(17) of the 1968 Act; of which \$3,000,000  
7 shall be for grants to States and units of local govern-  
8 ment for projects to improve DNA analysis, as authorized  
9 by section 1001(a)(22) of the 1968 Act; of which  
10 \$900,000 shall be for the Missing Alzheimer's Disease  
11 Patient Alert Program, as authorized by section  
12 240001(c) of the 1994 Act; of which \$750,000 shall be  
13 for Motor Vehicle Theft Prevention Programs, as author-  
14 ized by section 220002(h) of the 1994 Act; of which  
15 \$200,000 shall be for a National Baseline Study on Cam-  
16 pus Sexual Assault, as authorized by section 40506(e) of  
17 the 1994 Act; of which \$30,000,000 shall be for Drug  
18 Courts, as authorized by title V of the 1994 Act; of which  
19 \$1,000,000 shall be for Law Enforcement Family Sup-  
20 port Programs, as authorized by section 1001(a)(21) of  
21 the 1968 Act; and of which \$2,000,000 shall be for pub-  
22 lic awareness programs addressing marketing scams  
23 aimed at senior citizens, as authorized by section  
24 250005(3) of the 1994 Act: *Provided further*, That funds  
25 made available in fiscal year 1997 under subpart 1 of

1 part E of title I of the Omnibus Crime Control and Safe  
 2 Streets Act of 1968, as amended, may be obligated for  
 3 programs to assist States in the litigation processing of  
 4 death penalty Federal habeas corpus petitions and for  
 5 drug testing initiatives: *Provided further*, That any 1996  
 6 balances for these programs shall be transferred to and  
 7 merged with this appropriation: *Provided further*, That if  
 8 a unit of local government uses any of the funds made  
 9 available under this title to increase the number of law  
 10 enforcement officers, the unit of local government will  
 11 achieve a net gain in the number of law enforcement offi-  
 12 cers who perform nonadministrative public safety service.

13 WEED AND SEED PROGRAM FUND

14 For necessary expenses, including salaries and re-  
 15 lated expenses of the Executive Office for Weed and  
 16 Seed, to implement “Weed and Seed” program activities,  
 17 \$28,500,000, which shall be derived from discretionary  
 18 grants provided under the Edward Byrne Memorial State  
 19 and Local Law Enforcement Assistance Programs, to re-  
 20 main available until expended for intergovernmental  
 21 agreements, including grants, cooperative agreements,  
 22 and contracts, with State and local law enforcement  
 23 agencies engaged in the investigation and prosecution of  
 24 violent crimes and drug offenses in “Weed and Seed”  
 25 designated communities, and for either reimbursements  
 26 or transfers to appropriation accounts of the Department

1 of Justice and other Federal agencies which shall be  
 2 specified by the Attorney General to execute the “Weed  
 3 and Seed” program strategy: *Provided*, That funds des-  
 4 ignated by Congress through language for other Depart-  
 5 ment of Justice appropriation accounts for “Weed and  
 6 Seed” program activities shall be managed and executed  
 7 by the Attorney General through the Executive Office for  
 8 Weed and Seed: *Provided further*, That the Attorney Gen-  
 9 eral may direct the use of other Department of Justice  
 10 funds and personnel in support of “Weed and Seed” pro-  
 11 gram activities only after the Attorney General notifies  
 12 the Committees on Appropriations of the House of Rep-  
 13 resentatives and the Senate in accordance with section  
 14 605 of this Act.

#### 15 COMMUNITY ORIENTED POLICING SERVICES

#### 16 VIOLENT CRIME REDUCTION PROGRAMS

17 For activities authorized by the Violent Crime  
 18 Control and Law Enforcement Act of 1994, Public Law  
 19 103–322 (“the 1994 Act”) (including administrative  
 20 costs), \$1,400,000,000, to remain available until ex-  
 21 pended, which shall be derived from the Violent Crime  
 22 Reduction Trust Fund, for Public Safety and Community  
 23 Policing Grants pursuant to title I of the 1994 Act: *Pro-*  
 24 *vided*, That not to exceed 186 permanent positions and  
 25 174 full-time equivalent workyears and \$19,800,000 shall



1 be expended for program management and administra-  
2 tion.

3 In addition, for programs of Police Corps edu-  
4 cation, training and service as set forth in sections  
5 200101–200113 of the Violent Crime Control and Law  
6 Enforcement Act of 1994 (Public Law 103–322),  
7 \$20,000,000, to remain available until expended, which  
8 shall be derived from the Violent Crime Reduction Trust  
9 Fund.

#### 10 JUVENILE JUSTICE PROGRAMS

11 For grants, contracts, cooperative agreements,  
12 and other assistance authorized by the Juvenile Justice  
13 and Delinquency Prevention Act of 1974, as amended, in-  
14 cluding salaries and expenses in connection therewith to  
15 be transferred to and merged with the appropriations for  
16 Justice Assistance, \$170,000,000, to remain available  
17 until expended, as authorized by section 299 of part I of  
18 title II and section 506 of title V of the Act, as amended  
19 by Public Law 102–586, of which (1) notwithstanding  
20 any other provision of law, \$5,000,000 shall be available  
21 for expenses authorized by part A of title II of the Act,  
22 \$86,500,000 shall be available for expenses authorized by  
23 part B of title II of the Act, and \$29,500,000 shall be  
24 available for expenses authorized by part C of title II of  
25 the Act: *Provided*, That \$16,500,000 of the amounts pro-  
26 vided for part B of title II of the Act, as amended, is for

1 the purpose of providing additional formula grants under  
2 part B, for innovative local law enforcement and commu-  
3 nity policing programs, to States that provide assurances  
4 to the Administrator that the State has in effect (or will  
5 have in effect no later than 1 year after date of applica-  
6 tion) policies and programs, that ensure that juveniles  
7 are subject to accountability-based sanctions for every act  
8 for which they are adjudicated delinquent; (2)  
9 \$12,000,000 shall be available for expenses authorized by  
10 sections 281 and 282 of part D of title II of the Act for  
11 prevention and treatment programs relating to juvenile  
12 gangs; (3) \$10,000,000 shall be available for expenses  
13 authorized by section 285 of part E of title II of the Act;  
14 (4) \$7,000,000 shall be available for expenses authorized  
15 by part G of title II of the Act for juvenile mentoring  
16 programs; and (5) \$20,000,000 shall be available for ex-  
17 penses authorized by title V of the Act for incentive  
18 grants for local delinquency prevention programs: *Pro-*  
19 *vided*, That upon the enactment of reauthorization legis-  
20 lation for Juvenile Justice Programs under the Juvenile  
21 Justice and Delinquency Prevention Act of 1974, as  
22 amended, funding provided in this Act shall from that  
23 date be subject to the provisions of that legislation and  
24 any provisions in this Act that are inconsistent with that  
25 legislation shall no longer have effect.

1           In addition, for grants, contracts, cooperative  
2 agreements, and other assistance authorized by the Vic-  
3 tims of Child Abuse Act of 1990, as amended,  
4 \$4,500,000, to remain available until expended, as au-  
5 thorized by sections 214B of the Act.

6           PUBLIC SAFETY OFFICERS BENEFITS

7           For payments authorized by part L of title I of  
8 the Omnibus Crime Control and Safe Streets Act of 1968  
9 (42 U.S.C. 3796), as amended, such sums as are nec-  
10 essary, to remain available until expended, as authorized  
11 by section 6093 of Public Law 100–690 (102 Stat.  
12 4339–4340), and, in addition, \$2,200,000, to remain  
13 available until expended, for payments as authorized by  
14 section 1201(b) of said Act.

15       GENERAL PROVISIONS—DEPARTMENT OF JUSTICE

16       SEC. 101. In addition to amounts otherwise made  
17 available in this title for official reception and representa-  
18 tion expenses, a total of not to exceed \$45,000 from  
19 funds appropriated to the Department of Justice in this  
20 title shall be available to the Attorney General for official  
21 reception and representation expenses in accordance with  
22 distributions, procedures, and regulations established by  
23 the Attorney General.

24       SEC. 102. Authorities contained in the Depart-  
25 ment of Justice Appropriation Authorization Act, Fiscal  
26 Year 1980 (Pub. L. 96–132, 93 Stat. 1040 (1979)), as

1 amended, shall remain in effect until the termination  
2 date of this Act or until the effective date of a Depart-  
3 ment of Justice Appropriation Authorization Act, which-  
4 ever is earlier.

5       SEC. 103. None of the funds appropriated by this  
6 title shall be available to pay for an abortion, except  
7 where the life of the mother would be endangered if the  
8 fetus were carried to term, or in the case of rape: *Pro-*  
9 *vided*, That should this prohibition be declared unconsti-  
10 tutional by a court of competent jurisdiction, this section  
11 shall be null and void.

12       SEC. 104. None of the funds appropriated under  
13 this title shall be used to require any person to perform,  
14 or facilitate in any way the performance of, any abortion.

15       SEC. 105. Nothing in the preceding section shall  
16 remove the obligation of the Director of the Bureau of  
17 Prisons to provide escort services necessary for a female  
18 inmate to receive such service outside the Federal facility:  
19 *Provided*, That nothing in this section in any way dimin-  
20 ishes the effect of section 104 intended to address the  
21 philosophical beliefs of individual employees of the Bu-  
22 reau of Prisons.

23       SEC. 106. Notwithstanding any other provision of  
24 law, not to exceed \$10,000,000 of the funds made avail-  
25 able in this Act may be used to establish and publicize

1 a program under which publicly-advertised, extraordinary  
2 rewards may be paid, which shall not be subject to spend-  
3 ing limitations contained in sections 3059 and 3072 of  
4 title 18, United States Code: *Provided*, That any reward  
5 of \$100,000 or more, up to a maximum of \$2,000,000,  
6 may not be made without the personal approval of the  
7 President or the Attorney General and such approval  
8 may not be delegated.

9       SEC. 107. Not to exceed 5 percent of any appro-  
10 priation made available for the current fiscal year for the  
11 Department of Justice in this Act, including those de-  
12 rived from the Violent Crime Reduction Trust Fund, may  
13 be transferred between such appropriations, but no such  
14 appropriation, except as otherwise specifically provided,  
15 shall be increased by more than 10 percent by any such  
16 transfers: *Provided*, That any transfer pursuant to this  
17 section shall be treated as a reprogramming of funds  
18 under section 605 of this Act and shall not be available  
19 for obligation except in compliance with the procedures  
20 set forth in that section.

21       SEC. 108. Section 524(c)(8)(E) of title 28, United  
22 States Code, is amended by striking the year in the date  
23 therein contained and replacing the same with “1996”.

24       SEC. 109. (a) Section 1930(a) of title 28, United  
25 States Code, is amended in paragraph (3), by inserting

1 “\$” before “800”, and in paragraph (6), by striking ev-  
 2 erything after “total less than \$15,000;” and inserting in  
 3 lieu thereof: “\$500 for each quarter in which disburse-  
 4 ments total \$15,000 or more but less than \$75,000; \$750  
 5 for each quarter in which disbursements total \$75,000 or  
 6 more but less than \$150,000; \$1,250 for each quarter in  
 7 which disbursements total \$150,000 or more but less  
 8 than \$225,000; \$1,500 for each quarter in which dis-  
 9 bursements total \$225,000 or more but less than  
 10 \$300,000; \$3,750 for each quarter in which disburse-  
 11 ments total \$300,000 or more but less than \$1,000,000;  
 12 \$5,000 for each quarter in which disbursements total  
 13 \$1,000,000 or more but less than \$2,000,000; \$7,500 for  
 14 each quarter in which disbursements total \$2,000,000 or  
 15 more but less than \$3,000,000; \$8,000 for each quarter  
 16 in which disbursements total \$3,000,000 or more but less  
 17 than \$5,000,000; \$10,000 for each quarter in which dis-  
 18 bursements total \$5,000,000 or more. The fee shall be  
 19 payable on the last day of the calendar month following  
 20 the calendar quarter for which the fee is owed.”.

21 (b) Section 589a of title 28, United States Code,  
 22 is amended to read as follows:

23 **“§ 589a. United States Trustee System Fund**

24 “(a) There is hereby established in the Treasury  
 25 of the United States a special fund to be known as the

1 ‘United States Trustee System Fund’ (hereinafter in this  
2 section referred to as the ‘Fund’). Monies in the Fund  
3 shall be available to the Attorney General without fiscal  
4 year limitation in such amounts as may be specified in  
5 appropriations Acts for the following purposes in connec-  
6 tion with the operations of United States trustees—

7 “(1) salaries and related employee benefits;

8 “(2) travel and transportation;

9 “(3) rental of space;

10 “(4) communication, utilities, and miscellaneous  
11 computer charges;

12 “(5) security investigations and audits;

13 “(6) supplies, books, and other materials for  
14 legal research;

15 “(7) furniture and equipment;

16 “(8) miscellaneous services, including those ob-  
17 tained by contract; and

18 “(9) printing.

19 “(b) For the purpose of recovering the cost of  
20 services of the United States Trustee System, there shall  
21 be deposited as offsetting collections to the appropriation  
22 ‘United States Trustee System Fund’, to remain avail-  
23 able until expended, the following—

24 “(1) 23.08 percent of the fees collected under  
25 section 1930(a)(1) of this title;

1           “(2) one-half of the fees collected under section  
2       1930(a)(3) of this title;

3           “(3) one-half of the fees collected under section  
4       1930(a)(4) of this title;

5           “(4) one-half of the fees collected under section  
6       1930(a)(5) of this title;

7           “(5) 100 percent of the fees collected under sec-  
8       tion 1930(a)(6) of this title;

9           “(6) three-fourths of the fees collected under  
10      the last sentence of section 1930(a) of this title;

11          “(7) the compensation of trustees received  
12      under section 330(d) of title 11 by the clerks of the  
13      bankruptcy courts; and

14          “(8) excess fees collected under section  
15      586(e)(2) of this title.

16          “(c) Amounts in the Fund which are not currently  
17      needed for the purposes specified in subsection (a) shall  
18      be kept on deposit or invested in obligations of, or guar-  
19      anteed by, the United States.

20          “(d) The Attorney General shall transmit to the  
21      Congress, not later than 120 days after the end of each  
22      fiscal year, a detailed report on the amounts deposited in  
23      the Fund and a description of expenditures made under  
24      this section.



1           “(e) There are authorized to be appropriated to  
2 the Fund for any fiscal year such sums as may be nec-  
3 essary to supplement amounts deposited under subsection  
4 (b) for the purposes specified in subsection (a).”.

5           (c) Notwithstanding any other provision of law or  
6 of this Act, the amendments to 28 U.S.C. 589a made by  
7 subsection (b) of this section shall take effect upon enact-  
8 ment of this Act.

9           (d) Section 101(a) of Public Law 104–91, as  
10 amended by section 211 of Public Law 104–99, is further  
11 amended by inserting “: *Provided further*, That, notwith-  
12 standing any other provision of law, the fees under 28  
13 U.S.C. 1930(a)(6) shall accrue and be payable from and  
14 after January 27, 1996, in all cases (including, without  
15 limitation, any cases pending as of that date), regardless  
16 of confirmation status of their plans” after “enacted into  
17 law”.

18           SEC. 110. Public Law 103–414 (108 Stat. 4279)  
19 is amended by inserting at its conclusion a new title IV,  
20 as follows:

1     “TITLE IV—TELECOMMUNICATIONS CARRIER  
2                                 COMPLIANCE PAYMENTS

3     **“SEC. 401. DEPARTMENT OF JUSTICE TELECOMMUNI-**  
4                                 **CATIONS CARRIER COMPLIANCE FUND.**

5             “(a) ESTABLISHMENT OF FUND.—There is here-  
6 by established in the United States Treasury a fund to  
7 be known as the Department of Justice Telecommuni-  
8 cations Carrier Compliance Fund (hereafter referred to  
9 as ‘the Fund’), which shall be available without fiscal  
10 year limitation to the Attorney General for making pay-  
11 ments to telecommunications carriers, equipment manu-  
12 facturers, and providers of telecommunications support  
13 services pursuant to section 109 of this Act.

14            “(b) DEPOSITS TO THE FUND.—Notwithstanding  
15 any other provision of law, any agency of the United  
16 States with law enforcement or intelligence responsibil-  
17 ities may deposit as offsetting collections to the Fund any  
18 unobligated balances that are available until expended,  
19 upon compliance with any Congressional notification re-  
20 quirements for reprogramming of funds applicable to the  
21 appropriation from which the deposit is to be made.

22            “(c) TERMINATION.—

23                 “(1) The Attorney General may terminate the  
24 Fund at such time as the Attorney General deter-  
25 mines that the Fund is no longer necessary.

1           “(2) Any balance in the Fund at the time of its  
2           termination shall be deposited in the General Fund  
3           of the Treasury.

4           “(3) A decision of the Attorney General to ter-  
5           minate the Fund shall not be subject to judicial re-  
6           view.

7           “(d) AVAILABILITY OF FUNDS FOR EXPENDI-  
8           TURE.—Funds shall not be available for obligation unless  
9           an implementation plan as set forth in subsection (e) is  
10          submitted to each member of the Committees on the Ju-  
11          diciary and Appropriations of both the House of Rep-  
12          resentatives and the Senate and the Congress does not by  
13          law block or prevent the obligation of such funds. Such  
14          funds shall be treated as a reprogramming of funds  
15          under section 605 of the Department of Commerce, Jus-  
16          tice, and State, the Judiciary, and Related Agencies Ap-  
17          propriations Act, 1997, and shall not be available for ob-  
18          ligation or expenditure except in compliance with the pro-  
19          cedures set forth in that section and this section.

20          “(e) IMPLEMENTATION PLAN.—The implementa-  
21          tion plan shall include:

22               “(1) the law enforcement assistance capability  
23               requirements and an explanation of law enforce-  
24               ment’s recommended interface;

1           “(2) the proposed actual and maximum capac-  
2           ity requirements for the number of simultaneous law  
3           enforcement communications intercepts, pen reg-  
4           isters, and trap and trace devices that authorized  
5           law enforcement agencies may seek to conduct, set  
6           forth on a county-by-county basis for wireline serv-  
7           ices and on a market service area basis for wireless  
8           services, and the historical baseline of electronic sur-  
9           veillance activity upon which such capacity require-  
10          ments are based;

11          “(3) a prioritized list of carrier equipment, fa-  
12          cilities, and services deployed on or before January  
13          1, 1995, to be modified by carriers at the request of  
14          law enforcement based on its investigative needs;

15          “(4) a projected reimbursement plan that esti-  
16          mates the cost for the coming fiscal year and for  
17          each fiscal year thereafter, based on the  
18          prioritization of law enforcement needs as outlined  
19          in (3), of modification by carriers of equipment, fa-  
20          cilities and services, installed on or before January  
21          1, 1995.

22          “(f) ANNUAL REPORT TO THE CONGRESS.—The  
23          Attorney General shall submit to the Congress each year  
24          a report specifically detailing all deposits and expendi-  
25          tures made pursuant to this Act in each fiscal year. This

1 report shall be submitted to each member of the Commit-  
2 tees on the Judiciary and Appropriations of both the  
3 House of Representatives and the Senate, and to the  
4 Speaker and minority leader of the House of Representa-  
5 tives and to the majority and minority leaders of the Sen-  
6 ate, no later than 60 days after the end of each fiscal  
7 year.”.

8           SEC. 111. It is the sense of the Congress that the  
9 Drug Enforcement Administration, together with other  
10 appropriate Federal agencies, should take such actions as  
11 may be necessary to end the illegal importation into the  
12 United States of Rohypnol (Flunitrazepam), a drug fre-  
13 quently distributed with the intent to facilitate sexual as-  
14 sault and rape.

15           SEC. 112. Section 1402 of the Victims of Crime  
16 Act of 1984, as amended (42 U.S.C. 10601), is amended  
17 at subsection (e) by deleting “2” and inserting “3”, and  
18 at subsection (d) by adding a new paragraph (5) as fol-  
19 lows:

20           “(5) The Director may set aside up to  
21 \$500,000 of the reserve fund described in paragraph  
22 (4) to make supplemental grants to United States  
23 Attorneys Offices to provide necessary assistance to  
24 victims of the bombing of the Alfred P. Murrah Fed-  
25 eral Building in Oklahoma City, to facilitate obser-

1        vation of and/or participation by such victims in trial  
2        proceedings arising therefrom, including, without  
3        limitation, provision of lodging and travel assistance,  
4        and to pay such other, related expenses determined  
5        to be necessary by the Director.”.

6        SEC. 113. Section 732 of Public Law 104–132  
7        (110 Stat. 1303; 18 U.S.C. 841 note) is amended—

8                (1) in subsection (a), by adding at the end the  
9        following new paragraph:

10               “(3) NEW PREVENTION TECHNOLOGIES.—In  
11        addition to the study of taggants as provided herein,  
12        the Secretary, in consultation with the Attorney  
13        General, shall concurrently report to the Congress  
14        on the possible use, and exploitation of technologies  
15        such as vapor detection devices, computed tomog-  
16        raphy, nuclear quadropole resonance, thermal neu-  
17        tron analysis, pulsed fast-neutron analysis, and  
18        other technologies upon which recommendations to  
19        the Congress may be made for further study, fund-  
20        ing, and use of the same in preventing and solving  
21        acts of terrorism involving explosive devices.”; and

22               (2) by adding at the end the following new sub-  
23        section:

24               “(f) SPECIAL STUDY.—

1           “(1) IN GENERAL.—Notwithstanding subsection  
2           (a), the Secretary of the Treasury shall enter into a  
3           contract with the National Academy of Sciences (re-  
4           ferred to in this section as the ‘Academy’) to con-  
5           duct a study of the tagging of smokeless and black  
6           powder by any viable technology for purposes of de-  
7           tection and identification. The study shall be con-  
8           ducted by an independent panel of 5 experts ap-  
9           pointed by the Academy.

10           “(2) STUDY ELEMENTS.—The study conducted  
11           under this subsection shall—

12                   “(A) indicate whether the tracer elements,  
13                   when added to smokeless and black powder—

14                           “(i) will pose a risk to human life or  
15                           safety;

16                           “(ii) will substantially assist law en-  
17                           forcement officers in their investigative ef-  
18                           forts;

19                           “(iii) will impair the quality and per-  
20                           formance of the powders (which shall in-  
21                           clude a broad and comprehensive sampling  
22                           of all available powders) for their intended  
23                           lawful use, including, but not limited to the  
24                           sporting, defense, and handloading uses of

1 the powders, as well as their use in display  
2 and lawful consumer pyrotechnics;

3 “(iv) will have a substantially adverse  
4 effect on the environment;

5 “(v) will incur costs which outweigh  
6 the benefits of their inclusion, including an  
7 evaluation of the probable production and  
8 regulatory cost of compliance to the indus-  
9 try, and the costs and effects on consum-  
10 ers, including the effect on the demand for  
11 ammunition; and

12 “(vi) can be evaded, and with what  
13 degree of difficulty, by terrorists or terror-  
14 ist organizations, including evading tracer  
15 elements by the use of precursor chemicals  
16 to make black or other powders; and

17 “(B) provide for consultation on the study  
18 with Federal, State, and local officials, non-gov-  
19 ernmental organizations, including all national  
20 police organizations, national sporting organiza-  
21 tions, and national industry associations with  
22 expertise in this area and such other individuals  
23 as shall be deemed necessary.

24 “(3) REPORT AND COSTS.—The study con-  
25 ducted under this subsection shall be presented to



1 Congress 12 months after the enactment of this sub-  
2 section and be made available to the public, includ-  
3 ing any data tapes or data used to form such rec-  
4 ommendations. There are authorized to be appro-  
5 priated such sums as may be necessary to carry out  
6 the study.”.

7 SEC. 114. (a) Section 524(c)(1) of title 28, United  
8 States Code, is amended in the first sentence following  
9 the second subparagraph (I) by deleting “(C),”.

10 (b) Section 524 (c)(8)(A) is amended by deleting  
11 “(C),”.

12 SEC. 115. Effective with the enactment of this Act  
13 and in any fiscal year hereafter, under policies estab-  
14 lished by the Attorney General, the Department of Jus-  
15 tice may reimburse employees who are paid by an appro-  
16 priation account within the Department of Justice and  
17 are traveling on behalf of the United States in temporary  
18 duty status to investigate, prosecute, or litigate (includ-  
19 ing the provision of support therefor) a criminal or civil  
20 matter, or for other similar special circumstances, for  
21 Federal, State, and local taxes heretofore and hereafter  
22 resulting from any reimbursement of travel expenses  
23 from an appropriation account within the Department of  
24 Justice: *Provided*, That such reimbursement may include

1 an amount equal to all income taxes for which the em-  
2 ployee would be liable due to such reimbursement.

3 SEC. 116. Section 524 of title 28, United States  
4 Code, is amended by adding a new subsection (d) as fol-  
5 lows:

6 “(d)(1) The Attorney General may accept, hold,  
7 administer, and use gifts, devises, and bequests of any  
8 property for the purpose of aiding or facilitating the work  
9 of the Department of Justice.

10 “(2) Gifts, devises, and bequests of money, the  
11 proceeds of sale or liquidation of any other property ac-  
12 cepted hereunder, and any income accruing from any  
13 property accepted hereunder—

14 “(A) shall be deposited in the Treasury in a  
15 separate fund and held in trust by the Secretary of  
16 the Treasury for the benefit of the Department of  
17 Justice; and

18 “(B) are hereby appropriated, without fiscal  
19 year limitation, and shall be disbursed on order of  
20 the Attorney General.

21 “(3) Upon request of the Attorney General, the  
22 Secretary of the Treasury may invest and reinvest the  
23 fund described herein in public debt securities with matu-  
24 rities suitable for the needs of the fund and bearing in-  
25 terest at rates determined by the Secretary of the Treas-

1 ury, taking into consideration the current average market  
2 yield on outstanding marketable obligations of the United  
3 States or comparable maturities.

4 “(4) Evidences of any intangible personal property  
5 (other than money) accepted hereunder shall be deposited  
6 with the Secretary of the Treasury, who may hold or liq-  
7 uidate them, except that they shall be liquidated upon the  
8 request of the Attorney General.

9 “(5) For purposes of federal income, estate, and  
10 gift taxes, property accepted hereunder shall be consid-  
11 ered a gift, devise, or bequest to, or for the use of, the  
12 United States.”.

13 SEC. 117. Section 524(c)(9), of title 28, United  
14 States Code, is amended to read as follows:

15 “(9)(A) Following the completion of procedures  
16 for the forfeiture of property pursuant to any law  
17 enforced or administered by the Department, the At-  
18 torney General is authorized, in her discretion, to  
19 warrant clear title to any subsequent purchaser or  
20 transferee of such property.

21 “(B) For fiscal year 1997, the Attorney Gen-  
22 eral is authorized to transfer, under such terms and  
23 conditions as the Attorney General shall specify, real  
24 or personal property of limited or marginal value, to  
25 a State or local government agency, or its designated

1 contractor or transferee, for use to support drug  
 2 abuse treatment, drug and crime prevention and  
 3 education, housing, job skills, and other community-  
 4 based public health and safety programs. Such  
 5 transfer shall not create or confer any private right  
 6 of action in any person against the United States.”.

7 SEC. 118. Section 594(b)(3)(A) of title 28 United  
 8 States Code, is amended in the second sentence by—

9 (a) striking “by 6 months” and inserting “for  
 10 successive 6-month periods”; and

11 (b) striking the phrase “employee assigned du-  
 12 ties under subsection (l)(1)(A)(iii) certifies” and in-  
 13 serting “independent counsel and the division of the  
 14 court certify”; and

15 (c) striking “such employee” and inserting “the  
 16 independent counsel” and “the division of the  
 17 court”.

18 SEC. 119. This section may be cited as the “Age  
 19 Discrimination in Employment Amendments of 1996”.

## 20 **Subsection 1. Age Discrimination Amendment**

21 (a) REPEAL OF REPEALER.—Section 3(b) of the  
 22 Age Discrimination in Employment Amendments of 1986  
 23 (29 U.S.C. 623 note) is repealed.

24 (b) EXEMPTION.—Section 4(j) of the Age Dis-  
 25 crimination in Employment Act of 1967 (29 U.S.C.

1 623(j)), as in effect immediately before December 31,  
2 1993—

3 (1) is reenacted as such section; and

4 (2) as so reenacted, is amended in paragraph

5 (1) by striking “and the individual has attained the

6 age” and all that follows through “1983, and” and

7 inserting the following: “, the employer has complied

8 with section 3(d)(2) of the Age Discrimination in

9 Employment Amendments of 1996 if the individual

10 was discharged after the date described in such sec-

11 tion, and the individual has attained—

12 “(A) the age of hiring or retirement, re-

13 spectively, in effect under applicable State or

14 local law on March 3, 1983; or

15 “(B)(i) if the individual was not hired, the

16 age of hiring in effect on the date of such fail-

17 ure or refusal to hire under applicable State or

18 local law enacted after the date of enactment of

19 the Age Discrimination in Employment Amend-

20 ments of 1996; or

21 “(ii) if applicable State or local law was

22 enacted after the date of enactment of the Age

23 Discrimination in Employment Amendments of

24 1996 and the individual was discharged, the

25 higher of—

1                   “(I) the age of retirement in effect on  
2                   the date of such discharge under such law;  
3                   and  
4                   “(II) age 55; and”.

5           (c) CONSTRUCTION.—Nothing in the repeal, reen-  
6 actment, and amendment made by subsections (a) and  
7 (b) shall be construed to make lawful the failure or re-  
8 fusals to hire, or the discharge of, an individual pursuant  
9 to a law that—

10           (1) was enacted after March 3, 1983 and before  
11           the date of enactment of the Age Discrimination in  
12           Employment Amendments of 1996; and

13           (2) lowered the age of hiring or retirement, re-  
14           spectively, for firefighters or law enforcement offi-  
15           cers that was in effect under applicable State or  
16           local law on March 3, 1983.

17 **Subsection 2. Study and Guidelines for Performance**  
18 **Tests**

19           (a) STUDY.—Not later than 3 years after the date  
20 of enactment of this Act, the Secretary of Health and  
21 Human Services, acting through the Director of the Na-  
22 tional Institute for Occupational Safety and Health (re-  
23 ferred to in this section as the “Secretary”), shall con-  
24 duct, directly or by contract, a study, and shall submit

1 to the appropriate committees of Congress a report based  
2 on the results of the study that shall include—

3 (1) a list and description of all tests available  
4 for the assessment of abilities important for the  
5 completion of public safety tasks performed by law  
6 enforcement officers and firefighters.

7 (2) a list of the public safety tasks for which  
8 adequate tests described in paragraph (1) do not  
9 exist;

10 (3) a description of the technical characteristics  
11 that the tests shall meet to be in compliance with  
12 applicable Federal civil rights law and policies;

13 (4) a description of the alternative methods  
14 that are available for determining minimally accept-  
15 able performance standards on the tests;

16 (5) a description of the administrative stand-  
17 ards that should be met in the administration, scor-  
18 ing, and score interpretation of the tests; and

19 (6) an examination of the extent to which the  
20 tests are cost-effective, are safe, and comply with the  
21 Federal civil rights law and policies.

22 (b) CONSULTATION REQUIREMENT; OPPORTUNITY  
23 FOR PUBLIC COMMENT.—

1           (1) CONSULTATION.—The Secretary shall, dur-  
2           ing the conduct of the study required by subsection  
3           (a), consult with—

4                   (A) the Deputy Administrator of the Unit-  
5                   ed States Fire Administration;

6                   (B) the Director of the Federal Emergency  
7                   Management Agency;

8                   (C) organizations that represent law en-  
9                   forcement officers, firefighters, and employers  
10                  of the officers and firefighters; and

11                  (D) organizations that represent older indi-  
12                  viduals.

13           (2) PUBLIC COMMENT.—Prior to issuing the  
14           advisory guidelines required in subsection (c), the  
15           Secretary shall provide an opportunity for public  
16           comment on the proposal advisory guidelines.

17           (c) ADVISORY GUIDELINES.—Not later than 4  
18           years after the date of enactment of this Act, the Sec-  
19           retary shall develop and issue, based on the results of the  
20           study required by subsection (a), advisory guidelines for  
21           the administration and use of physical and mental fitness  
22           tests to measure the ability and competency of law en-  
23           forcement officers and firefighters to perform the require-  
24           ments of the jobs of the officers and firefighters.

25           (d) JOB PERFORMANCE TESTS.—



1           (1) IDENTIFICATION OF TESTS.—After issuance  
2           of the advisory guidelines described in subsection  
3           (c), the Secretary shall issue regulations identifying  
4           valid, nondiscriminatory job performance tests that  
5           shall be used by employers seeking the exemption  
6           described in section 4(j) of the Age Discrimination  
7           in Employment Act of 1967 with respect to fire-  
8           fighters or law enforcement officers who have at-  
9           tained an age of retirement described in such section  
10          4(j).

11          (2) USE OF TESTS.—Effective on the date of is-  
12          suance of the regulations described in paragraph (1),  
13          any employer seeking such exemption with respect to  
14          a firefighter or law enforcement officer who has at-  
15          tained such age shall provide to each firefighter or  
16          law enforcement officer who has attained such age  
17          an annual opportunity to demonstrate physical and  
18          mental fitness by passing a test described in para-  
19          graph (1), in order to continue employment.

20          (e) DEVELOPMENT OF STANDARDS FOR  
21          WELLNESS PROGRAMS.—Not later than 2 years after the  
22          date of enactment of this Act, the Secretary shall propose  
23          advisory standards for wellness programs for law enforce-  
24          ment officers and firefighters.

1 (f) AUTHORIZATION OF APPROPRIATIONS.—There  
 2 is authorized to be appropriated \$5,000,000 to carry out  
 3 this section.

#### 4 **Subsection 3. Effective Dates**

5 (a) GENERAL EFFECTIVE DATE.—Except as pro-  
 6 vided in subsection (b), this title and the amendments  
 7 made by this title shall take effect on the date of enact-  
 8 ment of this Act.

9 (b) SPECIAL EFFECTIVE DATE.—The repeal  
 10 made by section 2(a) and the reenactment made by sec-  
 11 tion 2(b)(1) shall take effect on December 31, 1993.

12 SEC. 120. Section 320935(e) of the Violent Crime  
 13 Control and Law Enforcement Act of 1994 is amended  
 14 by inserting ”, including all trials commenced on or after  
 15 the effective date of such amendments” after “such  
 16 amendments”.

17 SEC. 121. This section may be cited as the “Child  
 18 Pornography Prevention Act of 1996”.

#### 19 **Subsection 1. Findings**

20 Congress finds that—

21 (1) the use of children in the production of sex-  
 22 ually explicit material, including photographs, films,  
 23 videos, computer images, and other visual depictions,  
 24 is a form of sexual abuse which can result in phys-

1        ical or psychological harm, or both, to the children  
2        involved;

3            (2) where children are used in its production,  
4        child pornography permanently records the victim's  
5        abuse, and its continued existence causes the child  
6        victims of sexual abuse continuing harm by haunting  
7        those children in future years;

8            (3) child pornography is often used as part of  
9        a method of seducing other children into sexual ac-  
10       tivity; a child who is reluctant to engage in sexual  
11       activity with an adult, or to pose for sexually explicit  
12       photographs, can sometimes be convinced by viewing  
13       depictions of other children "having fun" participat-  
14       ing in such activity;

15           (4) child pornography is often used by  
16        pedophiles and child sexual abusers to stimulate and  
17        whet their own sexual appetites, and as a model for  
18        sexual acting out with children; such use of child  
19        pornography can desensitize the viewer to the pa-  
20        thology of sexual abuse or exploitation of children,  
21        so that it can become acceptable to and even pre-  
22        ferred by the viewer;

23           (5) new photographic and computer imagining  
24        technologies make it possible to produce by elec-  
25        tronic, mechanical, or other means, visual depictions

1 of what appear to be children engaging in sexually  
2 explicit conduct that are virtually indistinguishable  
3 to the unsuspecting viewer from unretouched photo-  
4 graphic images of actual children engaging in sexu-  
5 ally explicit conduct;

6 (6) computers and computer imaging tech-  
7 nology can be used to—

8 (A) alter sexually explicit photographs,  
9 films, and videos in such a way as to make it  
10 virtually impossible for unsuspecting viewers to  
11 identify individuals, or to determine if the of-  
12 fending material was produced using children;

13 (B) produce visual depictions of child sex-  
14 ual activity designed to satisfy the preferences  
15 of individual child molesters, pedophiles, and  
16 pornography collectors; and

17 (C) alter innocent pictures of children to  
18 create visual depictions of those children engag-  
19 ing in sexual conduct;

20 (7) the creation or distribution of child pornog-  
21 raphy which includes an image of a recognizable  
22 minor invades the child's privacy and reputational  
23 interests, since images that are created showing a  
24 child's face or other identifiable feature on a body

1       engaging in sexually explicit conduct can haunt the  
2       minor for years to come;

3               (8) the effect of visual depictions of child sexual  
4       activity on a child molester or pedophile using that  
5       material to stimulate or whet his own sexual appe-  
6       tites, or on a child where the material is being used  
7       as a means of seducing or breaking down the child's  
8       inhibitions to sexual abuse or exploitation, is the  
9       same whether the child pornography consists of pho-  
10      tographic depictions of actual children or visual de-  
11      pictions produced wholly or in part by electronic,  
12      mechanical, or other means, including by computer,  
13      which are virtually indistinguishable to the  
14      unsuspecting viewer from photographic images of ac-  
15      tual children;

16              (9) the danger to children who are seduced and  
17      molested with the aid of child sex pictures is just as  
18      great when the child pornographer or child molester  
19      uses visual depictions of child sexual activity pro-  
20      duced wholly or in part by electronic, mechanical, or  
21      other means, including by computer, as when the  
22      material consists of unretouched photographic im-  
23      ages of actual children engaging in sexually explicit  
24      conduct;

1           (10)(A) the existence of and traffic in child por-  
2           nographic images creates the potential for many  
3           types of harm in the community and presents a clear  
4           and present danger to all children; and

5           (B) it inflames the desires of child molesters,  
6           pedophiles, and child pornographers who prey on  
7           children, thereby increasing the creation and dis-  
8           tribution of child pornography and the sexual abuse  
9           and exploitation of actual children who are victim-  
10          ized as a result of the existence and use of these ma-  
11          terials;

12          (11)(A) the sexualization and eroticization of  
13          minors through any form of child pornographic im-  
14          ages has a deleterious effect on all children by en-  
15          couraging a societal perception of children as sexual  
16          objects and leading to further sexual abuse and ex-  
17          ploitation of them; and

18          (B) this sexualization of minors creates an un-  
19          wholesome environment which affects the psycho-  
20          logical, mental and emotional development of chil-  
21          dren and undermines the efforts of parents and fam-  
22          ilies to encourage the sound mental, moral and emo-  
23          tional development of children;

24          (12) prohibiting the possession and viewing of  
25          child pornography will encourage the possessors of

1 such material to rid themselves of or destroy the ma-  
2 terial, thereby helping to protect the victims of child  
3 pornography and to eliminate the market for the  
4 sexual exploitative use of children; and

5 (13) the elimination of child pornography and  
6 the protection of children from sexual exploitation  
7 provide a compelling governmental interest for pro-  
8 hibiting the production, distribution, possession,  
9 sale, or viewing of visual depictions of children en-  
10 gaging in sexually explicit conduct, including both  
11 photographic images of actual children engaging in  
12 such conduct and depictions produced by computer  
13 or other means which are virtually indistinguishable  
14 to the unsuspecting viewer from photographic im-  
15 ages of actual children engaging in such conduct.

16 **Subsection 2. Definitions**

17 Section 2256 of title 18, United States Code, is  
18 amended—

19 (1) in paragraph (5), by inserting before the  
20 semicolon the following: “, and data stored on com-  
21 puter disk or by electronic means which is capable  
22 of conversion into a visual image”;

23 (2) in paragraph (6), by striking “and”;

24 (3) in paragraph (7), by striking the period and  
25 inserting a semicolon; and

1           (4) by adding at the end the following new  
2 paragraphs:

3           “(8) ‘child pornography’ means any visual de-  
4 piction, including any photograph, film, video, pic-  
5 ture, or computer or computer-generated image or  
6 picture, whether made or produced by electronic,  
7 mechanical, or other means, of sexually explicit con-  
8 duct, where—

9           “(A) the production of such visual depic-  
10 tion involves the use of a minor engaging in  
11 sexually explicit conduct;

12           “(B) such visual depiction is, or appears to  
13 be, of a minor engaging in sexually explicit con-  
14 duct;

15           “(C) such visual depiction has been cre-  
16 ated, adapted, or modified to appear that an  
17 identifiable minor is engaging in sexually ex-  
18 plicit conduct; or

19           “(D) such visual depiction is advertised,  
20 promoted, presented, described, or distributed  
21 in such a manner that conveys the impression  
22 that the material is or contains a visual depic-  
23 tion of a minor engaging in sexually explicit  
24 conduct; and

25           “(9) ‘identifiable minor’—



1 “(A) means a person—

2 “(i)(I) who was a minor at the time  
3 the visual depiction was created, adapted,  
4 or modified; or

5 “(II) whose image as a minor was  
6 used in creating, adapting, or modifying  
7 the visual depiction; and

8 “(ii) who is recognizable as an actual  
9 person by the person’s face, likeness, or  
10 other distinguishing characteristic, such as  
11 a unique birthmark or other recognizable  
12 feature; and

13 “(B) shall not be construed to require  
14 proof of the actual identity of the identifiable  
15 minor.”.

16 **Subsection 3. Prohibited Activities Relating to Mate-**  
17 **rial Constituting or Containing Child**  
18 **Pornography**

19 (a) IN GENERAL.—Chapter 110 of title 18, United  
20 States Code, is amended by adding after section 2252 the  
21 following:

22 **“§ 2252A. Certain activities relating to material con-**  
23 **stituting or containing child pornography**

24 “(a) Any person who—

1           “(1) knowingly mails, or transports or ships in  
2 interstate or foreign commerce by any means, in-  
3 cluding by computer, any child pornography;

4           “(2) knowingly receives or distributes—

5               “(A) any child pornography that has been  
6 mailed, or shipped or transported in interstate  
7 or foreign commerce by any means, including  
8 by computer; or

9               “(B) any material that contains child por-  
10 nography that has been mailed, or shipped or  
11 transported in interstate or foreign commerce  
12 by any means, including by computer;

13           “(3) knowingly reproduces any child pornog-  
14 raphy for distribution through the mails, or in inter-  
15 state or foreign commerce by any means, including  
16 by computer;

17           “(4) either—

18               “(A) in the special maritime and territorial  
19 jurisdiction of the United States, or on any  
20 land or building owned by, leased to, or other-  
21 wise used by or under the control of the United  
22 States Government, or in the Indian country  
23 (as defined in section 1151), knowingly sells or  
24 possesses with the intent to sell any child por-  
25 nography; or

1           “(B) knowingly sells or possesses with the  
2           intent to sell any child pornography that has  
3           been mailed, or shipped or transported in inter-  
4           state or foreign commerce by any means, in-  
5           cluding by computer, or that was produced  
6           using materials that have been mailed, or  
7           shipped or transported in interstate or foreign  
8           commerce by any means, including by com-  
9           puter; or

10          “(5) either—

11               “(A) in the special maritime and territorial  
12               jurisdiction of the United States, or on any  
13               land or building owned by, leased to, or other-  
14               wise used by or under the control of the United  
15               States Government, or in the Indian country  
16               (as defined in section 1151), knowingly pos-  
17               sesses any book, magazine, periodical, film, vid-  
18               eotape, computer disk, or any other material  
19               that contains 3 or more images of child pornog-  
20               raphy; or

21               “(B) knowingly possesses any book, maga-  
22               zine, periodical, film, videotape, computer disk,  
23               or any other material that contains 3 or more  
24               images of child pornography that has been  
25               mailed, or shipped or transported in interstate

1           or foreign commerce by any means, including  
2           by computer, or that was produced using mate-  
3           rials that have been mailed, or shipped or  
4           transported in interstate or foreign commerce  
5           by any means, including by computer,  
6       shall be punished as provided in subsection (b).

7       “(b)(1) Whoever violates, or attempts or conspires to  
8       violate, paragraphs (1), (2), (3), or (4) of subsection (a)  
9       shall be fined under this title or imprisoned not more than  
10      15 years, or both, but, if such person has a prior convic-  
11      tion under this chapter or chapter 109A, or under the laws  
12      of any State relating to aggravated sexual abuse, sexual  
13      abuse, or abusive sexual conduct involving a minor or  
14      ward, or the production, possession, receipt, mailing, sale,  
15      distribution, shipment, or transportation of child pornog-  
16      raphy, such person shall be fined under this title and im-  
17      prisoned for not less than 5 years nor more than 30 years.

18       “(2) Whoever violates, or attempts or conspires to  
19      violate, subsection (a)(5) shall be fined under this title or  
20      imprisoned not more than 5 years, or both, but, if such  
21      person has a prior conviction under this chapter or chapter  
22      109A, or under the laws of any State relating to the pos-  
23      session of child pornography, such person shall be fined  
24      under this title and imprisoned for not less than 2 years  
25      nor more than 10 years.

1           “(c) It shall be an affirmative defense to a charge  
2 of violating paragraphs (1), (2), (3), or (4) of subsection  
3 (a) that—

4           “(1) the alleged child pornography was pro-  
5 duced using an actual person or persons engaging in  
6 sexually explicit conduct;

7           “(2) each such person was an adult at the time  
8 the material was produced; and

9           “(3) the defendant did not advertise, promote,  
10 present, describe, or distribute the material in such  
11 a manner as to convey the impression that it is or  
12 contains a visual depiction of a minor engaging in  
13 sexually explicit conduct.”.

14           (b) TECHNICAL AMENDMENT.—The table of sec-  
15 tions for chapter 110 of title 18, United States Code, is  
16 amended by adding after the item relating to section  
17 2252 the following:

“2252A. Certain activities relating to material constituting or containing child  
pornography.”.

18 **Subsection 4. Penalties for Sexual Exploitation of**  
19 **Children.**

20           Section 2251(d) of title 18, United States Code,  
21 is amended to read as follows:

22           “(d) Any individual who violates, or attempts or  
23 conspires to violate, this section shall be fined under this  
24 title or imprisoned not less than 10 years nor more than

1 20 years, or both, but if such person has one prior con-  
2 viction under this chapter or chapter 109A, or under the  
3 laws of any State relating to the sexual exploitation of  
4 children, such person shall be fined under this title and  
5 imprisoned for not less than 15 years nor more than 30  
6 years, but if such person has 2 or more prior convictions  
7 under this chapter or chapter 109A, or under the laws  
8 of any State relating to the sexual exploitation of chil-  
9 dren, such person shall be fined under this title and im-  
10 prisoned not less than 30 years nor more than life. Any  
11 organization that violates, or attempts or conspires to  
12 violate, this section shall be fined under this title. Who-  
13 ever, in the course of an offense under this section, en-  
14 gages in conduct that results in the death of a person,  
15 shall be punished by death or imprisoned for any term  
16 of years or for life.”.

17 **Subsection 5. Material Involving Sexual Exploitation**  
18 **of Minors**

19 Section 2252 of title 18, United States Code, is  
20 amended by striking subsection (b) and inserting the fol-  
21 lowing:

22 “(b)(1) Whoever violates, or attempts or conspires  
23 to violate, paragraphs (1), (2), or (3) of subsection (a)  
24 shall be fined under this title or imprisoned not more  
25 than 15 years, or both, but if such person has a prior

1 conviction under this chapter or chapter 109A, or under  
2 the laws of any State relating to aggravated sexual  
3 abuse, sexual abuse, or abusive sexual conduct involving  
4 a minor or ward, or the production, possession, receipt,  
5 mailing, sale, distribution, shipment, or transportation of  
6 child pornography, such person shall be fined under this  
7 title and imprisoned for not less than 5 years nor more  
8 than 30 years.

9           “(2) Whoever violates, or attempts or conspires to  
10 violate, paragraph (4) of subsection (a) shall be fined  
11 under this title or imprisoned not more than 5 years, or  
12 both, but if such person has a prior conviction under this  
13 chapter or chapter 109A, or under the laws of any State  
14 relating to the possession of child pornography, such per-  
15 son shall be fined under this title and imprisoned for not  
16 less than 2 years nor more than 10 years.”.

17 **Subsection 6. Privacy Protection Act Amendments**

18           Section 101 of the Privacy Protection Act of 1980  
19 (42 U.S.C. 2000aa) is amended—

20           (1) in subsection (a)(1), by inserting before the  
21 parenthesis at the end the following: “, or if the of-  
22 fense involves the production, possession, receipt,  
23 mailing, sale, distribution, shipment, or transpor-  
24 tation of child pornography, the sexual exploitation  
25 of children, or the sale or purchase of children under

1 section 2251, 2251A, 2252, or 2252A of title 18,  
2 United States Code”; and

3 (2) in subsection (b)(1), by inserting before the  
4 parenthesis at the end the following: “, or if the of-  
5 fense involves the production, possession, receipt,  
6 mailing, sale, distribution, shipment, or transpor-  
7 tation of child pornography, the sexual exploitation  
8 of children, or the sale or purchase of children under  
9 section 2251, 2251A, 2252, or 2252A of title 18,  
10 United States Code”.

11 **Subsection 7. Amber Hagerman Child Protection Act**  
12 **of 1996**

13 (a) SHORT TITLE.—This section may be cited as  
14 the “Amber Hagerman Child Protection Act of 1996”.

15 (b) AGGRAVATED SEXUAL ABUSE OF A MINOR.—  
16 Section 2241(c) of title 18, United States Code, is  
17 amended to read as follows:

18 “(c) WITH CHILDREN.—Whoever crosses a State  
19 line with intent to engage in a sexual act with a person  
20 who has not attained the age of 12 years, or in the spe-  
21 cial maritime and territorial jurisdiction of the United  
22 States or in a Federal prison, knowingly engages in a  
23 sexual act with another person who has not attained the  
24 age of 12 years, or knowingly engages in a sexual act  
25 under the circumstances described in subsections (a) and



1 (b) with another person who has attained the age of 12  
2 years but has not attained the age of 16 years (and is  
3 at least 4 years younger than that person), or attempts  
4 to do so, shall be fined under this title, imprisoned for  
5 any term of years or life, or both. If the defendant has  
6 previously been convicted of another Federal offense  
7 under this subsection, or of a State offense that would  
8 have been an offense under either such provision had the  
9 offense occurred in a Federal prison, unless the death  
10 penalty is imposed, the defendant shall be sentenced to  
11 life in prison.”.

12 (c) SEXUAL ABUSE OF A MINOR.—Section  
13 2243(a) of title 18, United States Code, is amended by  
14 inserting “crosses a State line with intent to engage in  
15 a sexual act with a person who has not attained the age  
16 of 12 years, or” after “Whoever”.

17 **Subsection 8. Severability**

18 If any provision of this Act, including any provi-  
19 sion or section of the definition of the term child pornog-  
20 raphy, an amendment made by this Act, or the applica-  
21 tion of such provision or amendment to any person or cir-  
22 cumstance is held to be unconstitutional, the remainder  
23 of this Act, including any other provision or section of  
24 the definition of the term child pornography, the amend-  
25 ments made by this Act, and the application of such to

1 any other person or circumstance shall not be affected  
2 thereby.

3 This title may be cited as the “Department of  
4 Justice Appropriations Act, 1997”.

5 TITLE II—DEPARTMENT OF COMMERCE AND  
6 RELATED AGENCIES

7 TRADE AND INFRASTRUCTURE DEVELOPMENT  
8 RELATED AGENCIES

9 OFFICE OF THE UNITED STATES TRADE  
10 REPRESENTATIVE

11 SALARIES AND EXPENSES

12 For necessary expenses of the Office of the United  
13 States Trade Representative, including the hire of pas-  
14 senger motor vehicles and the employment of experts and  
15 consultants as authorized by 5 U.S.C. 3109,  
16 \$21,449,000, of which \$2,500,000 shall remain available  
17 until expended: *Provided*, That not to exceed \$98,000  
18 shall be available for official reception and representation  
19 expenses.

20 INTERNATIONAL TRADE COMMISSION

21 SALARIES AND EXPENSES

22 For necessary expenses of the International Trade  
23 Commission, including hire of passenger motor vehicles,  
24 and services as authorized by 5 U.S.C. 3109, and not to  
25 exceed \$2,500 for official reception and representation

1 expenses, \$40,850,000, to remain available until ex-  
2 pended.

3 DEPARTMENT OF COMMERCE

4 INTERNATIONAL TRADE ADMINISTRATION

5 OPERATIONS AND ADMINISTRATION

6 For necessary expenses for international trade ac-  
7 tivities of the Department of Commerce provided for by  
8 law, and engaging in trade promotional activities abroad,  
9 including expenses of grants and cooperative agreements  
10 for the purpose of promoting exports of United States  
11 firms, without regard to 44 U.S.C. 3702 and 3703; full  
12 medical coverage for dependent members of immediate  
13 families of employees stationed overseas and employees  
14 temporarily posted overseas; travel and transportation of  
15 employees of the United States and Foreign Commercial  
16 Service between two points abroad, without regard to 49  
17 U.S.C. 1517; employment of Americans and aliens by  
18 contract for services; rental of space abroad for periods  
19 not exceeding ten years, and expenses of alteration, re-  
20 pair, or improvement; purchase or construction of tem-  
21 porary demountable exhibition structures for use abroad;  
22 payment of tort claims, in the manner authorized in the  
23 first paragraph of 28 U.S.C. 2672 when such claims  
24 arise in foreign countries; not to exceed \$327,000 for of-  
25 ficial representation expenses abroad; purchase of pas-

1 senger motor vehicles for official use abroad, not to ex-  
2 ceed \$30,000 per vehicle; obtain insurance on official  
3 motor vehicles; and rent tie lines and teletype equipment;  
4 \$270,000,000, to remain available until expended: *Pro-*  
5 *vided*, That the provisions of the first sentence of section  
6 105(f) and all of section 108(c) of the Mutual Edu-  
7 cational and Cultural Exchange Act of 1961 (22 U.S.C.  
8 2455(f) and 2458(c)) shall apply in carrying out these  
9 activities without regard to section 5412 of the Omnibus  
10 Trade and Competitiveness Act of 1988 (15 U.S.C.  
11 4912); and that for the purpose of this Act, contributions  
12 under the provisions of the Mutual Educational and Cul-  
13 tural Exchange Act shall include payment for assess-  
14 ments for services provided as part of these activities.

#### 15 EXPORT ADMINISTRATION

#### 16 OPERATIONS AND ADMINISTRATION

17 For necessary expenses for export administration  
18 and national security activities of the Department of  
19 Commerce, including costs associated with the perform-  
20 ance of export administration field activities both domes-  
21 tically and abroad; full medical coverage for dependent  
22 members of immediate families of employees stationed  
23 overseas; employment of Americans and aliens by con-  
24 tract for services abroad; rental of space abroad for peri-  
25 ods not exceeding ten years, and expenses of alteration,

1 repair, or improvement; payment of tort claims, in the  
2 manner authorized in the first paragraph of 28 U.S.C.  
3 2672 when such claims arise in foreign countries; not to  
4 exceed \$15,000 for official representation expenses  
5 abroad; awards of compensation to informers under the  
6 Export Administration Act of 1979, and as authorized by  
7 22 U.S.C. 401(b); purchase of passenger motor vehicles  
8 for official use and motor vehicles for law enforcement  
9 use with special requirement vehicles eligible for purchase  
10 without regard to any price limitation otherwise estab-  
11 lished by law; \$36,000,000, to remain available until ex-  
12 pended: *Provided*, That the provisions of the first sen-  
13 tence of section 105(f) and all of section 108(c) of the  
14 Mutual Educational and Cultural Exchange Act of 1961  
15 (22 U.S.C. 2455(f) and 2458(c)) shall apply in carrying  
16 out these activities: *Provided further*, That payments and  
17 contributions collected and accepted for materials or serv-  
18 ices provided as part of such activities may be retained  
19 for use in covering the cost of such activities, and for  
20 providing information to the public with respect to the  
21 export administration and national security activities of  
22 the Department of Commerce and other export control  
23 programs of the United States and other governments.

24           For an additional amount for nonproliferation ef-  
25 forts to prevent illegal exports of chemical weapon pre-

1 cursors, biological agents, nuclear weapons and missile  
2 development equipment, \$3,900,000, to remain available  
3 until expended: *Provided*, That the entire amount is des-  
4 ignated by Congress as an emergency requirement pursu-  
5 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
6 and Emergency Deficit Control Act of 1985, as amended.

7 ECONOMIC DEVELOPMENT ADMINISTRATION

8 ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

9 For grants for economic development assistance  
10 as provided by the Public Works and Economic Develop-  
11 ment Act of 1965, as amended, Public Law 91-304, and  
12 such laws that were in effect immediately before Septem-  
13 ber 30, 1982, and for trade adjustment assistance,  
14 \$328,500,000: *Provided*, That none of the funds appro-  
15 priated or otherwise made available under this heading  
16 may be used directly or indirectly for attorneys' or con-  
17 sultants' fees in connection with securing grants and con-  
18 tracts made by the Economic Development Administra-  
19 tion: *Provided further*, That, notwithstanding any other  
20 provision of law, the Secretary of Commerce may provide  
21 financial assistance for projects to be located on military  
22 installations closed or scheduled for closure or realign-  
23 ment to grantees eligible for assistance under the Public  
24 Works and Economic Development Act of 1965, as  
25 amended, without it being required that the grantee have

1 title or ability to obtain a lease for the property, for the  
 2 useful life of the project, when in the opinion of the Sec-  
 3 retary of Commerce, such financial assistance is nec-  
 4 essary for the economic development of the area: *Pro-*  
 5 *vided further*, That the Secretary of Commerce may, as  
 6 the Secretary considers appropriate, consult with the Sec-  
 7 retary of Defense regarding the title to land on military  
 8 installations closed or scheduled for closure or realign-  
 9 ment.

#### 10 SALARIES AND EXPENSES

11 For necessary expenses of administering the eco-  
 12 nomic development assistance programs as provided for  
 13 by law, \$20,036,000: *Provided*, That these funds may be  
 14 used to monitor projects approved pursuant to title I of  
 15 the Public Works Employment Act of 1976, as amended,  
 16 title II of the Trade Act of 1974, as amended, and the  
 17 Community Emergency Drought Relief Act of 1977.

#### 18 MINORITY BUSINESS DEVELOPMENT AGENCY

##### 19 MINORITY BUSINESS DEVELOPMENT

20 For necessary expenses of the Department of  
 21 Commerce in fostering, promoting, and developing minor-  
 22 ity business enterprise, including expenses of grants, con-  
 23 tracts, and other agreements with public or private orga-  
 24 nizations, \$28,000,000: *Provided*, That of the total  
 25 amount provided, \$2,000,000 shall be available for obli-  
 26 gation and expenditure only for projects jointly devel-

1 oped, implemented and administered with the Small  
2 Business Administration.

3       ECONOMIC AND INFORMATION INFRASTRUCTURE

4               ECONOMIC AND STATISTICAL ANALYSIS

5                       SALARIES AND EXPENSES

6           For necessary expenses, as authorized by law, of  
7 economic and statistical analysis programs of the Depart-  
8 ment of Commerce, \$45,900,000, to remain available  
9 until September 30, 1998.

10       ECONOMICS AND STATISTICS ADMINISTRATION

11               REVOLVING FUND

12       The Secretary of Commerce is authorized to dis-  
13 seminate economic and statistical data products as au-  
14 thorized by sections 1, 2, and 4 of Public Law 91–412  
15 (15 U.S.C. 1525–1527) and, notwithstanding section  
16 5412 of the Omnibus Trade and Competitiveness Act of  
17 1988 (15 U.S.C. 4912), charge fees necessary to recover  
18 the full costs incurred in their production. Notwithstand-  
19 ing 31 U.S.C. 3302, receipts received from these data  
20 dissemination activities shall be credited to this account,  
21 to be available for carrying out these purposes without  
22 further appropriation.



## 1 BUREAU OF THE CENSUS

## 2 SALARIES AND EXPENSES

3 For expenses necessary for collecting, compiling,  
4 analyzing, preparing, and publishing statistics, provided  
5 for by law, \$135,000,000.

## 6 PERIODIC CENSUSES AND PROGRAMS

7 For expenses necessary to collect and publish sta-  
8 tistics for periodic censuses and programs provided for by  
9 law, \$210,500,000, to remain available until expended.

## 10 NATIONAL TELECOMMUNICATIONS AND INFORMATION

## 11 ADMINISTRATION

## 12 SALARIES AND EXPENSES

13 For necessary expenses, as provided for by law, of  
14 the National Telecommunications and Information Ad-  
15 ministration (NTIA), \$15,000,000, to remain available  
16 until expended: *Provided*, That notwithstanding 31  
17 U.S.C. 1535(d), the Secretary of Commerce shall charge  
18 Federal agencies for costs incurred in spectrum manage-  
19 ment, analysis, and operations, and related services and  
20 such fees shall be retained and used as offsetting collec-  
21 tions for costs of such spectrum services, to remain avail-  
22 able until expended: *Provided further*, That hereafter,  
23 notwithstanding any other provision of law, NTIA shall  
24 not authorize spectrum use or provide any spectrum  
25 functions pursuant to the NTIA Organization Act, 47  
26 U.S.C. §§ 902–903, to any Federal entity without reim-

1 bursement as required by NTIA for such spectrum man-  
2 agement costs, and Federal entities withholding payment  
3 of such cost shall not use spectrum: *Provided further*,  
4 That the Secretary of Commerce is authorized to retain  
5 and use as offsetting collections all funds transferred, or  
6 previously transferred, from other Government agencies  
7 for all costs incurred in telecommunications research, en-  
8 gineering, and related activities by the Institute for Tele-  
9 communication Sciences of the NTIA, in furtherance of  
10 its assigned functions under this paragraph, and such  
11 funds received from other Government agencies shall re-  
12 main available until expended.

13 PUBLIC BROADCASTING FACILITIES, PLANNING AND  
14 CONSTRUCTION

15 For grants authorized by section 392 of the Com-  
16 munications Act of 1934, as amended, \$15,250,000, to  
17 remain available until expended as authorized by section  
18 391 of the Act, as amended: *Provided*, That not to exceed  
19 \$1,500,000 shall be available for program administration  
20 as authorized by section 391 of the Act: *Provided further*,  
21 That notwithstanding the provisions of section 391 of the  
22 Act, the prior year unobligated balances may be made  
23 available for grants for projects for which applications  
24 have been submitted and approved during any fiscal year.

## 1 INFORMATION INFRASTRUCTURE GRANTS

2 For grants authorized by section 392 of the Com-  
3 munications Act of 1934, as amended, \$21,490,000, to  
4 remain available until expended as authorized by section  
5 391 of the Act, as amended: *Provided*, That not to exceed  
6 \$3,000,000 shall be available for program administration  
7 and other support activities as authorized by section 391:  
8 *Provided further*, That of the funds appropriated herein,  
9 not to exceed 5 percent may be available for tele-  
10 communications research activities for projects related di-  
11 rectly to the development of a national information infra-  
12 structure: *Provided further*, That notwithstanding the re-  
13 quirements of section 392(a) and 392(c) of the Act, these  
14 funds may be used for the planning and construction of  
15 telecommunications networks for the provision of edu-  
16 cational, cultural, health care, public information, public  
17 safety, or other social services.

## 18 PATENT AND TRADEMARK OFFICE

## 19 SALARIES AND EXPENSES

20 For necessary expenses of the Patent and Trade-  
21 mark Office provided for by law, including defense of  
22 suits instituted against the Commissioner of Patents and  
23 Trademarks, \$61,252,000, to remain available until ex-  
24 pended: *Provided*, That the funds made available under  
25 this heading are to be derived from deposits in the Pat-

ent and Trademark Office Fee Surcharge Fund as authorized by law: *Provided further*, That the amounts made available under the Fund shall not exceed amounts deposited; and such fees as shall be collected pursuant to 15 U.S.C. 1113 and 35 U.S.C. 41 and 376, shall remain available until expended.

TECHNOLOGY ADMINISTRATION  
 UNDER SECRETARY FOR TECHNOLOGY/OFFICE OF  
 TECHNOLOGY POLICY  
 SALARIES AND EXPENSES

For necessary expenses for the Under Secretary for Technology/Office of Technology Policy, \$9,500,000: *Provided*, That \$2,500,000 of the total amount provided under this heading shall be available to support the United States-Israel Science and Technology Commission.

SCIENCE AND TECHNOLOGY  
 NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY  
 SCIENTIFIC AND TECHNICAL RESEARCH AND SERVICES

For necessary expenses of the National Institute of Standards and Technology, \$268,000,000, to remain available until expended, of which not to exceed \$1,625,000 may be transferred to the “Working Capital Fund”.

INDUSTRIAL TECHNOLOGY SERVICES

For necessary expenses of the Manufacturing Extension Partnership of the National Institute of Stand-

ards and Technology, \$95,000,000, to remain available until expended, of which not to exceed \$300,000 may be transferred to the “Working Capital Fund”: *Provided*, That notwithstanding the time limitations imposed by 15 U.S.C. 278k(c) (1) and (5) on the duration of Federal financial assistance that may be awarded by the Secretary of Commerce to Regional Centers for the transfer of Manufacturing Technology (“Centers”), such Federal financial assistance for a Center may continue beyond six years and may be renewed for additional periods, not to exceed one year, at a rate not to exceed one-third of the Center’s total annual costs, subject before any such renewal to a positive evaluation of the Center and to a finding by the Secretary of Commerce that continuation of Federal funding to the Center is in the best interest of the Regional Centers for the transfer of Manufacturing Technology Program.

In addition, for necessary expenses of the Advanced Technology Program of the National Institute of Standards and Technology, \$225,000,000, to remain available until expended, of which not to exceed \$500,000 may be transferred to the “Working Capital Fund.”

1           NATIONAL OCEANIC AND ATMOSPHERIC  
2                   ADMINISTRATION  
3           OPERATIONS, RESEARCH, AND FACILITIES  
4                   (INCLUDING TRANSFER OF FUNDS)

5           For necessary expenses of activities authorized by  
6 law for the National Oceanic and Atmospheric Adminis-  
7 tration, including acquisition, maintenance, operation,  
8 and hire of aircraft; not to exceed 299 commissioned offi-  
9 cers on the active list as of September 30, 1997; grants,  
10 contracts, or other payments to nonprofit organizations  
11 for the purposes of conducting activities pursuant to co-  
12 operative agreements; and alteration, modernization, and  
13 relocation of facilities as authorized by 33 U.S.C. 883i;  
14 \$1,854,067,000, to remain available until expended: *Pro-*  
15 *vided*, That notwithstanding 31 U.S.C. 3302 but consist-  
16 ent with other existing law, fees shall be assessed, col-  
17 lected, and credited to this appropriation as offsetting  
18 collections to be available until expended, to recover the  
19 costs of administering aeronautical charting programs:  
20 *Provided further*, That the sum herein appropriated from  
21 the general fund shall be reduced as such additional fees  
22 are received during fiscal year 1997, so as to result in  
23 a final general fund appropriation estimated at not more  
24 than \$1,851,067,000: *Provided further*, That any such  
25 additional fees received in excess of \$3,000,000 in fiscal  
26 year 1997 shall not be available for obligation until Octo-

ber 1, 1997: *Provided further*, That fees and donations received by the National Ocean Service for the management of the national marine sanctuaries may be retained and used for the salaries and expenses associated with those activities, notwithstanding 31 U.S.C. 3302: *Provided further*, That in addition, \$66,000,000 shall be derived by transfer from the fund entitled “Promote and Develop Fishery Products and Research Pertaining to American Fisheries”: *Provided further*, That grants to States pursuant to sections 306 and 306A of the Coastal Zone Management Act of 1972, as amended, shall not exceed \$2,000,000: *Provided further*, That not later than November 15, 1996, the Department of Commerce, in conjunction with the National Oceanic and Atmospheric Administration, shall submit to the appropriate committees of the Congress, a long-term plan and a legislative proposal necessary to implement such plan regarding the continuation of a National Oceanic and Atmospheric Administration commissioned corps.

#### COASTAL ZONE MANAGEMENT FUND

Of amounts collected pursuant to section 308 of the Coastal Zone Management Act of 1972 (16 U.S.C. 1456a), not to exceed \$7,800,000, for purposes set forth in sections 308(b)(2)(A), 308(b)(2)(B)(v), and 315(e) of such Act.

## 1 CONSTRUCTION

2 For repair and modification of, and additions to,  
3 existing facilities and construction of new facilities, and  
4 for facility planning and design and land acquisition not  
5 otherwise provided for the National Oceanic and Atmos-  
6 pheric Administration, \$58,250,000, to remain available  
7 until expended, of which \$8,500,000 shall be available  
8 only for a grant to the University of New Hampshire for  
9 construction and related expenses for an environmental  
10 technology facility.

11 FLEET MODERNIZATION, SHIPBUILDING AND  
12 CONVERSION

13 For expenses necessary for the repair, acquisition,  
14 leasing, or conversion of vessels, including related equip-  
15 ment to maintain and modernize the existing fleet and to  
16 continue planning the modernization of the fleet, for the  
17 National Oceanic and Atmospheric Administration,  
18 \$8,000,000, to remain available until expended.

19 FISHING VESSEL AND GEAR DAMAGE COMPENSATION  
20 FUND

21 For carrying out the provisions of section 3 of  
22 Public Law 95–376, not to exceed \$200,000, to be de-  
23 rived from receipts collected pursuant to subsections (b)  
24 and (f) of section 10 of the Fishermen’s Protective Act  
25 of 1967 (22 U.S.C. 1980), to remain available until ex-  
26 pended.



## 1 FISHERMEN'S CONTINGENCY FUND

2 For carrying out the provisions of title IV of Pub-  
3 lic Law 95-372, not to exceed \$1,000,000, to be derived  
4 from receipts collected pursuant to that Act, to remain  
5 available until expended.

## 6 FOREIGN FISHING OBSERVER FUND

7 For expenses necessary to carry out the provisions  
8 of the Atlantic Tunas Convention Act of 1975, as amend-  
9 ed (Public Law 96-339), the Magnuson Fishery Con-  
10 servation and Management Act of 1976, as amended  
11 (Public Law 100-627), and the American Fisheries Pro-  
12 motion Act (Public Law 96-561), to be derived from the  
13 fees imposed under the foreign fishery observer program  
14 authorized by these Acts, not to exceed \$196,000, to re-  
15 main available until expended.

## 16 FISHING VESSEL OBLIGATIONS GUARANTEES

17 For the cost of guaranteed loans, \$250,000, as  
18 authorized by the Merchant Marine Act of 1936, as  
19 amended: *Provided*, That such costs, including the cost of  
20 modifying such loans, shall be as defined in section 502  
21 of the Congressional Budget Act of 1974: *Provided fur-*  
22 *ther*, That none of the funds made available under this  
23 heading may be used to guarantee loans for any new fish-  
24 ing vessel that will increase the harvesting capacity in  
25 any United States fishery.

## 1 GENERAL ADMINISTRATION

## 2 SALARIES AND EXPENSES

3 For expenses necessary for the general adminis-  
4 tration of the Department of Commerce provided for by  
5 law, including not to exceed \$3,000 for official entertain-  
6 ment, \$28,490,000.

## 7 OFFICE OF INSPECTOR GENERAL

8 For necessary expenses of the Office of Inspector  
9 General in carrying out the provisions of the Inspector  
10 General Act of 1978, as amended (5 U.S.C. App. 1–11  
11 as amended by Public Law 100–504), \$20,140,000.

## 12 NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY

## 13 CONSTRUCTION OF RESEARCH FACILITIES

## 14 (RESCISSION)

15 Of the obligated and unobligated balances avail-  
16 able under this heading, \$16,000,000 are rescinded.

## 17 NATIONAL OCEANIC AND ATMOSPHERIC

## 18 ADMINISTRATION

## 19 OPERATIONS, RESEARCH, AND FACILITIES

## 20 (RESCISSION)

21 Of the unobligated balances available under this  
22 heading, \$20,000,000 are rescinded.

## 23 GENERAL PROVISIONS—DEPARTMENT OF COMMERCE

24 SEC. 201. During the current fiscal year, applica-  
25 ble appropriations and funds made available to the De-  
26 partment of Commerce by this Act shall be available for

1 the activities specified in the Act of October 26, 1949 (15  
2 U.S.C. 1514), to the extent and in the manner prescribed  
3 by the Act, and, notwithstanding 31 U.S.C. 3324, may  
4 be used for advanced payments not otherwise authorized  
5 only upon the certification of officials designated by the  
6 Secretary that such payments are in the public interest.

7       SEC. 202. During the current fiscal year, appro-  
8 priations made available to the Department of Commerce  
9 by this Act for salaries and expenses shall be available  
10 for hire of passenger motor vehicles as authorized by 31  
11 U.S.C. 1343 and 1344; services as authorized by 5  
12 U.S.C. 3109; and uniforms or allowances therefor, as au-  
13 thorized by law (5 U.S.C. 5901–5902).

14       SEC. 203. None of the funds made available by  
15 this Act may be used to support the hurricane reconnais-  
16 sance aircraft and activities that are under the control of  
17 the United States Air Force or the United States Air  
18 Force Reserve.

19       SEC. 204. None of the funds provided in this or  
20 any previous Act, or hereinafter made available to the  
21 Department of Commerce, shall be available to reimburse  
22 the Unemployment Trust Fund or any other fund or ac-  
23 count of the Treasury to pay for any expenses paid be-  
24 fore October 1, 1992, as authorized by section 8501 of  
25 title 5, United States Code, for services performed after

1 April 20, 1990, by individuals appointed to temporary po-  
2 sitions within the Bureau of the Census for purposes re-  
3 lating to the 1990 decennial census of population.

4 SEC. 205. Not to exceed 5 percent of any appro-  
5 priation made available for the current fiscal year for the  
6 Department of Commerce in this Act may be transferred  
7 between such appropriations, but no such appropriation  
8 shall be increased by more than 10 percent by any such  
9 transfers: *Provided*, That any transfer pursuant to this  
10 section shall be treated as a reprogramming of funds  
11 under section 605 of this Act and shall not be available  
12 for obligation or expenditure except in compliance with  
13 the procedures set forth in that section.

14 SEC. 206. (a) Should legislation be enacted to dis-  
15 mantle or reorganize the Department of Commerce, the  
16 Secretary of Commerce, no later than 90 days thereafter,  
17 shall submit to the Committees on Appropriations of the  
18 House and the Senate a plan for transferring funds pro-  
19 vided in this Act to the appropriate successor organiza-  
20 tions: *Provided*, That the plan shall include a proposal for  
21 transferring or rescinding funds appropriated herein for  
22 agencies or programs terminated under such legislation:  
23 *Provided further*, That such plan shall be transmitted in  
24 accordance with section 605 of this Act.

1           (b) The Secretary of Commerce or the appropriate  
2 head of any successor organization(s) may use any avail-  
3 able funds to carry out legislation dismantling or reor-  
4 ganizing the Department of Commerce to cover the costs  
5 of actions relating to the abolishment, reorganization, or  
6 transfer of functions and any related personnel action, in-  
7 cluding voluntary separation incentives if authorized by  
8 such legislation: *Provided*, That the authority to transfer  
9 funds between appropriations accounts that may be nec-  
10 essary to carry out this section is provided in addition to  
11 authorities included under section 205 of this Act: *Pro-*  
12 *vided further*, That use of funds to carry out this section  
13 shall be treated as a reprogramming of funds under sec-  
14 tion 605 of this Act and shall not be available for obliga-  
15 tion or expenditure except in compliance with the proce-  
16 dures set forth in that section.

17           SEC. 207. Any costs incurred by a Department or  
18 agency funded under this title resulting from personnel  
19 actions taken in response to funding reductions included  
20 in this title shall be absorbed within the total budgetary  
21 resources available to such Department or agency: *Pro-*  
22 *vided*, That the authority to transfer funds between ap-  
23 propriations accounts as may be necessary to carry out  
24 this section is provided in addition to authorities included  
25 elsewhere in this Act: *Provided further*, That use of funds

1 to carry out this section shall be treated as a reprogram-  
2 ming of funds under section 605 of this Act and shall not  
3 be available for obligation or expenditure except in com-  
4 pliance with the procedure set forth in that section.

5       SEC. 208. None of the funds appropriated under  
6 this Act or any other Act henceforth may be used to de-  
7 velop new fishery management plans, amendments, or  
8 regulations which create new individual fishing quota pro-  
9 grams (whether such quotas are transferable or not) or  
10 to implement any such plans, amendments or regulations  
11 approved by a Regional Fishery Management Council or  
12 the Secretary after January 4, 1995, until offsetting fees  
13 to pay for the cost of administering such plans, amend-  
14 ments, or regulations are expressly authorized under the  
15 Magnuson Fishery Conservation and Management Act  
16 (16 U.S.C. 1801 et seq.). This restriction shall also apply  
17 to any program relating to the Gulf of Mexico commercial  
18 red snapper fishery that authorizes the consolidation of  
19 licenses, permits or endorsements that result in different  
20 trip limits for vessels in the same class. This restriction  
21 shall not apply in any way to the North Pacific halibut  
22 and sablefish, South Atlantic wreckfish, or the Mid-At-  
23 lantic surfelam and ocean (including mahogany) quohog  
24 individual fishing quota programs. The term “individual

1 fishing quota” does not include a community development  
2 quota.

3 SEC. 209. The Secretary may award contracts for  
4 hydrographic, geodetic, and photogrammetric surveying  
5 and mapping services in accordance with title IX of the  
6 Federal Property and Administrative Services Act of  
7 1949 (40 U.S.C. 541 et seq.).

8 SEC. 210. There is hereby established the Bureau  
9 of the Census Working Capital Fund, which shall be  
10 available without fiscal year limitation, for expenses and  
11 equipment necessary for the maintenance and operation  
12 of such services and projects as the Director of the Cen-  
13 sus Bureau determines may be performed more advan-  
14 tageously when centralized: *Provided*, That such central  
15 services shall, to the fullest extent practicable, be used to  
16 make unnecessary the maintenance of separate like serv-  
17 ices in the divisions and offices of the Bureau: *Provided*  
18 *further*, That a separate schedule of expenditures and re-  
19 imbursements, and a statement of the current assets and  
20 liabilities of the Working Capital Fund as of the close of  
21 the last completed fiscal year, shall be prepared each  
22 year: *Provided further*, That notwithstanding 31 U.S.C.  
23 3302, the Working Capital Fund may be credited with  
24 advances and reimbursements from applicable appropria-  
25 tions of the Bureau and from funds of other agencies or

1 entities for services furnished pursuant to law: *Provided*  
2 *further*, That any inventories, equipment, and other as-  
3 sets pertaining to the services to be provided by such  
4 funds, either on hand or on order, less the related liabil-  
5 ities or unpaid obligations, and any appropriations made  
6 hereafter for the purpose of providing capital, shall be  
7 used to capitalize the Working Capital Fund: *Provided*  
8 *further*, That the Working Capital Fund shall provide for  
9 centralized services at rates which will return in full all  
10 expenses of operation, including depreciation of fund  
11 plant and equipment, amortization of automated data  
12 processing software and hardware systems, and an  
13 amount necessary to maintain a reasonable operating re-  
14 serve as determined by the Director.

15       SEC. 211. (a) Effective 15 days after the enact-  
16 ment of the Sustainable Fisheries Act, section 1 of the  
17 Magnuson Fishery Conservation and Management Act  
18 (16 U.S.C. 1801) shall be amended to read as follows:  
19 “That this Act may be cited as the ‘Magnuson-Stevens  
20 Fishery Conservation and Management Act’.”

21       (b) Effective 15 days after the enactment of the  
22 Sustainable Fisheries Act, all references to the Magnuson  
23 Fishery Conservation and Management Act shall be re-  
24 designated as references to the Magnuson-Stevens Fish-  
25 ery Conservation and Management Act.



1           This title may be cited as the “Department of  
2 Commerce and Related Agencies Appropriations Act,  
3 1997”.

#### 4                   TITLE III—THE JUDICIARY

##### 5           SUPREME COURT OF THE UNITED STATES

##### 6                   SALARIES AND EXPENSES

7           For expenses necessary for the operation of the  
8 Supreme Court, as required by law, excluding care of the  
9 building and grounds, including purchase or hire, driving,  
10 maintenance, and operation of an automobile for the  
11 Chief Justice, not to exceed \$10,000 for the purpose of  
12 transporting Associate Justices, and hire of passenger  
13 motor vehicles as authorized by 31 U.S.C. 1343 and  
14 1344; not to exceed \$10,000 for official reception and  
15 representation expenses; and for miscellaneous expenses,  
16 to be expended as the Chief Justice may approve;  
17 \$27,157,000.

##### 18                   CARE OF THE BUILDING AND GROUNDS

19           For such expenditures as may be necessary to en-  
20 able the Architect of the Capitol to carry out the duties  
21 imposed upon him by the Act approved May 7, 1934 (40  
22 U.S.C. 13a–13b), \$2,800,000, of which \$260,000 shall  
23 remain available until expended.

1 UNITED STATES COURT OF APPEALS FOR THE FEDERAL  
2 CIRCUIT

3 SALARIES AND EXPENSES

4 For salaries of the chief judge, judges, and other  
5 officers and employees, and for necessary expenses of the  
6 court, as authorized by law, \$15,013,000.

7 UNITED STATES COURT OF INTERNATIONAL TRADE

8 SALARIES AND EXPENSES

9 For salaries of the chief judge and eight judges,  
10 salaries of the officers and employees of the court, serv-  
11 ices as authorized by 5 U.S.C. 3109, and necessary ex-  
12 penses of the court, as authorized by law, \$11,114,000.

13 COURTS OF APPEALS, DISTRICT COURTS, AND OTHER

14 JUDICIAL SERVICES

15 SALARIES AND EXPENSES

16 (INCLUDING TRANSFER OF FUNDS)

17 For the salaries of circuit and district judges (in-  
18 cluding judges of the territorial courts of the United  
19 States), justices and judges retire from office or from  
20 regular active service, judges of the United States Court  
21 of Federal Claims, bankruptcy judges, magistrate judges,  
22 and all other officers and employees of the Federal Judi-  
23 ciary not otherwise specifically provided for, and nec-  
24 essary expenses of the courts, as authorized by law,  
25 \$2,556,000,000 (including the purchase of firearms and  
26 ammunition); of which not to exceed \$13,454,000 shall

1 remain available until expended for space alteration  
2 projects; of which \$500,000 shall be transferred to the  
3 Commission on Structural Alternatives for the Federal  
4 Courts of Appeals only after legislation is enacted to es-  
5 tablish the Commission; of which not to exceed  
6 \$10,000,000 shall remain available until expended for  
7 furniture and furnishings related to new space alteration  
8 and construction projects; and of which \$500,000 is to  
9 remain available until expended for acquisition of books,  
10 periodicals, and newspapers, and all other legal reference  
11 materials, including subscriptions.

12       In addition, for expenses of the United States  
13 Court of Federal Claims associated with processing cases  
14 under the National Childhood Vaccine Injury Act of  
15 1986, not to exceed \$2,390,000, to be appropriated from  
16 the Vaccine Injury Compensation Trust Fund.

17       For an additional amount for expenses relating to  
18 additional workload from the Antiterrorism and Effective  
19 Death Penalty Act of 1996, and for Court Security  
20 needs, \$10,000,000, to remain available until expended:  
21 *Provided*, That the entire amount is designated by Con-  
22 gress as an emergency requirement pursuant to section  
23 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
24 Deficit Control Act of 1985, as amended: *Provided fur-*  
25 *ther*, That the amount not previously designated by the

1 President as an emergency requirement shall be available  
2 only to the extent an official budget request, for a spe-  
3 cific dollar amount that includes designation of the entire  
4 amount of the request as an emergency requirement, as  
5 defined in the Balanced Budget and Emergency Deficit  
6 Control Act of 1985, as amended, is transmitted to Con-  
7 gress.

8 VIOLENT CRIME REDUCTION PROGRAMS

9 For activities of the Federal Judiciary as author-  
10 ized by law, \$30,000,000, to remain available until ex-  
11 pended, which shall be derived from the Violent Crime  
12 Reduction Trust Fund, as authorized by section  
13 190001(a) of Public Law 103–322.

14 DEFENDER SERVICES

15 For the operation of Federal Public Defender and  
16 Community Defender organizations; the compensation  
17 and reimbursement of expenses of attorneys appointed to  
18 represent persons under the Criminal Justice Act of  
19 1964, as amended; the compensation and reimbursement  
20 of expenses of persons furnishing investigative, expert  
21 and other services under the Criminal Justice Act (18  
22 U.S.C. 3006A(e)); the compensation (in accordance with  
23 Criminal Justice Act maximums) and reimbursement of  
24 expenses of attorneys appointed to assist the court in  
25 criminal cases where the defendant has waived represen-  
26 tation by counsel; the compensation and reimbursement

1 of travel expenses of guardians ad litem acting on behalf  
 2 of financially eligible minor or incompetent offenders in  
 3 connection with transfers from the United States to for-  
 4 eign countries with which the United States has a treaty  
 5 for the execution of penal sentences; and the compensa-  
 6 tion of attorneys appointed to represent jurors in civil ac-  
 7 tions for the protection of their employment, as author-  
 8 ized by 28 U.S.C. 1875(d); \$308,000,000, to remain  
 9 available until expended as authorized by 18 U.S.C.  
 10 3006A(i).

#### 11 FEES OF JURORS AND COMMISSIONERS

12 For fees and expenses of jurors as authorized by  
 13 28 U.S.C. 1871 and 1876; compensation of jury commis-  
 14 sioners as authorized by 28 U.S.C. 1863; and compensa-  
 15 tion of commissioners appointed in condemnation cases  
 16 pursuant to rule 71A(h) of the Federal Rules of Civil  
 17 Procedure (28 U.S.C. Appendix Rule 71A(h));  
 18 \$67,000,000, to remain available until expended: *Pro-*  
 19 *vided*, That the compensation of land commissioners shall  
 20 not exceed the daily equivalent of the highest rate pay-  
 21 able under section 5332 of title 5, United States Code.

#### 22 COURT SECURITY

23 For necessary expenses, not otherwise provided  
 24 for, incident to the procurement, installation, and mainte-  
 25 nance of security equipment and protective services for  
 26 the United States Courts in courtrooms and adjacent

1 areas, including building ingress-egress control, inspec-  
2 tion of packages, directed security patrols, and other  
3 similar activities as authorized by section 1010 of the Ju-  
4 dicial Improvement and Access to Justice Act (Public  
5 Law 100–702); \$127,000,000, to be expended directly or  
6 transferred to the United States Marshals Service which  
7 shall be responsible for administering elements of the Ju-  
8 dicial Security Program consistent with standards or  
9 guidelines agreed to by the Director of the Administrative  
10 Office of the United States Courts and the Attorney Gen-  
11 eral.

12 ADMINISTRATIVE OFFICE OF THE UNITED STATES

13 COURTS

14 SALARIES AND EXPENSES

15 For necessary expenses of the Administrative Of-  
16 fice of the United States Courts as authorized by law, in-  
17 cluding travel as authorized by 31 U.S.C. 1345, hire of  
18 a passenger motor vehicle as authorized by 31 U.S.C.  
19 1343(b), advertising and rent in the District of Columbia  
20 and elsewhere, \$49,450,000, of which not to exceed  
21 \$7,500 is authorized for official reception and representa-  
22 tion expenses.

## 1 FEDERAL JUDICIAL CENTER

## 2 SALARIES AND EXPENSES

3 For necessary expenses of the Federal Judicial  
4 Center, as authorized by Public Law 90-219,  
5 \$17,495,000; of which \$1,800,000 shall remain available  
6 through September 30, 1998, to provide education and  
7 training to Federal court personnel; and of which not to  
8 exceed \$1,000 is authorized for official reception and rep-  
9 resentation expenses.

## 10 JUDICIAL RETIREMENT FUNDS

## 11 PAYMENT TO JUDICIARY TRUST FUNDS

12 For payment to the Judicial Officers' Retirement  
13 Fund, as authorized by 28 U.S.C. 377(o), \$21,000,000,  
14 to the Judicial Survivors' Annuities Fund, as authorized  
15 by 28 U.S.C. 376(c), \$7,300,000, and to the United  
16 States Court of Federal Claims Judges' Retirement  
17 Fund, as authorized by 28 U.S.C. 178(l), \$1,900,000.

## 18 UNITED STATES SENTENCING COMMISSION

## 19 SALARIES AND EXPENSES

20 For the salaries and expenses necessary to carry  
21 out the provisions of chapter 58 of title 28, United States  
22 Code, \$8,490,000, of which not to exceed \$1,000 is au-  
23 thorized for official reception and representation ex-  
24 penses.

## 1           GENERAL PROVISIONS—THE JUDICIARY

2           SEC. 301. Appropriations and authorizations  
3 made in this title which are available for salaries and ex-  
4 penses shall be available for services as authorized by 5  
5 U.S.C. 3109.

6           SEC. 302. Appropriations made in this title shall  
7 be available for salaries and expenses of the Special  
8 Court established under the Regional Rail Reorganization  
9 Act of 1973, Public Law 93–236.

10          SEC. 303. Not to exceed 5 percent of any appro-  
11 priation made available for the current fiscal year for the  
12 Judiciary in this Act may be transferred between such  
13 appropriations, but no such appropriation, except  
14 “Courts of Appeals, District Courts, and other Judicial  
15 Services, Defender Services” and “Courts of Appeals,  
16 District Courts, and other Judicial Services, Fees of Ju-  
17 rors and Commissioners”, shall be increased by more  
18 than 10 percent by any such transfers: *Provided*, That  
19 any transfer pursuant to this section shall be treated as  
20 a reprogramming of funds under section 605 of this Act  
21 and shall not be available for obligation or expenditure  
22 except in compliance with the procedures set forth in that  
23 section.

24          SEC. 304. Notwithstanding any other provision of  
25 law, the salaries and expenses appropriation for district



1 courts, courts of appeals, and other judicial services shall  
2 be available for official reception and representation ex-  
3 penses of the Judicial Conference of the United States:  
4 *Provided*, That such available funds shall not exceed  
5 \$10,000 and shall be administered by the Director of the  
6 Administrative Office of the United States Courts in his  
7 capacity as Secretary of the Judicial Conference.

8 SEC. 305. Section 612(l) of title 28, United States  
9 Code, shall be amended as follows: strike “1997”, and in-  
10 sert in lieu thereof “1998”.

11 SEC. 306. None of the funds available to the Judi-  
12 ciary in fiscal years 1996 and 1997 and hereafter shall  
13 be available for expenses authorized pursuant to section  
14 802(a) of title VIII of section 101(a) of title I of the Om-  
15 nibus Consolidated Rescissions and Appropriations Act of  
16 1996, Public Law 104–134, for costs related to the ap-  
17 pointment of Special Masters prior to April 26, 1996.

18 SEC. 307. The United States courthouse at 310  
19 West Sixth Street in Medford, Oregon, shall be known  
20 and designated as the “James A. Redden Federal Court-  
21 house”.

22 Any reference in a law, map, regulation, docu-  
23 ment, paper, or other record of the United States to the  
24 United States courthouse at 310 West Sixth Street in

3           This title may be cited as “The Judiciary Appro-  
4 priations Act, 1997”.

5 TITLE IV—DEPARTMENT OF STATE AND  
6 RELATED AGENCIES

7 DEPARTMENT OF STATE

8 ADMINISTRATION OF FOREIGN AFFAIRS

## 9 DIPLOMATIC AND CONSULAR PROGRAMS

10 For necessary expenses of the Department of  
11 State and the Foreign Service not otherwise provided for,  
12 including expenses authorized by the State Department  
13 Basic Authorities Act of 1956, as amended; representa-  
14 tion to certain international organizations in which the  
15 United States participates pursuant to treaties, ratified  
16 pursuant to the advice and consent of the Senate, or spe-  
17 cific Acts of Congress; acquisition by exchange or pur-  
18 chase of passenger motor vehicles as authorized by 31  
19 U.S.C. 1343, 40 U.S.C. 481(c) and 22 U.S.C. 2674; and  
20 for expenses of general administration; \$1,700,450,000:  
21 *Provided*, That notwithstanding section 140(a)(5), and  
22 the second sentence of section 140(a)(3), of the Foreign  
23 Relations Authorization Act, Fiscal Years 1994 and 1995  
24 (Public Law 103–236), not to exceed \$150,000,000 of  
25 fees may be collected during fiscal year 1997 under the

1 authority of section 140(a)(1) of that Act: *Provided fur-*  
2 *ther*, That all fees collected under the preceding proviso  
3 shall be deposited in fiscal year 1997 as an offsetting col-  
4 lection to appropriations made under this heading to re-  
5 cover the costs of providing consular services and shall  
6 remain available until expended: *Provided further*, That in  
7 fiscal year 1998, a system shall be in place that allocates  
8 to each department and agency the full cost of its pres-  
9 ence outside of the United States.

10       Of the funds provided under this heading,  
11 \$24,856,000 shall be available only for the Diplomatic  
12 Telecommunications Service for operation of existing base  
13 services and not to exceed \$17,230,000 shall be available  
14 only for the enhancement of the Diplomatic Tele-  
15 communications Service and shall remain available until  
16 expended. Of the latter amount, \$2,500,000 shall not be  
17 made available until expiration of the 15 day period be-  
18 ginning on the date when the Secretary of State and the  
19 Director of the Diplomatic Telecommunications Service  
20 submit the pilot program report required by section 507  
21 of Public Law 103–317.

22       In addition, not to exceed \$700,000 in registra-  
23 tion fees collected pursuant to section 38 of the Arms  
24 Export Control Act, as amended, may be used in accord-  
25 ance with section 45 of the State Department Basic Au-

1 thorities Act of 1956 (22 U.S.C. 2717); and in addition  
2 not to exceed \$1,223,000 shall be derived from fees col-  
3 lected from other executive agencies for lease or use of  
4 facilities located at the International Center in accord-  
5 ance with section 4 of the International Center Act (Pub-  
6 lic Law 90–553), as amended, and in addition, as author-  
7 ized by section 5 of such Act \$450,000, to be derived  
8 from the reserve authorized by that section, to be used  
9 for the purposes set out in that section; and in addition  
10 not to exceed \$15,000 which shall be derived from reim-  
11 bursements, surcharges, and fees for use of Blair House  
12 facilities in accordance with section 46 of the State De-  
13 partment Basic Authorities Act of 1956 (22 U.S.C.  
14 2718(a)).

15       Notwithstanding section 402 of this Act, not to  
16 exceed 20 percent of the amounts made available in this  
17 Act in the appropriation accounts “Diplomatic and Con-  
18 sular Programs” and “Salaries and Expenses” under the  
19 heading “Administration of Foreign Affairs” may be  
20 transferred between such appropriation accounts: *Pro-*  
21 *vided*, That any transfer pursuant to this sentence shall  
22 be treated as a reprogramming of funds under section  
23 605 of this Act and shall not be available for obligation  
24 or expenditure except in compliance with the procedures  
25 set forth in that section.

1           For an additional amount for counterterrorism re-  
2     quirements overseas, including security guards and equip-  
3     ment, \$23,700,000, to remain available until expended:  
4     *Provided*, That the entire amount is designated by Con-  
5     gress as an emergency requirement pursuant to section  
6     251(b)(2)(D)(i) of the Balanced Budget and Emergency  
7     Deficit Control Act of 1985, as amended.

8                                 SALARIES AND EXPENSES

9           For expenses necessary for the general adminis-  
10    tration of the Department of State and the Foreign Serv-  
11    ice, provided for by law, including expenses authorized by  
12    section 9 of the Act of August 31, 1964, as amended (31  
13    U.S.C. 3721), and the State Department Basic Authori-  
14    ties Act of 1956, as amended, \$352,300,000.

15                                CAPITAL INVESTMENT FUND

16           For necessary expenses of the Capital Investment  
17    Fund, \$24,600,000, to remain available until expended,  
18    as authorized in Public Law 103–236: *Provided*, That  
19    section 135(e) of Public Law 103–236 shall not apply to  
20    funds appropriated under this heading.

21                               OFFICE OF INSPECTOR GENERAL

22           For necessary expenses of the Office of Inspector  
23    General in carrying out the provisions of the Inspector  
24    General Act of 1978, as amended (5 U.S.C. App.),  
25    \$27,495,000, notwithstanding section 209(a)(1) of the  
26    Foreign Service Act of 1980, as amended (Public Law

1 96–465), as it relates to post inspections: *Provided*, That  
 2 notwithstanding any other provision of law, the merger of  
 3 the Office of Inspector General of the United States In-  
 4 formation Agency with the Office of Inspector General of  
 5 the Department of State provided for in the Departments  
 6 of Commerce, Justice, and State, the Judiciary and Re-  
 7 lated Agencies Appropriations Act, 1996, contained in  
 8 Public Law 104–134, is effective hereafter.

9 REPRESENTATION ALLOWANCES

10 For representation allowances as authorized by  
 11 section 905 of the Foreign Service Act of 1980, as  
 12 amended (22 U.S.C. 4085), \$4,490,000.

13 PROTECTION OF FOREIGN MISSIONS AND OFFICIALS

14 For expenses, not otherwise provided, to enable  
 15 the Secretary of State to provide for extraordinary pro-  
 16 tective services in accordance with the provisions of sec-  
 17 tion 214 of the State Department Basic Authorities Act  
 18 of 1956 (22 U.S.C. 4314) and 3 U.S.C. 208, \$8,332,000,  
 19 to remain available until September 30, 1998.

20 SECURITY AND MAINTENANCE OF UNITED STATES

21 MISSIONS

22 For necessary expenses for carrying out the For-  
 23 eign Service Buildings Act of 1926, as amended (22  
 24 U.S.C. 292–300), and the Diplomatic Security Construc-  
 25 tion Program as authorized by title IV of the Omnibus  
 26 Diplomatic Security and Antiterrorism Act of 1986 (22

1 U.S.C. 4851), \$364,495,000, to remain available until  
2 expended as authorized by section 24(c) of the State De-  
3 partment Basic Authorities Act of 1956 (22 U.S.C.  
4 2696(c)): *Provided*, That none of the funds appropriated  
5 in this paragraph shall be available for acquisition of fur-  
6 niture and furnishings and generators for other depart-  
7 ments and agencies.

8       For an additional amount for security improve-  
9 ments, necessary relocation expenses, and security equip-  
10 ment for United States diplomatic facilities and missions  
11 overseas, \$24,825,000, to remain available until ex-  
12 pended: *Provided*, That of this amount \$9,400,000 is for  
13 security projects on behalf of United States and Foreign  
14 Commercial Service missions and \$1,125,000 is for secu-  
15 rity projects on behalf of United States Information  
16 Agency missions: *Provided further*, That the entire  
17 amount is designated by Congress as an emergency re-  
18 quirement pursuant to section 251(b)(2)(D)(i) of the  
19 Balanced Budget and Emergency Deficit Control Act of  
20 1985, as amended: *Provided further*, That the amount  
21 not previously designated by the President as an emer-  
22 gency requirement shall be available only to the extent an  
23 official budget request, for a specific dollar amount that  
24 includes designation of the entire amount of the request  
25 as an emergency requirement, as defined in the Balanced

1 Budget and Emergency Deficit Control Act of 1985, as  
2 amended, is transmitted to Congress.

3 EMERGENCIES IN THE DIPLOMATIC AND CONSULAR  
4 SERVICE

5 For expenses necessary to enable the Secretary of  
6 State to meet unforeseen emergencies arising in the Dip-  
7 lomatic and Consular Service pursuant to the require-  
8 ment of 31 U.S.C. 3526(e), \$5,800,000, to remain avail-  
9 able until expended as authorized by section 24(c) of the  
10 State Department Basic Authorities Act of 1956 (22  
11 U.S.C. 2696(c)), of which not to exceed \$1,000,000 may  
12 be transferred to and merged with the Repatriation  
13 Loans Program Account, subject to the same terms and  
14 conditions.

15 REPATRIATION LOANS PROGRAM ACCOUNT

16 For the cost of direct loans, \$593,000, as author-  
17 ized by section 4 of the State Department Basic Authori-  
18 ties Act of 1956 (22 U.S.C. 2671): *Provided*, That such  
19 costs, including the cost of modifying such loans, shall be  
20 as defined in section 502 of the Congressional Budget  
21 Act of 1974. In addition, for administrative expenses nec-  
22 essary to carry out the direct loan program, \$663,000  
23 which may be transferred to and merged with the Sala-  
24 ries and Expenses account under Administration of For-  
25 eign Affairs.



## 1 PAYMENT TO THE AMERICAN INSTITUTE IN TAIWAN

2 For necessary expenses to carry out the Taiwan  
3 Relations Act, Public Law 96–8 (93 Stat. 14),  
4 \$14,490,000.

5 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND  
6 DISABILITY FUND

7 For payment to the Foreign Service Retirement  
8 and Disability Fund, as authorized by law, \$126,491,000.

## 9 INTERNATIONAL ORGANIZATIONS AND CONFERENCES

## 10 CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

11 For expenses, not otherwise provided for, nec-  
12 essary to meet annual obligations of membership in inter-  
13 national multilateral organizations, pursuant to treaties  
14 ratified pursuant to the advice and consent of the Senate,  
15 conventions or specific Acts of Congress, \$892,000,000:  
16 *Provided*, That any payment of arrearages shall be di-  
17 rected toward special activities that are mutually agreed  
18 upon by the United States and the respective inter-  
19 national organization: *Provided further*, That 20 percent  
20 of the funds appropriated in this paragraph for the as-  
21 sessed contribution of the United States to the United  
22 Nations shall be withheld from obligation and expendi-  
23 ture until a certification is made under section 401(b) of  
24 Public Law 103–236 for fiscal year 1997: *Provided fur-*  
25 *ther*, That certification under section 401(b) of Public  
26 Law 103–236 for fiscal year 1997 may only be made if

1 the Committees on Appropriations and Foreign Relations  
2 of the Senate and the Committees on Appropriations and  
3 International Relations of the House of Representatives  
4 are notified of the steps taken, and anticipated, to meet  
5 the requirements of section 401(b) of Public Law 103–  
6 236 at least 15 days in advance of the proposed certifi-  
7 cation: *Provided further*, That none of the funds appro-  
8 priated in this paragraph shall be available for a United  
9 States contribution to an international organization for  
10 the United States share of interest costs made known to  
11 the United States Government by such organization for  
12 loans incurred on or after October 1, 1984, through ex-  
13 ternal borrowings: *Provided further*, That of the funds  
14 appropriated in this paragraph, \$100,000,000 may be  
15 made available only pursuant to a certification by the  
16 Secretary of State by no later than January 30, 1997,  
17 that the United Nations has taken no action during cal-  
18 endar year 1996 to increase funding for any United Na-  
19 tions program without identifying an offsetting decrease  
20 elsewhere in the United Nations budget and cause the  
21 United Nations to exceed its no growth budget for the bi-  
22 ennium 1996–1997 adopted in December, 1995: *Provided*  
23 *further*, That if the Secretary of State is unable to make  
24 the aforementioned certification, the \$100,000,000 is to  
25 be applied to paying the current year assessment for

1 other international organizations for which the assess-  
2 ment has not been paid in full or to paying the assess-  
3 ment due in the next fiscal year for such organizations,  
4 subject to the reprogramming procedures contained in  
5 Section 605 of this Act: *Provided further*, That notwith-  
6 standing section 402 of this Act, not to exceed  
7 \$10,000,000 may be transferred from the funds made  
8 available under this heading to the “International Con-  
9 ferences and Contingencies” account for assessed con-  
10 tributions to new or provisional international organiza-  
11 tions or for travel expenses of official delegates to inter-  
12 national conferences: *Provided further*, That any transfer  
13 pursuant to this paragraph shall be treated as a re-  
14 programming of funds under section 605 of this Act and  
15 shall not be available for obligation or expenditure except  
16 in compliance with the procedures set forth in that sec-  
17 tion.

18 CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING  
19 ACTIVITIES

20 For necessary expenses to pay assessed and other  
21 expenses of international peacekeeping activities directed  
22 to the maintenance or restoration of international peace  
23 and security \$352,400,000, of which \$50,000,000 is for  
24 payment of arrearages accumulated in 1995, and which  
25 shall be available only upon certification by the Secretary  
26 of State that at least two of the following have been

1 achieved: (1) savings of at least \$100,000,000 will be  
2 achieved in the biennial expenses of the following United  
3 Nations divisions and activities—the United Nations  
4 Conference on Trade and Development, the Regional  
5 Economic Commissions, the Department of Public Infor-  
6 mation, and the Department of Conference Services, trav-  
7 el and overtime; (2) the number of professional and gen-  
8 eral service staff employed by the United Nations Sec-  
9 retariat at the conclusion of the 1996–1997 biennium will  
10 be at least ten percent below the number of such posi-  
11 tions on January 1, 1996; and (3) the United Nations  
12 has adopted a budget outline for the 1998–1999 bien-  
13 nium that is below \$2,608,000,000; as part of a five-year  
14 program to achieve major cost-saving reforms in the  
15 United Nations and specialized agencies: *Provided*, That  
16 none of the funds made available under this Act shall be  
17 obligated or expended for any new or expanded United  
18 Nations peacekeeping mission unless, at least fifteen days  
19 in advance of voting for the new or expanded mission in  
20 the United Nations Security Council (or in an emergency,  
21 as far in advance as is practicable), (1) the Committees  
22 on Appropriations of the House of Representatives and  
23 the Senate and other appropriate Committees of the Con-  
24 gress are notified of the estimated cost and length of the  
25 mission, the vital national interest that will be served,

1 and the planned exit strategy; and (2) a reprogramming  
2 of funds pursuant to section 605 of this Act is submitted,  
3 and the procedures therein followed, setting forth the  
4 source of funds that will be used to pay for the cost of  
5 the new or expanded mission: *Provided further*, That  
6 funds shall be available for peacekeeping expenses only  
7 upon a certification by the Secretary of State to the ap-  
8 propriate committees of the Congress that American  
9 manufacturers and suppliers are being given opportuni-  
10 ties to provide equipment, services, and material for  
11 United Nations peacekeeping activities equal to those  
12 being given to foreign manufacturers and suppliers.

13 INTERNATIONAL COMMISSIONS

14 For necessary expenses, not otherwise provided  
15 for, to meet obligations of the United States arising  
16 under treaties, or specific Acts of Congress, as follows:

17 INTERNATIONAL BOUNDARY AND WATER COMMISSION,

18 UNITED STATES AND MEXICO

19 For necessary expenses for the United States Sec-  
20 tion of the International Boundary and Water Commis-  
21 sion, United States and Mexico, and to comply with laws  
22 applicable to the United States Section, including not to  
23 exceed \$6,000 for representation; as follows:

24 SALARIES AND EXPENSES

25 For salaries and expenses, not otherwise provided  
26 for, \$15,490,000.

## 1 CONSTRUCTION

2 For detailed plan preparation and construction of  
3 authorized projects, \$6,463,000, to remain available until  
4 expended, as authorized by section 24(c) of the State De-  
5 partment Basic Authorities Act of 1956 (22 U.S.C.  
6 2696(c)).

## 7 AMERICAN SECTIONS, INTERNATIONAL COMMISSIONS

8 For necessary expenses, not otherwise provided  
9 for the International Joint Commission and the inter-  
10 national Boundary Commission, United States and Can-  
11 ada, as authorized by treaties between the United States  
12 and Canada or Great Britain, and for the Border Envi-  
13 ronment Cooperation Commission as authorized by Pub-  
14 lic Law 103–182; \$5,490,000, of which not to exceed  
15 \$9,000 shall be available for representation expenses in-  
16 curred by the International Joint Commission.

## 17 INTERNATIONAL FISHERIES COMMISSIONS

18 For necessary expenses for international fisheries  
19 commissions, not otherwise provided for, as authorized by  
20 law, \$14,549,000: *Provided*, That the United States' share  
21 of such expenses may be advanced to the respective com-  
22 missions, pursuant to 31 U.S.C. 3324.

## 23 OTHER

## 24 PAYMENT TO THE ASIA FOUNDATION

25 For a grant to the Asia Foundation, as authorized  
26 by section 501 of Public Law 101–246, \$8,000,000, to

1 remain available until expended, as authorized by section  
2 24(c) of the State Department Basic Authorities Act of  
3 1956 (22 U.S.C. 2696(c)).

#### 4 RELATED AGENCIES

##### 5 ARMS CONTROL AND DISARMAMENT AGENCY

##### 6 ARMS CONTROL AND DISARMAMENT ACTIVITIES

7 For necessary expenses not otherwise provided,  
8 for arms control, nonproliferation, and disarmament ac-  
9 tivities, \$41,500,000 of which not to exceed \$50,000 shall  
10 be for official reception and representation expenses as  
11 authorized by the Act of September 26, 1961, as amend-  
12 ed (22 U.S.C. 2551 et seq.).

##### 13 UNITED STATES INFORMATION AGENCY

##### 14 SALARIES AND EXPENSES

15 For expenses, not otherwise provided for, nec-  
16 essary to enable the United States Information Agency,  
17 as authorized by the Mutual Educational and Cultural  
18 Exchange Act of 1961, as amended (22 U.S.C. 2451 et  
19 seq.), the United States Information and Educational Ex-  
20 change Act of 1948, as amended (22 U.S.C. 1431 et  
21 seq.), and Reorganization Plan No. 2 of 1977 (91 Stat.  
22 1636), to carry out international communication, edu-  
23 cational and cultural activities; and to carry out related  
24 activities authorized by law, including employment, with-  
25 out regard to civil service and classification laws, of per-

1 sons on a temporary basis (not to exceed \$700,000 of  
2 this appropriation), as authorized by section 801 of such  
3 Act of 1948 (22 U.S.C. 1471), and entertainment, in-  
4 cluding official receptions, within the United States, not  
5 to exceed \$25,000 as authorized by section 804(3) of  
6 such Act of 1948 (22 U.S.C. 1474(3)); \$440,000,000:  
7 *Provided*, That not to exceed \$1,400,000 may be used for  
8 representation abroad as authorized by section 302 of  
9 such Act of 1948 (22 U.S.C. 1452) and section 905 of  
10 the Foreign Service Act of 1980 (22 U.S.C. 4085): *Pro-*  
11 *vided further*, That not to exceed \$7,615,000, to remain  
12 available until expended, may be credited to this appro-  
13 priation from fees or other payments received from or in  
14 connection with English teaching, library, motion pic-  
15 tures, and publication programs as authorized by section  
16 810 of such Act of 1948 (22 U.S.C. 1475e) and, notwith-  
17 standing any other law, fees from student advising and  
18 counseling: *Provided further*, That not to exceed  
19 \$1,100,000 to remain available until expended may be  
20 used to carry out projects involving security construction  
21 and related improvements for agency facilities not phys-  
22 ically located together with Department of State facilities  
23 abroad.

24       For an additional amount for necessary expenses  
25 relating to security, \$1,375,000: *Provided*, That the en-



1 tire amount is designated by Congress as an emergency  
2 requirement pursuant to section 251(b)(2)(D)(i) of the  
3 Balanced Budget and Emergency Deficit Control Act of  
4 1985, as amended.

5 TECHNOLOGY FUND

6 For expenses necessary to enable the United  
7 States Information Agency to provide for the procure-  
8 ment of information technology improvements, as author-  
9 ized by the United States Information and Educational  
10 Exchange Act of 1948, as amended (22 U.S.C. 1431 et  
11 seq.), the Mutual Educational and Cultural Exchange Act  
12 of 1961, as amended (22 U.S.C. 2451 et seq.), and Reor-  
13 ganization Plan No. 2 of 1977 (91 Stat. 1636),  
14 \$5,050,000, to remain available until expended.

15 EDUCATIONAL AND CULTURAL EXCHANGE PROGRAMS

16 For expenses of educational and cultural exchange  
17 programs, as authorized by the Mutual Educational and  
18 Cultural Exchange Act of 1961, as amended (22 U.S.C.  
19 2451 et seq.), and Reorganization Plan No. 2 of 1977  
20 (91 Stat. 1636), \$185,000,000, to remain available until  
21 expended as authorized by section 105 of such Act of  
22 1961 (22 U.S.C. 2455).

23 EISENHOWER EXCHANGE FELLOWSHIP PROGRAM TRUST

24 FUND

25 For necessary expenses of Eisenhower Exchange  
26 Fellowships, Incorporated, as authorized by sections 4

1 and 5 of the Eisenhower Exchange Fellowship Act of  
 2 1990 (20 U.S.C. 5204–5205), all interest and earnings  
 3 accruing to the Eisenhower Exchange Fellowship Pro-  
 4 gram Trust Fund on or before September 30, 1997, to  
 5 remain available until expended: *Provided*, That none of  
 6 the funds appropriated herein shall be used to pay any  
 7 salary or other compensation, or to enter into any con-  
 8 tract providing for the payment thereof, in excess of the  
 9 rate authorized by 5 U.S.C. 5376; or for purposes which  
 10 are not in accordance with OMB Circulars A–110 (Uni-  
 11 form Administrative Requirements) and A–122) (Cost  
 12 Principles for Non-profit Organizations), including the  
 13 restrictions on compensation for personal services.

14 ISRAELI ARAB SCHOLARSHIP PROGRAM

15 For necessary expenses of the Israeli Arab Schol-  
 16 arship Program as authorized by section 214 of the For-  
 17 eign Relations Authorization Act, Fiscal Years 1992 and  
 18 1993 (22 U.S.C. 2452), all interest and earnings accru-  
 19 ing to the Israeli Arab Scholarship Fund on or before  
 20 September 30, 1997, to remain available until expended.

21 INTERNATIONAL BROADCASTING OPERATIONS

22 For expenses necessary to enable the United  
 23 States Information Agency, as authorized by the United  
 24 States Information and Educational Exchange Act of  
 25 1948, as amended, the United States International  
 26 Broadcasting Act of 1994, as amended, and Reorganiza-

tion Plan No. 2 of 1977, to carry out international communication activities; \$325,000,000, of which not to exceed \$16,000 may be used for official receptions within the United States as authorized by section 804(3) of such Act of 1948 (22 U.S.C. 1747(3)), not to exceed \$35,000 may be used for representation abroad as authorized by section 302 of such Act of 1948 (22 U.S.C. 1452) and section 905 of the Foreign Service Act of 1980 (22 U.S.C. 4085), and not to exceed \$39,000 may be used for official reception and representation expenses of Radio Free Europe/Radio Liberty; and in addition, not to exceed \$250,000 from fees as authorized by section 810 of such Act of 1948 (22 U.S.C. 1475e), to remain available until expended for carrying out authorized purposes; and in addition, notwithstanding any other provision of law, not to exceed \$1,000,000 in monies received (including receipts from advertising, if any) by or for the use of the United States Information Agency from or in connection with broadcasting resources owned by or on behalf of the Agency, to be available until expended for carrying out authorized purposes.

#### BROADCASTING TO CUBA

For expenses necessary to enable the United States Information Agency to carry out the Radio Broadcasting to Cuba Act, as amended, the Television Broadcasting to Cuba Act, and the International Broadcasting

1 Act of 1994, including the purchase, rent, construction,  
 2 and improvement of facilities for radio and television  
 3 transmission and reception, and purchase and installation  
 4 of necessary equipment for radio and television trans-  
 5 mission and reception, \$25,000,000, to remain available  
 6 until expended.

7 RADIO CONSTRUCTION

8 For the purchase, rent, construction, and improve-  
 9 ment of facilities for radio transmission and reception,  
 10 and purchase and installation of necessary equipment for  
 11 radio and television transmission and reception as au-  
 12 thorized by section 801 of the United States Information  
 13 and Educational Exchange Act of 1948 (22 U.S.C.  
 14 1471), \$35,490,000, to remain available until expended,  
 15 as authorized by section 704(a) of such Act of 1948 (22  
 16 U.S.C. 1477b(a)).

17 EAST-WEST CENTER

18 To enable the Director of the United States Infor-  
 19 mation Agency to provide for carrying out the provisions  
 20 of the Center for Cultural and Technical Interchange Be-  
 21 tween East and West Act of 1960 (22 U.S.C. 2054–  
 22 2057), by grant to the Center for Cultural and Technical  
 23 Interchange Between East and West in the State of Ha-  
 24 waii, \$10,000,000: *Provided*, That none of the funds ap-  
 25 propriated herein shall be used to pay any salary, or

1 enter into any contract providing for the payment there-  
2 of, in excess of the rate authorized by 5 U.S.C. 5376.

3 NORTH/SOUTH CENTER

4 To enable the Director of the United States Infor-  
5 mation Agency to provide for carrying out the provisions  
6 of the North/South Center Act of 1991 (22 U.S.C.  
7 2075), by grant to an educational institution in Florida  
8 known as the North/South Center, \$1,495,000, to remain  
9 available until expended.

10 NATIONAL ENDOWMENT FOR DEMOCRACY

11 For grants made by the United States Informa-  
12 tion Agency to the National Endowment for Democracy  
13 as authorized by the National Endowment for Democracy  
14 Act, \$30,000,000, to remain available until expended.

15 GENERAL PROVISIONS—DEPARTMENT OF STATE AND

16 RELATED AGENCIES

17 SEC. 401. Funds appropriated under this title  
18 shall be available, except as otherwise provided, for allow-  
19 ances and differentials as authorized by subchapter 59 of  
20 5 U.S.C.; for services as authorized by 5 U.S.C. 3109;  
21 and hire of passenger transportation pursuant to 31  
22 U.S.C. 1343(b).

23 SEC. 402. Not to exceed 5 percent of any appro-  
24 priation made available for the current fiscal year for the  
25 Department of State in this Act may be transferred be-  
26 tween such appropriations, but no such appropriations,

1 except as otherwise specifically provided, shall be in-  
2 creased by more than 10 percent by any such transfers:  
3 *Provided*, That not to exceed 5 percent of any appropria-  
4 tion made available for the current fiscal year for the  
5 United States Information Agency in this Act may be  
6 transferred between such appropriations, but no such ap-  
7 propriation, except as otherwise specifically provided,  
8 shall be increased by more than 10 percent by any such  
9 transfers: *Provided further*, That any transfer pursuant  
10 to this section shall be treated as a reprogramming of  
11 funds under section 605 of this Act and shall not be  
12 available for obligation or expenditure except in compli-  
13 ance with the procedures set forth in that section.

14       SEC. 403. Funds hereafter appropriated or other-  
15 wise made available under this Act or any other Act may  
16 be expended for compensation of the United States Com-  
17 missioner of the International Boundary Commission,  
18 United States and Canada, only for actual hours worked  
19 by such Commissioner.

20       SEC. 404. Funds appropriated by this Act for the  
21 United States Information Agency, the Arms Control and  
22 Disarmament Agency, and the Department of State may  
23 be obligated and expended notwithstanding section 701 of  
24 the United States Information and Educational Exchange  
25 Act of 1948 and section 313 of the Foreign Relations

1 Authorization Act, Fiscal Years 1994 and 1995, section  
2 53 of the Arms Control and Disarmament Act, and sec-  
3 tion 15 of the State Department Basic Authorities Act  
4 of 1956.

5       SEC. 405. Any costs incurred by a Department or  
6 agency funded under this title resulting from personnel  
7 actions taken in response to funding reductions included  
8 in this title shall be absorbed within the total budgetary  
9 resources available to such Department or agency: *Pro-*  
10 *vided*, That the authority to transfer funds between ap-  
11 propriations accounts as may be necessary to carry out  
12 this section is provided in addition to authorities included  
13 elsewhere in this Act: *Provided further*, That use of funds  
14 to carry out this section shall be treated as a reprogram-  
15 ming of funds under section 605 of this Act and shall not  
16 be available for obligation or expenditure except in com-  
17 pliance with the procedures set forth in that section.

18       SEC. 406. Starting sixty days after enactment of  
19 this Act, none of the funds made available by this Act  
20 may be made available to support the activities of the  
21 Standing Consultative Commission (SCC) unless the  
22 President provides to the Congress a report containing a  
23 detailed analysis of whether the Memorandum of Under-  
24 standing on Succession and the Agreed Statement re-  
25 garding Demarcation agreed to by the Standing Consult-

1   ative Commission on June 24, 1996, which was re-  
 2   affirmed by Secretary of State Warren Christopher and  
 3   Minister of Foreign Affairs Evgeny Primakov on Septem-  
 4   ber 23, 1996, represent substantive changes to the Anti-  
 5   Ballistic Missile Treaty of 1972 and whether these agree-  
 6   ments will require the advice and consent of the Senate  
 7   of the United States.

8           SEC. 407. Section 1 of the Act of June 4, 1920  
 9   (41 Stat. 750; 22 U.S.C. 214) is amended by—

10           (1) inserting before the period at the end of the  
 11   first sentence the following: “; except that the Sec-  
 12   retary of State may by regulation authorize State of-  
 13   ficials or the United States Postal Service to collect  
 14   and retain the execution fee for each application for  
 15   a passport accepted by such officials or by that  
 16   Service”; and

17           (2) striking the second sentence.

18           This title may be cited as the “Department of  
 19   State and Related Agencies Appropriations Act, 1997”.

## 20           TITLE V—RELATED AGENCIES

### 21           DEPARTMENT OF TRANSPORTATION

#### 22           MARITIME ADMINISTRATION

#### 23           OPERATING-DIFFERENTIAL SUBSIDIES

#### 24           (LIQUIDATION OF CONTRACT AUTHORITY)

25           For the payment of obligations incurred for oper-  
 26   ating-differential subsidies, as authorized by the Mer-



1 chant Marine Act, 1936, as amended, \$148,430,000, to  
2 remain available until expended.

3 MARITIME SECURITY PROGRAM

4 For necessary expenses to maintain and preserve  
5 a U.S.-flag merchant fleet to serve the national security  
6 needs of the United States, \$54,000,000, to remain avail-  
7 able until expended: *Provided*, That these funds will be  
8 available only upon enactment of an authorization for  
9 this program.

10 OPERATIONS AND TRAINING

11 For necessary expenses of operations and training  
12 activities authorized by law, \$65,000,000: *Provided*, That  
13 reimbursements may be made to this appropriation from  
14 receipts to the “Federal Ship Financing Fund” for ad-  
15 ministrative expenses in support of that program in addi-  
16 tion to any amount heretofore appropriated.

17 MARITIME GUARANTEED LOAN (TITLE XI) PROGRAM

18 ACCOUNT

19 For the cost of guaranteed loans, as authorized by  
20 the Merchant Marine Act, 1936, \$37,450,000, to remain  
21 available until expended: *Provided*, That such costs, in-  
22 cluding the cost of modifying such loans, shall be as de-  
23 fined in section 502 of the Congressional Budget Act of  
24 1974, as amended: *Provided further*, That these funds are  
25 available to subsidize total loan principal, any part of  
26 which is to be guaranteed, not to exceed \$1,000,000,000.

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

5           ADMINISTRATIVE PROVISIONS—MARITIME

6                           ADMINISTRATION

7           Notwithstanding any other provision of this Act,  
8 the Maritime Administration is authorized to furnish util-  
9 ities and services and make necessary repairs in connec-  
10 tion with any lease, contract, or occupancy involving Gov-  
11 ernment property under control of the Maritime Adminis-  
12 tration, and payments received therefor shall be credited  
13 to the appropriation charged with the cost thereof: *Pro-*  
14 *vided*, That rental payments under any such lease, con-  
15 tract, or occupancy for items other than such utilities,  
16 services, or repairs shall be covered into the Treasury as  
17 miscellaneous receipts.

18           No obligations shall be incurred during the cur-  
19 rent fiscal year from the construction fund established by  
20 the Merchant Marine Act, 1936, or otherwise, in excess  
21 of the appropriations and limitations contained in this  
22 Act or in any prior appropriation Act, and all receipts  
23 which otherwise would be deposited to the credit of said  
24 fund shall be covered into the Treasury as miscellaneous  
25 receipts.

1 COMMISSION FOR THE PRESERVATION OF AMERICA'S  
2 HERITAGE ABROAD  
3 SALARIES AND EXPENSES

4 For expenses for the Commission for the Preser-  
5 vation of America's Heritage Abroad, \$206,000, as au-  
6 thorized by Public Law 99-83, section 1303.

7 COMMISSION ON CIVIL RIGHTS  
8 SALARIES AND EXPENSES

9 For necessary expenses of the Commission on  
10 Civil Rights, including hire of passenger motor vehicles,  
11 \$8,740,000: *Provided*, That not to exceed \$50,000 may  
12 be used to employ consultants: *Provided further*, That  
13 none of the funds appropriated in this paragraph shall be  
14 used to employ in excess of four full-time individuals  
15 under Schedule C of the Excepted Service exclusive of  
16 one special assistant for each Commissioner: *Provided*  
17 *further*, That none of the funds appropriated in this para-  
18 graph shall be used to reimburse Commissioners for more  
19 than 75 billable days, with the exception of the Chair-  
20 person who is permitted 125 billable days.

21 COMMISSION ON IMMIGRATION REFORM  
22 SALARIES AND EXPENSES

23 For necessary expenses of the Commission on Im-  
24 migration Reform pursuant to section 141(f) of the Im-

1 migration Act of 1990, \$2,196,000, to remain available  
2 until expended.

3 COMMISSION ON SECURITY AND COOPERATION IN  
4 EUROPE  
5 SALARIES AND EXPENSES

6 For necessary expenses of the Commission on Se-  
7 curity and Cooperation in Europe, as authorized by Pub-  
8 lic Law 94–304, \$1,090,000, to remain available until ex-  
9 pended as authorized by section 3 of Public Law 99–7.

10 EQUAL EMPLOYMENT OPPORTUNITY COMMISSION  
11 SALARIES AND EXPENSES

12 For necessary expenses of the Equal Employment  
13 Opportunity Commission as authorized by title VII of the  
14 Civil Rights Act of 1964, as amended (29 U.S.C. 206(d)  
15 and 621–634), the Americans with Disabilities Act of  
16 1990, and the Civil Rights Act of 1991, including serv-  
17 ices as authorized by 5 U.S.C. 3109; hire of passenger  
18 motor vehicles as authorized by 31 U.S.C. 1343(b); non-  
19 monetary awards to private citizens; not to exceed  
20 \$27,500,000, for payments to State and local enforce-  
21 ment agencies for services to the Commission pursuant to  
22 title VII of the Civil Rights Act of 1964, as amended,  
23 sections 6 and 14 of the Age Discrimination in Employ-  
24 ment Act, the Americans with Disabilities Act of 1990,  
25 and the Civil Rights Act of 1991; \$239,740,000: *Pro-*

1 *vided*, That the Commission is authorized to make avail-  
2 able for official reception and representation expenses not  
3 to exceed \$2,500 from available funds.

4           FEDERAL COMMUNICATIONS COMMISSION

5                   SALARIES AND EXPENSES

6           For necessary expenses of the Federal Commu-  
7 nications Commission, as authorized by law, including  
8 uniforms and allowances therefor, as authorized by 5  
9 U.S.C. 5901–02; not to exceed \$600,000 for land and  
10 structure; not to exceed \$500,000 for improvement and  
11 care of grounds and repair to buildings; not to exceed  
12 \$4,000 for official reception and representation expenses;  
13 purchase (not to exceed sixteen) and hire of motor vehi-  
14 cles; special counsel fees; and services as authorized by  
15 5 U.S.C. 3109; \$189,079,000, of which not to exceed  
16 \$300,000 shall remain available until September 30,  
17 1998, for research and policy studies: *Provided*, That  
18 \$152,523,000 of offsetting collections shall be assessed  
19 and collected pursuant to section 9 of title I of the Com-  
20 munications Act of 1934, as amended, and shall be re-  
21 tained and used for necessary expenses in this appropria-  
22 tion, and shall remain available until expended: *Provided*  
23 *further*, That the sum herein appropriated shall be re-  
24 duced as such offsetting collections are received during  
25 fiscal year 1997 so as to result in a final fiscal year 1997

1 appropriation estimated at \$36,556,000: *Provided fur-*  
2 *ther*, That any offsetting collections received in excess of  
3 \$152,523,000 in fiscal year 1997 shall remain available  
4 until expended, but shall not be available for obligation  
5 until October 1, 1997.

6 FEDERAL MARITIME COMMISSION

7 SALARIES AND EXPENSES

8 For necessary expenses of the Federal Maritime  
9 Commission as authorized by section 201(d) of the Mer-  
10 chant Marine Act of 1936, as amended (46 App. U.S.C.  
11 1111), including services as authorized by 5 U.S.C. 3109;  
12 hire of passenger motor vehicles as authorized by 31  
13 U.S.C. 1343(b); and uniforms or allowances therefor, as  
14 authorized by 5 U.S.C. 5901–02; \$14,000,000: *Provided*,  
15 That not to exceed \$2,000 shall be available for official  
16 reception and representation expenses.

17 FEDERAL TRADE COMMISSION

18 SALARIES AND EXPENSES

19 For necessary expenses of the Federal Trade  
20 Commission, including uniforms or allowances therefor,  
21 as authorized by 5 U.S.C. 5901–5902; services as author-  
22 ized by 5 U.S.C. 3109; hire of passenger motor vehicles;  
23 and not to exceed \$2,000 for official reception and rep-  
24 resentation expenses; \$85,930,000: *Provided*, That not to  
25 exceed \$300,000 shall be available for use to contract

1 with a person or persons for collection services in accord-  
2 ance with the terms of 31 U.S.C. 3718, as amended: *Pro-*  
3 *vided further*, That notwithstanding any other provision  
4 of law, not to exceed \$58,905,000 of offsetting collections  
5 derived from fees collected for premerger notification fil-  
6 ings under the Hart-Scott-Rodino Antitrust Improve-  
7 ments Act of 1976 (15 U.S.C. 18(a)) shall be retained  
8 and used for necessary expenses in this appropriation,  
9 and shall remain available until expended: *Provided fur-*  
10 *ther*, That the sum herein appropriated from the General  
11 Fund shall be reduced as such offsetting collections are  
12 received during fiscal year 1997, so as to result in a final  
13 fiscal year 1997 appropriation from the General Fund es-  
14 timated at not more than \$27,025,000, to remain avail-  
15 able until expended: *Provided further*, That any fees re-  
16 ceived in excess of \$58,905,000 in fiscal year 1997 shall  
17 remain available until expended, but shall not be avail-  
18 able for obligation until October 1, 1997: *Provided fur-*  
19 *ther*, That none of the funds made available to the Fed-  
20 eral Trade Commission shall be available for obligation  
21 for expenses authorized by section 151 of the Federal  
22 Deposit Insurance Corporation Improvement Act of 1991  
23 (Public Law 102-242, 105 Stat. 2282-2285).

## 1 GAMBLING IMPACT STUDY COMMISSION

## 2 SALARIES AND EXPENSES

3 For necessary expenses of the National Gambling  
4 Impact Study Commission, \$4,000,000 to remain avail-  
5 able until expended: *Provided*, That these funds will be  
6 available only upon enactment of an authorization for  
7 this Commission.

## 8 LEGAL SERVICES CORPORATION

## 9 PAYMENT TO THE LEGAL SERVICES CORPORATION

10 For payment to the Legal Services Corporation to  
11 carry out the purposes of the Legal Services Corporation  
12 Act of 1974, as amended, \$283,000,000, of which  
13 \$274,400,000 is for basic field programs and required  
14 independent audits; \$1,500,000 is for the Office of In-  
15 spector General, of which such amounts as may be nec-  
16 essary may be used to conduct additional audits of recipi-  
17 ents; and \$7,100,000 is for management and administra-  
18 tion.

## 19 ADMINISTRATIVE PROVISIONS—LEGAL SERVICES

## 20 CORPORATION

21 SEC. 501. (a) CONTINUATION OF COMPETITIVE  
22 SELECTION PROCESS.—None of the funds appropriated  
23 in this Act to the Legal Services Corporation may be  
24 used to provide financial assistance to any person or en-  
25 tity except through a competitive selection process con-  
26 ducted in accordance with regulations promulgated by the



1 Corporation in accordance with the criteria set forth in  
2 subsections (c), (d), and (e) of section 503 of Public Law  
3 104–134 (110 Stat. 1321–52 et seq.).

4 (b) INAPPLICABILITY OF NONCOMPETITIVE PRO-  
5 CEDURES.—For purposes of the funding provided in this  
6 Act, rights under sections 1007(a)(9) and 1011 of the  
7 Legal Services Corporation Act (42 U.S.C. 2996f(a)(9)  
8 and 42 U.S.C. 2996j) shall not apply.

9 SEC. 502. (a) CONTINUATION OF REQUIREMENTS  
10 AND RESTRICTIONS.—None of the funds appropriated in  
11 this Act to the Legal Services Corporation shall be ex-  
12 pended for any purpose prohibited or limited by, or con-  
13 trary to any of the provisions of—

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

22 (2) section 504 of Public Law 104–134 (110  
23 Stat. 1321–53 et seq.), and all funds appropriated  
24 in this Act to the Legal Services Corporation shall

1 be subject to the same terms and conditions set  
2 forth in such section, except that—

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

5 (B) paragraph (3) of section 508(b) of  
6 Public Law 104–134 (110 Stat. 1321–58) shall  
7 apply with respect to the requirements of sub-  
8 section (a)(13) of such section 504, except that  
9 all references in such section 508(b) to the date  
10 of enactment shall be deemed to refer to April  
11 26, 1996; and

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

17 (i) an alien who has been battered or  
18 subjected to extreme cruelty in the United  
19 States by a spouse or a parent, or by a  
20 member of the spouse’s or parent’s family  
21 residing in the same household as the alien  
22 and the spouse or parent consented or ac-  
23 quiesced to such battery or cruelty; or

24 (ii) an alien whose child has been bat-  
25 tered or subjected to extreme cruelty in the

1 United States by a spouse or parent of the  
2 alien (without the active participation of  
3 the alien in the battery or extreme cru-  
4 elty), or by a member of the spouse's or  
5 parent's family residing in the same house-  
6 hold as the alien and the spouse or parent  
7 consented or acquiesced to such battery or  
8 cruelty, and the alien did not actively par-  
9 ticipate in such battery or cruelty.

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

12 (1) The term “battered or subjected to extreme  
13 cruelty” has the meaning given such term under reg-  
14 ulations issued pursuant to subtitle G of the Vio-  
15 lence Against Women Act of 1994 (Pub. L. 103–  
16 322; 108 Stat. 1953).

17 (2) The term “related legal assistance” means  
18 legal assistance directly related to the prevention of,  
19 or obtaining of relief from, the battery or cruelty de-  
20 scribed in such subsection.

21 SEC. 503. (a) CONTINUATION OF AUDIT RE-  
22 QUIREMENTS.—The requirements of section 509 of Pub-  
23 lic Law 104–134 (110 Stat. 1321–58 et seq.), other than  
24 subsection (l) of such section, shall apply during fiscal  
25 year 1997.

1           (b) REQUIREMENT OF ANNUAL AUDIT.—An an-  
2 nual audit of each person or entity receiving financial as-  
3 sistance from the Legal Services Corporation under this  
4 Act shall be conducted during fiscal year 1997 in accord-  
5 ance with the requirements referred to in subsection (a).

6                           MARINE MAMMAL COMMISSION

7                                       SALARIES AND EXPENSES

8           For necessary expenses of the Marine Mammal  
9 Commission as authorized by title II of Public Law 92–  
10 522, as amended, \$1,189,000.

11                           NATIONAL BANKRUPTCY REVIEW COMMISSION

12                                       SALARIES AND EXPENSES

13           For necessary expenses of the National Bank-  
14 ruptcy Review Commission, as authorized by the Bank-  
15 ruptcy Reform Act of 1994, \$494,000.

16                           OUNCE OF PREVENTION COUNCIL

17           For activities authorized by sections 30101 and  
18 30102 of Public Law 103–322 (including administrative  
19 costs), \$1,500,000, to remain available until expended,  
20 for the Ounce of Prevention Grant Program: *Provided*,  
21 That the Council may accept and use gifts and donations,  
22 both real and personal, for the purpose of aiding or facili-  
23 tating the authorized activities of the Council, of which  
24 not to exceed \$5,000 may be used for official reception  
25 and representation expenses.

## 1           SECURITIES AND EXCHANGE COMMISSION

## 2                           SALARIES AND EXPENSES

3           For necessary expenses for the Securities and Ex-  
4 change Commission, including services as authorized by  
5 5 U.S.C. 3109, the rental of space (to include multiple  
6 year leases) in the District of Columbia and elsewhere,  
7 and not to exceed \$3,000 for official reception and rep-  
8 resentation expenses, \$260,400,000, of which not to ex-  
9 ceed \$10,000 may be used toward funding a permanent  
10 secretariat for the International Organization of Securi-  
11 ties Commissions, and of which not to exceed \$100,000  
12 shall be available for expenses for consultations and  
13 meetings hosted by the Commission with foreign govern-  
14 mental and other regulatory officials, members of their  
15 delegations, appropriate representatives and staff to ex-  
16 change views concerning developments relating to securi-  
17 ties matters, development and implementation of coopera-  
18 tion agreements concerning securities matters and provi-  
19 sion of technical assistance for the development of foreign  
20 securities markets, such expenses to include necessary lo-  
21 gistic and administrative expenses and the expenses of  
22 Commission staff and foreign invitees in attendance at  
23 such consultations and meetings including (1) such inci-  
24 dental expenses as meals taken in the course of such at-  
25 tendance, (2) any travel and transportation to or from

1 such meetings, and (3) any other related lodging or  
2 subsistence: *Provided*, That immediately upon enactment  
3 of this Act, the rate of fees under section 6(b) of the Se-  
4 curities Act of 1933 (15 U.S.C. 77f(b)) shall increase  
5 from one-fiftieth of one percentum to one-thirty-third of  
6 one percentum, and such increase shall be deposited as  
7 an offsetting collection to this appropriation, to remain  
8 available until expended, to recover costs of services of  
9 the securities registration process: *Provided further*, That  
10 effective January 1, 1997, every national securities asso-  
11 ciation shall pay to the Commission a fee at a rate of  
12 one-three-hundredth of one percentum of the aggregate  
13 dollar amount of sales transacted by or through any  
14 member of such association otherwise than on a national  
15 securities exchange (other than bonds, debentures, and  
16 other evidences of indebtedness) subject to prompt last  
17 sale reporting pursuant to the rules of the Commission  
18 or a registered national securities association, excluding  
19 any sales for which a fee is paid under section 31 of the  
20 Securities Exchange Act of 1934 (15 U.S.C. 78ee), and  
21 such increase shall be deposited as an offsetting collection  
22 to this appropriation, to remain available until expended,  
23 to recover the costs to the Government of the supervision  
24 and regulation of securities markets and securities pro-  
25 fessionals: *Provided further*, That the fee due from every

1 national securities association shall be paid on or before  
2 September 30, 1997, with respect to transactions and  
3 sales occurring during the period beginning on January  
4 1, 1997, and ending at the close of August 31, 1997:  
5 *Provided further*, That the total amount appropriated for  
6 fiscal year 1997 under this heading shall be reduced as  
7 all such offsetting fees are deposited to this appropriation  
8 so as to result in a final total fiscal year 1997 appropria-  
9 tion from the General Fund estimated at not more than  
10 \$37,778,000: *Provided further*, That any such fees col-  
11 lected in excess of \$222,622,000 shall remain available  
12 until expended but shall not be available for obligation  
13 until October 1, 1997.

14 SMALL BUSINESS ADMINISTRATION

15 SALARIES AND EXPENSES

16 For necessary expenses, not otherwise provided  
17 for, of the Small Business Administration as authorized  
18 by Public Law 103-403, including hire of passenger  
19 motor vehicles as authorized by 31 U.S.C. 1343 and  
20 1344, and not to exceed \$3,500 for official reception and  
21 representation expenses, \$223,547,000, of which  
22 \$1,000,000 shall only be available for obligation and ex-  
23 penditure for projects jointly developed, implemented and  
24 administered with the Minority Business Development  
25 Agency of the Department of Commerce: *Provided*, That

1 the Administrator is authorized to charge fees to cover  
2 the cost of publications developed by the Small Business  
3 Administration, and certain loan servicing activities: *Pro-*  
4 *vided further*, That notwithstanding 31 U.S.C. 3302, rev-  
5 enues received from all such activities shall be credited to  
6 this account, to be available for carrying out these pur-  
7 poses without further appropriations: *Provided further*,  
8 That \$75,500,000 shall be available to fund grants for  
9 performance in fiscal year 1997 or fiscal year 1998 as  
10 authorized by section 21 of the Small Business Act, as  
11 amended. In addition, for expenses not otherwise pro-  
12 vided for, of the Small Business Administration,  
13 \$11,500,000, of which: \$3,000,000 shall be available for  
14 a grant to continue the WVHTC Foundation outreach  
15 program to assist small business development;  
16 \$7,000,000 shall be available for a grant to the Center  
17 for Rural Development in Somerset, Kentucky, for small  
18 business and rural technology development assistance;  
19 \$1,000,000 shall be available for a grant to Indiana State  
20 University for the renovation and equipping of a training  
21 facility, to assist in creating small business and economic  
22 development opportunities; and \$500,000 shall be avail-  
23 able for a continuation grant to the Center for Entre-  
24 preneurial Opportunity in Greensburg, Pennsylvania, to  
25 provide for small business consulting and assistance.



## 1 OFFICE OF INSPECTOR GENERAL

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

## 6 BUSINESS LOANS PROGRAM ACCOUNT

7 For the cost of direct loans, \$1,691,000, and for  
8 the cost of guaranteed loans, \$182,017,000, as author-  
9 ized by 15 U.S.C. 631 note, of which \$2,317,000, to be  
10 available until expended, shall be for the Microloan Guar-  
11 antee Program, and of which \$40,510,000 shall remain  
12 available until September 30, 1998: *Provided*, That such  
13 costs, including the cost of modifying such loans, shall be  
14 as defined in section 502 of the Congressional Budget  
15 Act of 1974: *Provided further*, That during fiscal year  
16 1997, commitments to guarantee loans under section 503  
17 of the Small Business Investment Act of 1958, as amend-  
18 ed, shall not exceed the amount of financings authorized  
19 under section 20(n)(2)(B) of the Small Business Act, as  
20 amended.

21 In addition, for administrative expenses to carry  
22 out the direct and guaranteed loan programs,  
23 \$94,000,000, which may be transferred to and merged  
24 with the appropriations for Salaries and Expenses.

## 1 DISASTER LOANS PROGRAM ACCOUNT

2 For the cost of direct loans authorized by section  
3 7(b) of the Small Business Act, as amended,  
4 \$105,432,000, to remain available until expended: *Pro-*  
5 *vided*, That such costs, including the cost of modifying  
6 such loans, shall be as defined in section 502 of the Con-  
7 gressional Budget Act of 1974.

8 In addition, for administrative expenses to carry  
9 out the direct loan program, \$86,500,000, including not  
10 to exceed \$500,000 for the Office of Inspector General of  
11 the Small Business Administration for audits and reviews  
12 of disaster loans and the disaster loan program, and said  
13 sums may be transferred to and merged with appropria-  
14 tions for Salaries and Expenses and Office of Inspector  
15 General.

## 16 SURETY BOND GUARANTEES REVOLVING FUND

17 For additional capital for the “Surety Bond Guar-  
18 antees Revolving Fund”, authorized by the Small Busi-  
19 ness Investment Act, as amended, \$3,730,000, to remain  
20 available without fiscal year limitation as authorized by  
21 15 U.S.C. 631 note.

## 22 ADMINISTRATIVE PROVISION—SMALL BUSINESS

## 23 ADMINISTRATION

24 SEC. 504. Not to exceed 5 percent of any appro-  
25 priation made available for the current fiscal year for the  
26 Small Business Administration in this Act may be trans-

1 ferred between such appropriations, but no such appro-  
2 priation shall be increased by more than 10 percent by  
3 any such transfers: *Provided*, That any transfer pursuant  
4 to this section shall be treated as a reprogramming of  
5 funds under section 605 of this Act and shall not be  
6 available for obligation or expenditure except in compli-  
7 ance with the procedures set forth in that section.

8 STATE JUSTICE INSTITUTE

9 SALARIES AND EXPENSES

10 For necessary expenses of the State Justice Insti-  
11 tute, as authorized by the State Justice Institute Author-  
12 ization Act of 1992 (Public Law 102–572 (106 Stat.  
13 4515–4516)), \$6,000,000, to remain available until ex-  
14 pended: *Provided*, That not to exceed \$2,500 shall be  
15 available for official reception and representation ex-  
16 penses.

17 TITLE VI—GENERAL PROVISIONS

18 SEC. 601. No part of any appropriation contained  
19 in this Act shall be used for publicity or propaganda pur-  
20 poses not authorized by the Congress.

21 SEC. 602. No part of any appropriation contained  
22 in this Act shall remain available for obligation beyond  
23 the current fiscal year unless expressly so provided here-  
24 in.

1           SEC. 603. The expenditure of any appropriation  
2 under this Act for any consulting service through pro-  
3 curement contract, pursuant to 5 U.S.C. 3109, shall be  
4 limited to those contracts where such expenditures are a  
5 matter of public record and available for public inspec-  
6 tion, except where otherwise provided under existing law,  
7 or under existing Executive order issued pursuant to ex-  
8 isting law.

9           SEC. 604. If any provision of this Act or the ap-  
10 plication of such provision to any person or circumstances  
11 shall be held invalid, the remainder of the Act and the  
12 application of each provision to persons or circumstances  
13 other than those as to which it is held invalid shall not  
14 be affected thereby.

15          SEC. 605. (a) None of the funds provided under  
16 this Act, or provided under previous appropriations Acts  
17 to the agencies funded by this Act that remain available  
18 for obligation or expenditure in fiscal year 1997, or pro-  
19 vided from any accounts in the Treasury of the United  
20 States derived by the collection of fees available to the  
21 agencies funded by this Act, shall be available for obliga-  
22 tion or expenditure through a reprogramming of funds  
23 which (1) creates new programs; (2) eliminates a pro-  
24 gram, project, or activity; (3) increases funds or person-  
25 nel by any means for any project or activity for which

1 funds have been denied or restricted; (4) relocates an of-  
2 fice or employees; (5) reorganizes offices, programs, or  
3 activities; or (6) contracts out or privatizes any functions,  
4 or activities presently performed by Federal employees;  
5 unless the Appropriations Committees of both Houses of  
6 Congress are notified fifteen days in advance of such re-  
7 programming of funds.

8 (b) None of the funds provided under this Act, or  
9 provided under previous appropriations Acts to the agen-  
10 cies funded by this Act that remain available for obliga-  
11 tion or expenditure in fiscal year 1997, or provided from  
12 any accounts in the Treasury of the United States de-  
13 rived by the collection of fees available to the agencies  
14 funded by this Act, shall be available for obligation or ex-  
15 penditure for activities, programs, or projects through a  
16 reprogramming of funds in excess of \$500,000 or 10 per-  
17 cent, whichever is less, that (1) augments existing pro-  
18 grams, projects, or activities; (2) reduces by 10 percent  
19 funding for any existing program, project, or activity, or  
20 numbers of personnel by 10 percent as approved by Con-  
21 gress; or (3) results from any general savings from a re-  
22 duction in personnel which would result in a change in  
23 existing programs, activities, or projects as approved by  
24 Congress; unless the Appropriations Committees of both

1 Houses of Congress are notified fifteen days in advance  
2 of such reprogramming of funds.

3 SEC. 606. None of the funds made available in  
4 this Act may be used for the construction, repair (other  
5 than emergency repair), overhaul, conversion, or mod-  
6 ernization of vessels for the National Oceanic and Atmos-  
7 pheric Administration in shipyards located outside of the  
8 United States.

9 SEC. 607. (a) PURCHASE OF AMERICAN-MADE  
10 EQUIPMENT AND PRODUCTS.—It is the sense of the Con-  
11 gress that, to the greatest extent practicable, all equip-  
12 ment and products purchased with funds made available  
13 in this Act should be American-made.

14 (b) NOTICE REQUIREMENT.—In providing finan-  
15 cial assistance to, or entering into any contract with, any  
16 entity using funds made available in this Act, the head  
17 of each Federal agency, to the greatest extent prac-  
18 ticable, shall provide to such entity a notice describing  
19 the statement made in subsection (a) by the Congress.

20 (c) PROHIBITION OF CONTRACTS WITH PERSONS  
21 FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—  
22 If it has been finally determined by a court or Federal  
23 agency that any person intentionally affixed a label bear-  
24 ing a “Made in America” inscription, or any inscription  
25 with the same meaning, to any product sold in or shipped

1 to the United States that is not made in the United  
2 States, the person shall be ineligible to receive any con-  
3 tract or subcontract made with funds made available in  
4 this Act, pursuant to the debarment, suspension, and in-  
5 eligibility procedures described in sections 9.400 through  
6 9.409 of title 48, Code of Federal Regulations.

7       SEC. 608. None of the funds made available in  
8 this Act may be used to implement, administer, or en-  
9 force any guidelines of the Equal Employment Oppor-  
10 tunity Commission covering harassment based on reli-  
11 gion, when it is made known to the Federal entity or offi-  
12 cial to which such funds are made available that such  
13 guidelines do not differ in any respect from the proposed  
14 guidelines published by the Commission on October 1,  
15 1993 (58 Fed. Reg. 51266).

16       SEC. 609. None of the funds appropriated or oth-  
17 erwise made available by this Act may be obligated or ex-  
18 pended to pay for any cost incurred for (1) opening or  
19 operating any United States diplomatic or consular post  
20 in the Socialist Republic of Vietnam that was not operat-  
21 ing on July 11, 1995; (2) expanding any United States  
22 diplomatic or consular post in the Socialist Republic of  
23 Vietnam that was operating on July 11, 1995; or (3) in-  
24 creasing the total number of personnel assigned to Unit-  
25 ed States diplomatic or consular posts in the Socialist

1 Republic of Vietnam above the levels existing on July 11,  
2 1995, unless the President certifies within 60 days, based  
3 upon all information available to the United States Gov-  
4 ernment that the Government of the Socialist Republic of  
5 Vietnam is cooperating in full faith with the United  
6 States in the following four areas:

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

9 (2) Recovering and repatriating American re-  
10 mains,

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

14 (4) Providing further assistance in implement-  
15 ing trilateral investigations with Laos.

16 SEC. 610. None of the funds made available by  
17 this Act may be used for any United Nations undertaking  
18 when it is made known to the Federal official having au-  
19 thority to obligate or expend such funds (1) that the  
20 United Nations undertaking is a peacekeeping mission,  
21 (2) that such undertaking will involve United States  
22 Armed Forces under the command or operational control  
23 of a foreign national, and (3) that the President's mili-  
24 tary advisors have not submitted to the President a rec-  
25 ommendation that such involvement is in the national se-



1   curity interests of the United States and the President  
2   has not submitted to the Congress such a recommenda-  
3   tion.

4           SEC. 611. None of the funds made available in  
5   this Act shall be used to provide the following amenities  
6   or personal comforts in the Federal prison system—

7           (1) in-cell television viewing except for prisoners  
8       who are segregated from the general prison popu-  
9       lation for their own safety;

10          (2) the viewing of R, X, and NC-17 rated mov-  
11       ies, through whatever medium presented;

12          (3) any instruction (live or through broadcasts)  
13       or training equipment for boxing, wrestling, judo,  
14       karate, or other martial art, or any bodybuilding or  
15       weightlifting equipment of any sort;

16          (4) possession of in-cell coffee pots, hot plates  
17       or heating elements; or

18          (5) the use or possession of any electric or elec-  
19       tronic musical instrument.

20          SEC. 612. None of the funds made available in  
21   title II for the National Oceanic and Atmospheric Admin-  
22   istration (NOAA) under the heading “Fleet Moderniza-  
23   tion, Shipbuilding and Conversion” may be used to imple-  
24   ment sections 603, 604, and 605 of Public Law 102-567:  
25   *Provided*, That NOAA may develop a modernization plan

1 for its fisheries research vessels that takes fully into ac-  
2 count opportunities for contracting for fisheries surveys.

3       SEC. 613. Any costs incurred by a Department or  
4 agency funded under this Act resulting from personnel  
5 actions taken in response to funding reductions included  
6 in this Act shall be absorbed within the total budgetary  
7 resources available to such Department or agency: *Pro-*  
8 *vided*, That the authority to transfer funds between ap-  
9 propriations accounts as may be necessary to carry out  
10 this section is provided in addition to authorities included  
11 elsewhere in this Act: *Provided further*, That use of funds  
12 to carry out this section shall be treated as a reprogram-  
13 ming of funds under section 605 of this Act and shall not  
14 be available for obligation or expenditure except in com-  
15 pliance with the procedures set forth in that section.

16       SEC. 614. None of the funds made available in  
17 this Act to the Federal Bureau of Prisons may be used  
18 to distribute or make available any commercially pub-  
19 lished information or material to a prisoner when it is  
20 made known to the Federal official having authority to  
21 obligate or expend such funds that such information or  
22 material is sexually explicit or features nudity.

23       SEC. 615. Of the funds appropriated in this Act  
24 under the heading “OFFICE OF JUSTICE PRO-  
25 GRAMS—STATE AND LOCAL LAW ENFORCEMENT AS-

1   SISTANCE” and “Community Oriented Policing Services  
2   Program”, not more than ninety percent of the amount  
3   to be awarded to an entity under the Local Law Enforce-  
4   ment Block Grant and part Q of title I of the Omnibus  
5   Crime Control and Safe Streets Act of 1968 shall be  
6   made available to such an entity when it is made known  
7   to the Federal official having authority to obligate or ex-  
8   pend such funds that the entity that employs a public  
9   safety officer (as such term is defined in section 1204 of  
10   title I of the Omnibus Crime Control and Safe Streets  
11   Act of 1968) does not provide such a public safety officer  
12   who retires or is separated from service due to injury suf-  
13   fered as the direct and proximate result of a personal in-  
14   jury sustained in the line of duty while responding to an  
15   emergency situation or a hot pursuit (as such terms are  
16   defined by State law) with the same or better level of  
17   health insurance benefits that are paid by the entity at  
18   the time of retirement or separation.

19   **SEC. 616. LIMITATION ON PATENT INFRINGEMENTS RELAT-**  
20                           **ING TO A MEDICAL PRACTITIONER’S PER-**  
21                           **FORMANCE OF A MEDICAL ACTIVITY.**

22           Section 287 of title 35, United States Code, is  
23   amended by adding at the end the following new sub-  
24   section:

1           (c)(1) With respect to a medical practitioner's  
2 performance of a medical activity that constitutes an in-  
3 fringement under section 271 (a) or (b) of this title, the  
4 provisions of sections 281, 283, 284, and 285 of this title  
5 shall not apply against the medical practitioner or  
6 against a related health care entity with respect to such  
7 medical activity.

8           (2) For the purposes of this subsection:

9           (A) the term “medical activity” means the per-  
10 formance of a medical or surgical procedure on a  
11 body, but shall not include (i) the use of a patented  
12 machine, manufacture, or composition of matter in  
13 violation of such patent, (ii) the practice of a pat-  
14 ented use of a composition of matter in violation of  
15 such patent, or (iii) the practice of a process in vio-  
16 lation of a biotechnology patent.

17           (B) the term “medical practitioner” means any  
18 natural person who is licensed by a State to provide  
19 the medical activity described in subsection (c)(1) or  
20 who is acting under the direction of such person in  
21 the performance of the medical activity.

22           (C) the term “related health care entity” shall  
23 mean an entity with which a medical practitioner  
24 has a professional affiliation under which the medi-  
25 cal practitioner performs the medical activity, includ-

1       ing but not limited to a nursing home, hospital, uni-  
2       versity, medical school, health maintenance organiza-  
3       tion, group medical practice, or a medical clinic.

4           (D) the term “professional affiliation” shall  
5       mean staff privileges, medical staff membership, em-  
6       ployment or contractual relationship, partnership or  
7       ownership interest, academic appointment, or other  
8       affiliation under which a medical practitioner pro-  
9       vides the medical activity on behalf of, or in associa-  
10      tion with, the health care entity.

11          (E) the term “body” shall mean a human body,  
12      organ or cadaver, or a nonhuman animal used in  
13      medical research or instruction directly relating to  
14      the treatment of humans.

15          (F) the term “patented use of a composition of  
16      matter” does not include a claim for a method of  
17      performing a medical or surgical procedure on a  
18      body that recites the use of a composition of matter  
19      where the use of that composition of matter does not  
20      directly contribute to achievement of the objective of  
21      the claimed method.

22          (G) the term “State” shall mean any state or  
23      territory of the United States, the District of Colum-  
24      bia, and the Commonwealth of Puerto Rico.

1           (3) This subsection does not apply to the activities  
2 of any person, or employee or agent of such person (re-  
3 gardless of whether such person is a tax exempt organi-  
4 zation under section 501(c) of the Internal Revenue  
5 Code), who is engaged in the commercial development,  
6 manufacture, sale, importation, or distribution of a ma-  
7 chine, manufacture, or composition of matter or the pro-  
8 vision of pharmacy or clinical laboratory services (other  
9 than clinical laboratory services provided in a physician's  
10 office), where such activities are:

11           (A) directly related to the commercial develop-  
12 ment, manufacture, sale, importation, or distribution  
13 of a machine, manufacture, or composition of matter  
14 or the provision of pharmacy or clinical laboratory  
15 services (other than clinical laboratory services pro-  
16 vided in a physician's office), and

17           (B) regulated under the Federal Food, Drug,  
18 and Cosmetic Act, the Public Health Service Act, or  
19 the Clinical Laboratories Improvement Act.

20           (4) This subsection shall not apply to any patent  
21 issued before the date of enactment of this subsection.

22           SEC. 617. Effective with the enactment of this Act  
23 and in any fiscal year hereafter, section 8 of Public Law  
24 96-132 is hereby repealed.

1           SEC. 618. (a) IN GENERAL.—The Secretary may  
2 issue a guarantee or a commitment to guarantee obliga-  
3 tions under title XI of the Merchant Marine Act, 1936  
4 (46 App. U.S.C. 1271 et seq.), upon such terms as the  
5 Secretary may prescribe, to assist in the reactivation and  
6 modernization of any shipyard in the United States that  
7 is closed on the date of the enactment of this Act, if the  
8 Secretary finds that—

9           (1) the closed shipyard historically built mili-  
10 tary vessels and responsible entities now seek to re-  
11 open it as an internationally competitive commercial  
12 shipyard;

13           (2)(A) the closed shipyard has been designated  
14 by the President as a public-private partnership  
15 project; or

16           (B) has a reuse plan approved by the Navy in  
17 which commercial shipbuilding and repair are pri-  
18 mary activities and has a revolving economic conver-  
19 sion fund approved by the Department of Defense;  
20 and

21           (3) the State in which the shipyard is located,  
22 and each other involved State, or a State-chartered  
23 agency, is making a significant financial investment  
24 in the overall cost of reactivation and modernization  
25 as its contribution to the reactivation and mod-

1       ernization project, in addition to the funds required  
2       by subsection (d)(2) of this section.

3       (b) WAIVERS.—Notwithstanding any other provi-  
4       sion of title XI of the Merchant Marine Act, 1936 (46  
5       App. U.S.C. 1271 et seq.), the Secretary shall not apply  
6       the requirements of section 1104A(d) of that Act when  
7       issuing a guarantee or a commitment to guarantee an ob-  
8       ligation under this section.

9       (c) CONDITIONS.—The Secretary shall impose  
10      such conditions on the issuance of a guarantee or a com-  
11      mitment to guarantee under this section as are necessary  
12      to protect the interests of the United States from the risk  
13      of a default. The Secretary shall consider the inter-  
14      dependency of such shipyard modernization and reactiva-  
15      tion projects and related vessel loan guarantee requests  
16      pending under title XI of the Merchant Marine Act, 1936  
17      (46 App. U.S.C. 1271 et seq.) before issuing a guarantee  
18      of a commitment to guarantee under this section.

19      (d) FUNDING PROVISIONS.—

20           (1) The Secretary may not guarantee or com-  
21      mit to guarantee obligations under this section that  
22      exceed \$50,000,000 in the aggregate.

23           (2) The amount of appropriated funds required  
24      by the Federal Credit Reform Act of 1990 (2 U.S.C.  
25      661a et seq.) in advance of the Secretary's issuance



1 of a guarantee or a commitment to guarantee under  
2 this section shall be provided by the State in which  
3 the shipyard is located, and other involved States, or  
4 by a State-chartered agency, and deposited by the  
5 Secretary in the financing account established under  
6 the Federal Credit Reform Act of 1990 (2 U.S.C.  
7 661a et seq.) for loan guarantees issued by the Sec-  
8 retary under title XI of the Merchant Marine Act of  
9 1936 (46 App. U.S.C. 1271 et seq.). No federally  
10 appropriated funds shall be available for this pur-  
11 pose. The funds deposited into that financing ac-  
12 count shall be held and applied by the Secretary in  
13 accordance with the provisions of the Federal Credit  
14 Reform Act of 1990 (2 U.S.C. 661a et seq.), except  
15 that, unless the Secretary shall have earlier paid an  
16 obligee or been required to pay an obligee pursuant  
17 to the terms of a loan guarantee, the funds depos-  
18 ited in that financing account shall be returned,  
19 upon the expiration of the Secretary's loan guaran-  
20 tee, to the State, States, or State-chartered agency  
21 which originally provided the funds to the Secretary.

22 (3) Notwithstanding the provisions of any other  
23 law or regulation, the cost (as that term is defined  
24 by the Federal Credit Reform Act of 1990 (2 U.S.C.

1       661a et seq.)) of a guarantee or commitment to  
2       guarantee issued under this section—

3               (A) may only be determined with reference  
4       to the merits of the specific closed shipyard re-  
5       activation project which is the subject of that  
6       guarantee or commitment to guarantee, without  
7       reference to any other project, type of project,  
8       or averaged risk; and

9               (B) may not be used in determining the  
10       cost of any other project, type of project, or  
11       averaged risk applicable to guarantees or com-  
12       mitments to guarantee issued under title XI of  
13       the Merchant Marine Act, 1936 (46 App.  
14       U.S.C. 1271 et seq.).

15       (e) SUNSET.—No commitment to guarantee obli-  
16       gations under this section shall be issued by the Sec-  
17       retary after one year after the date of enactment of this  
18       section.

19       (f) DEFINITION.—As used in this section, the  
20       term “Secretary” means the Secretary of Transportation.

1 TITLE VII—RESCISSIONS  
2 DEPARTMENT OF JUSTICE  
3 GENERAL ADMINISTRATION  
4 WORKING CAPITAL FUND  
5 (RESCISSION)

6 Of the unobligated balances available under this  
7 heading on October 31, 1996, \$30,000,000 are rescinded.

8 IMMIGRATION AND NATURALIZATION SERVICE  
9 IMMIGRATION EMERGENCY FUND  
10 (RESCISSION)

11 Of the unobligated balances available under this  
12 heading \$34,779,000 are rescinded.

13 TITLE VIII—FISCAL YEAR 1996 SUPPLEMENTAL  
14 AND RESCISSION

15 DEPARTMENT OF JUSTICE  
16 FEDERAL PRISON SYSTEM  
17 SALARIES AND EXPENSES

18 In addition to funds made available under this  
19 heading, \$40,000,000, which shall remain available until  
20 September 30, 1997: *Provided*, That these funds shall be  
21 available upon enactment of this Act: *Provided further*,  
22 That these funds shall only be available if enacted by  
23 September 30, 1996.

24 (RESCISSION)

25 Of the unobligated balances made available under  
26 this heading until September 30, 1996, \$40,000,000 are

1 rescinded: *Provided*, That these funds shall only be avail-  
2 able for rescission if enacted by September 30, 1996.

3 TITLE IX—SUPPLEMENTAL APPROPRIATIONS

4 DEPARTMENT OF COMMERCE

5 ECONOMIC DEVELOPMENT ADMINISTRATION

6 ECONOMIC DEVELOPMENT ASSISTANCE PROGRAMS

7 For an additional amount for “Economic Develop-  
8 ment Assistance Programs” for emergency infrastructure  
9 expenses resulting from Hurricane Fran and Hurricane  
10 Hortense and other natural disasters, \$25,000,000, to re-  
11 main available until expended: *Provided*, That the entire  
12 amount is designated by Congress as an emergency re-  
13 quirement pursuant to section 251(b)(2)(D)(i) of the  
14 Balanced Budget and Emergency Deficit Control Act of  
15 1985, as amended.

16 RELATED AGENCY

17 SMALL BUSINESS ADMINISTRATION

18 DISASTER LOANS PROGRAM ACCOUNT

19 For an additional amount for “Disaster Loans  
20 Program Account” for emergency expenses resulting  
21 from Hurricanes Fran and Hortense and other disasters,  
22 \$113,000,000 for the cost of direct loans, to remain  
23 available until expended: *Provided*, That such costs, in-  
24 cluding the cost of modifying such loans, shall be as de-  
25 fined in section 502 of the Congressional Budget Act of

1 1974; and for administrative expenses to carry out the  
2 disaster loan program, \$22,000,000, to remain available  
3 until expended, which may be transferred to and merged  
4 with “Salaries and Expenses”: *Provided further*, That  
5 both amounts are hereby designated by Congress as  
6 emergency requirements pursuant to section  
7 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
8 Deficit Control Act of 1985, as amended.

9       This Act may be cited as the “Departments of  
10 Commerce, Justice, and State, the Judiciary, and Related  
11 Agencies Appropriations Act, 1997”.

12       (b) For programs, projects or activities in the De-  
13 partment of Defense Appropriations Act, 1997, provided  
14 as follows, to be effective as if it had been enacted into  
15 law as the regular appropriations Act:

## 16                                   AN ACT

17       Making appropriations for the Department of De-  
18 fense for the fiscal year ending September 30, 1997, and  
19 for other purposes.

## 20                                   TITLE I

### 21                                   MILITARY PERSONNEL

#### 22                                   MILITARY PERSONNEL, ARMY

23       For pay, allowances, individual clothing, subsist-  
24 ence, interest on deposits, gratuities, permanent change  
25 of station travel (including all expenses thereof for orga-

1 nizational movements), and expenses of temporary duty  
2 travel between permanent duty stations, for members of  
3 the Army on active duty (except members of reserve com-  
4 ponents provided for elsewhere), cadets, and aviation ca-  
5 dets; and for payments pursuant to section 156 of Public  
6 Law 97-377, as amended (42 U.S.C. 402 note), to sec-  
7 tion 229(b) of the Social Security Act (42 U.S.C.  
8 429(b)), and to the Department of Defense Military Re-  
9 tirement Fund; \$20,633,998,000.

10                   MILITARY PERSONNEL, NAVY

11           For pay, allowances, individual clothing, subsist-  
12 ence, interest on deposits, gratuities, permanent change  
13 of station travel (including all expenses thereof for orga-  
14 nizational movements), and expenses of temporary duty  
15 travel between permanent duty stations, for members of  
16 the Navy on active duty (except members of the Reserve  
17 provided for elsewhere), midshipmen, and aviation cadets;  
18 and for payments pursuant to section 156 of Public Law  
19 97-377, as amended (42 U.S.C. 402 note), to section  
20 229(b) of the Social Security Act (42 U.S.C. 429(b)),  
21 and to the Department of Defense Military Retirement  
22 Fund; \$16,986,976,000.

23                   MILITARY PERSONNEL, MARINE CORPS

24           For pay, allowances, individual clothing, subsist-  
25 ence, interest on deposits, gratuities, permanent change

1 of station travel (including all expenses thereof for orga-  
2 nizational movements), and expenses of temporary duty  
3 travel between permanent duty stations, for members of  
4 the Marine Corps on active duty (except members of the  
5 Reserve provided for elsewhere); and for payments pursu-  
6 ant to section 156 of Public Law 97-377, as amended  
7 (42 U.S.C. 402 note), to section 229(b) of the Social Se-  
8 curity Act (42 U.S.C. 429(b)), and to the Department of  
9 Defense Military Retirement Fund; \$6,111,728,000.

10                   MILITARY PERSONNEL, AIR FORCE

11           For pay, allowances, individual clothing, subsist-  
12 ence, interest on deposits, gratuities, permanent change  
13 of station travel (including all expenses thereof for orga-  
14 nizational movements), and expenses of temporary duty  
15 travel between permanent duty stations, for members of  
16 the Air Force on active duty (except members of reserve  
17 components provided for elsewhere), cadets, and aviation  
18 cadets; and for payments pursuant to section 156 of Pub-  
19 lic Law 97-377, as amended (42 U.S.C. 402 note), to  
20 section 229(b) of the Social Security Act (42 U.S.C.  
21 429(b)), and to the Department of Defense Military Re-  
22 tirement Fund; \$17,069,490,000.

23                   RESERVE PERSONNEL, ARMY

24           For pay, allowances, clothing, subsistence, gratu-  
25 ities, travel, and related expenses for personnel of the

1 Army Reserve on active duty under sections 10211,  
2 10302, and 3038 of title 10, United States Code, or  
3 while serving on active duty under section 12301(d) of  
4 title 10, United States Code, in connection with perform-  
5 ing duty specified in section 12310(a) of title 10, United  
6 States Code, or while undergoing reserve training, or  
7 while performing drills or equivalent duty or other duty,  
8 and for members of the Reserve Officers' Training Corps,  
9 and expenses authorized by section 16131 of title 10,  
10 United States Code; and for payments to the Department  
11 of Defense Military Retirement Fund; \$2,073,479,000.

12 RESERVE PERSONNEL, NAVY

13 For pay, allowances, clothing, subsistence, gratu-  
14 ities, travel, and related expenses for personnel of the  
15 Navy Reserve on active duty under section 10211 of title  
16 10, United States Code, or while serving on active duty  
17 under section 12301(d) of title 10, United States Code,  
18 in connection with performing duty specified in section  
19 12310(a) of title 10, United States Code, or while under-  
20 going reserve training, or while performing drills or  
21 equivalent duty, and for members of the Reserve Officers'  
22 Training Corps, and expenses authorized by section  
23 16131 of title 10, United States Code; and for payments  
24 to the Department of Defense Military Retirement Fund;  
25 \$1,405,606,000.



## 1 RESERVE PERSONNEL, MARINE CORPS

2 For pay, allowances, clothing, subsistence, gratu-  
3 ities, travel, and related expenses for personnel of the  
4 Marine Corps Reserve on active duty under section  
5 10211 of title 10, United States Code, or while serving  
6 on active duty under section 12301(d) of title 10, United  
7 States Code, in connection with performing duty specified  
8 in section 12310(a) of title 10, United States Code, or  
9 while undergoing reserve training, or while performing  
10 drills or equivalent duty, and for members of the Marine  
11 Corps platoon leaders class, and expenses authorized by  
12 section 16131 of title 10, United States Code; and for  
13 payments to the Department of Defense Military Retire-  
14 ment Fund; \$388,643,000.

## 15 RESERVE PERSONNEL, AIR FORCE

16 For pay, allowances, clothing, subsistence, gratu-  
17 ities, travel, and related expenses for personnel of the Air  
18 Force Reserve on active duty under sections 10211,  
19 10305, and 8038 of title 10, United States Code, or  
20 while serving on active duty under section 12301(d) of  
21 title 10, United States Code, in connection with perform-  
22 ing duty specified in section 12310(a) of title 10, United  
23 States Code, or while undergoing reserve training, or  
24 while performing drills or equivalent duty or other duty,  
25 and for members of the Air Reserve Officers' Training

1 Corps, and expenses authorized by section 16131 of title  
2 10, United States Code; and for payments to the Depart-  
3 ment of Defense Military Retirement Fund;  
4 \$783,697,000.

5 NATIONAL GUARD PERSONNEL, ARMY

6 For pay, allowances, clothing, subsistence, gratui-  
7 ties, travel, and related expenses for personnel of the  
8 Army National Guard while on duty under section 10211,  
9 10302, or 12402 of title 10 or section 708 of title 32,  
10 United States Code, or while serving on duty under sec-  
11 tion 12301(d) of title 10 or section 502(f) of title 32,  
12 United States Code, in connection with performing duty  
13 specified in section 12310(a) of title 10, United States  
14 Code, or while undergoing training, or while performing  
15 drills or equivalent duty or other duty, and expenses au-  
16 thorized by section 16131 of title 10, United States Code;  
17 and for payments to the Department of Defense Military  
18 Retirement Fund; \$3,266,393,000.

19 NATIONAL GUARD PERSONNEL, AIR FORCE

20 For pay, allowances, clothing, subsistence, gratui-  
21 ties, travel, and related expenses for personnel of the Air  
22 National Guard on duty under section 10211, 10305, or  
23 12402 of title 10 or section 708 of title 32, United States  
24 Code, or while serving on duty under section 12301(d) of  
25 title 10 or section 502(f) of title 32, United States Code,

1 in connection with performing duty specified in section  
2 12310(a) of title 10, United States Code, or while under-  
3 going training, or while performing drills or equivalent  
4 duty or other duty, and expenses authorized by section  
5 16131 of title 10, United States Code; and for payments  
6 to the Department of Defense Military Retirement Fund;  
7 \$1,296,490,000.

## 8 TITLE II

### 9 OPERATION AND MAINTENANCE

#### 10 OPERATION AND MAINTENANCE, ARMY

##### 11 (INCLUDING TRANSFER OF FUNDS)

12 For expenses, not otherwise provided for, nec-  
13 essary for the operation and maintenance of the Army,  
14 as authorized by law; and not to exceed \$11,437,000 can  
15 be used for emergencies and extraordinary expenses, to  
16 be expended on the approval or authority of the Secretary  
17 of the Army, and payments may be made on his certifi-  
18 cate of necessity for confidential military purposes;  
19 \$17,519,340,000 and, in addition, \$50,000,000 shall be  
20 derived by transfer from the National Defense Stockpile  
21 Transaction Fund: *Provided*, That during the current fis-  
22 cal year and hereafter, funds appropriated under this  
23 paragraph may be made available to the Department of  
24 the Interior to support the Memorial Day and Fourth of  
25 July ceremonies and activities in the National Capital

1 Region: *Provided further*, That of the funds appropriated  
2 in this paragraph, not less than \$300,000,000 shall be  
3 made available only for conventional ammunition care  
4 and maintenance.

5 OPERATION AND MAINTENANCE, NAVY

6 (INCLUDING TRANSFER OF FUNDS)

7 For expenses, not otherwise provided for, nec-  
8 essary for the operation and maintenance of the Navy  
9 and the Marine Corps, as authorized by law; and not to  
10 exceed \$3,995,000, can be used for emergencies and ex-  
11 traordinary expenses, to be expended on the approval or  
12 authority of the Secretary of the Navy, and payments  
13 may be made on his certificate of necessity for confiden-  
14 tial military purposes; \$20,061,961,000 and, in addition,  
15 \$50,000,000 shall be derived by transfer from the Na-  
16 tional Defense Stockpile Transaction Fund.

17 OPERATION AND MAINTENANCE, MARINE CORPS

18 For expenses, not otherwise provided for, nec-  
19 essary for the operation and maintenance of the Marine  
20 Corps, as authorized by law; \$2,254,119,000.

21 OPERATION AND MAINTENANCE, AIR FORCE

22 (INCLUDING TRANSFER OF FUNDS)

23 For expenses, not otherwise provided for, nec-  
24 essary for the operation and maintenance of the Air  
25 Force, as authorized by law; and not to exceed

1 \$8,362,000 can be used for emergencies and extraor-  
2 dinary expenses, to be expended on the approval or au-  
3 thority of the Secretary of the Air Force, and payments  
4 may be made on his certificate of necessity for confiden-  
5 tial military purposes; \$17,263,193,000 and, in addition,  
6 \$50,000,000 shall be derived by transfer from the Na-  
7 tional Defense Stockpile Transaction Fund.

8 OPERATION AND MAINTENANCE, DEFENSE-WIDE  
9 (INCLUDING TRANSFER OF FUNDS)

10 For expenses, not otherwise provided for, nec-  
11 essary for the operation and maintenance of activities  
12 and agencies of the Department of Defense (other than  
13 the military departments), as authorized by law;  
14 \$10,044,200,000, of which not to exceed \$25,000,000  
15 may be available for the CINC initiative fund account;  
16 and of which not to exceed \$28,500,000 can be used for  
17 emergencies and extraordinary expenses, to be expended  
18 on the approval or authority of the Secretary of Defense,  
19 and payments may be made on his certificate of necessity  
20 for confidential military purposes: *Provided*, That of the  
21 funds appropriated under this heading, \$20,000,000 shall  
22 be made available only for use in federally owned edu-  
23 cation facilities located on military installations for the  
24 purpose of transferring title of such facilities to the local  
25 education agency: *Provided further*, That of the funds ap-

1   appropriated under this heading, \$1,000,000 is available, by  
2   grant or other transfer, to the Harnett County School  
3   Board, Lillington, North Carolina, for use by the school  
4   board for the education of dependents of members of the  
5   Armed Forces and employees of the Department of De-  
6   fense located at Fort Bragg and Pope Air Force Base,  
7   North Carolina.

8           OPERATION AND MAINTENANCE, ARMY RESERVE

9           For expenses, not otherwise provided for, nec-  
10   essary for the operation and maintenance, including  
11   training, organization, and administration, of the Army  
12   Reserve; repair of facilities and equipment; hire of pas-  
13   senger motor vehicles; travel and transportation; care of  
14   the dead; recruiting; procurement of services, supplies,  
15   and equipment; and communications; \$1,119,436,000.

16          OPERATION AND MAINTENANCE, NAVY RESERVE

17          For expenses, not otherwise provided for, nec-  
18   essary for the operation and maintenance, including  
19   training, organization, and administration, of the Navy  
20   Reserve; repair of facilities and equipment; hire of pas-  
21   senger motor vehicles; travel and transportation; care of  
22   the dead; recruiting; procurement of services, supplies,  
23   and equipment; and communications; \$886,027,000.

## 1        OPERATION AND MAINTENANCE, MARINE CORPS

## 2                                RESERVE

3            For expenses, not otherwise provided for, nec-  
4    essary for the operation and maintenance, including  
5    training, organization, and administration, of the Marine  
6    Corps Reserve; repair of facilities and equipment; hire of  
7    passenger motor vehicles; travel and transportation; care  
8    of the dead; recruiting; procurement of services, supplies,  
9    and equipment; and communications; \$109,667,000.

## 10    OPERATION AND MAINTENANCE, AIR FORCE RESERVE

11           For expenses, not otherwise provided for, nec-  
12    essary for the operation and maintenance, including  
13    training, organization, and administration, of the Air  
14    Force Reserve; repair of facilities and equipment; hire of  
15    passenger motor vehicles; travel and transportation; care  
16    of the dead; recruiting; procurement of services, supplies,  
17    and equipment; and communications; \$1,496,553,000.

## 18    OPERATION AND MAINTENANCE, ARMY NATIONAL

## 19                                GUARD

20           For expenses of training, organizing, and admin-  
21    istering the Army National Guard, including medical and  
22    hospital treatment and related expenses in non-Federal  
23    hospitals; maintenance, operation, and repairs to struc-  
24    tures and facilities; hire of passenger motor vehicles; per-  
25    sonnel services in the National Guard Bureau; travel ex-

1 penses (other than mileage), as authorized by law for  
2 Army personnel on active duty, for Army National Guard  
3 division, regimental, and battalion commanders while in-  
4 specting units in compliance with National Guard Bureau  
5 regulations when specifically authorized by the Chief, Na-  
6 tional Guard Bureau; supplying and equipping the Army  
7 National Guard as authorized by law; and expenses of re-  
8 pair, modification, maintenance, and issue of supplies  
9 and equipment (including aircraft); \$2,254,477,000.

10 OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

11 For operation and maintenance of the Air Na-  
12 tional Guard, including medical and hospital treatment  
13 and related expenses in non-Federal hospitals; mainte-  
14 nance, operation, repair, and other necessary expenses of  
15 facilities for the training and administration of the Air  
16 National Guard, including repair of facilities, mainte-  
17 nance, operation, and modification of aircraft; transpor-  
18 tation of things, hire of passenger motor vehicles; sup-  
19 plies, materials, and equipment, as authorized by law for  
20 the Air National Guard; and expenses incident to the  
21 maintenance and use of supplies, materials, and equip-  
22 ment, including such as may be furnished from stocks  
23 under the control of agencies of the Department of De-  
24 fense; travel expenses (other than mileage) on the same  
25 basis as authorized by law for Air National Guard per-



1 sonnel on active Federal duty, for Air National Guard  
2 commanders while inspecting units in compliance with  
3 National Guard Bureau regulations when specifically au-  
4 thorized by the Chief, National Guard Bureau;  
5 \$2,716,379,000.

6 OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND  
7 (INCLUDING TRANSFER OF FUNDS)

8 For expenses directly relating to Overseas Contin-  
9 gency Operations by United States military forces;  
10 \$1,140,157,000: *Provided*, That the Secretary of Defense  
11 may transfer these funds only to operation and mainte-  
12 nance accounts within this title: *Provided further*, That  
13 the funds transferred shall be merged with and shall be  
14 available for the same purposes and for the same time  
15 period, as the appropriation to which transferred: *Pro-*  
16 *vided further*, That the transfer authority provided in this  
17 paragraph is in addition to any other transfer authority  
18 contained elsewhere in this Act.

19 UNITED STATES COURT OF APPEALS FOR THE ARMED  
20 FORCES

21 For salaries and expenses necessary for the Unit-  
22 ed States Court of Appeals for the Armed Forces;  
23 \$6,797,000, of which not to exceed \$2,500 can be used  
24 for official representation purposes.

## 1 ENVIRONMENTAL RESTORATION, ARMY

2 (INCLUDING TRANSFER OF FUNDS)

3 For the Department of the Army, \$339,109,000,  
4 to remain available until transferred: *Provided*, That the  
5 Secretary of the Army shall, upon determining that such  
6 funds are required for environmental restoration, reduc-  
7 tion and recycling of hazardous waste, removal of unsafe  
8 buildings and debris of the Department of the Army, or  
9 for similar purposes, transfer the funds made available by  
10 this appropriation to other appropriations made available  
11 to the Department of the Army, to be merged with and  
12 to be available for the same purposes and for the same  
13 time period as the appropriations to which transferred:  
14 *Provided further*, That upon a determination that all or  
15 part of the funds transferred from this appropriation are  
16 not necessary for the purposes provided herein, such  
17 amounts may be transferred back to this appropriation:  
18 *Provided further*, That not more than twenty-five percent  
19 of funds provided under this heading may be obligated  
20 for environmental remediation by the Corps of Engineers  
21 under total environmental remediation contracts.

## 22 ENVIRONMENTAL RESTORATION, NAVY

23 (INCLUDING TRANSFER OF FUNDS)

24 For the Department of the Navy, \$287,788,000,  
25 to remain available until transferred: *Provided*, That the

1 Secretary of the Navy shall, upon determining that such  
2 funds are required for environmental restoration, reduc-  
3 tion and recycling of hazardous waste, removal of unsafe  
4 buildings and debris of the Department of the Navy, or  
5 for similar purposes, transfer the funds made available by  
6 this appropriation to other appropriations made available  
7 to the Department of the Navy, to be merged with and  
8 to be available for the same purposes and for the same  
9 time period as the appropriations to which transferred:  
10 *Provided further*, That upon a determination that all or  
11 part of the funds transferred from this appropriation are  
12 not necessary for the purposes provided herein, such  
13 amounts may be transferred back to this appropriation.

14 ENVIRONMENTAL RESTORATION, AIR FORCE

15 (INCLUDING TRANSFER OF FUNDS)

16 For the Department of the Air Force,  
17 \$394,010,000, to remain available until transferred: *Pro-*  
18 *vided*, That the Secretary of the Air Force shall, upon de-  
19 termining that such funds are required for environmental  
20 restoration, reduction and recycling of hazardous waste,  
21 removal of unsafe buildings and debris of the Department  
22 of the Air Force, or for similar purposes, transfer the  
23 funds made available by this appropriation to other ap-  
24 propriations made available to the Department of the Air  
25 Force, to be merged with and to be available for the same

1 purposes and for the same time period as the appropria-  
2 tions to which transferred: *Provided further*, That upon  
3 a determination that all or part of the funds transferred  
4 from this appropriation are not necessary for the pur-  
5 poses provided herein, such amounts may be transferred  
6 back to this appropriation.

7 ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

8 (INCLUDING TRANSFER OF FUNDS)

9 For the Department of the Defense, \$36,722,000,  
10 to remain available until transferred: *Provided*, That the  
11 Secretary of Defense shall, upon determining that such  
12 funds are required for environmental restoration, reduc-  
13 tion and recycling of hazardous waste, removal of unsafe  
14 buildings and debris of the Department of Defense, or for  
15 similar purposes, transfer the funds made available by  
16 this appropriation to other appropriations made available  
17 to the Department of Defense, to be merged with and to  
18 be available for the same purposes and for the same time  
19 period as the appropriations to which transferred: *Pro-*  
20 *vided further*, That upon a determination that all or part  
21 of the funds transferred from this appropriation are not  
22 necessary for the purposes provided herein, such amounts  
23 may be transferred back to this appropriation.

1 ENVIRONMENTAL RESTORATION, FORMERLY USED  
2 DEFENSE SITES  
3 (INCLUDING TRANSFER OF FUNDS)

4 For the Department of the Army, \$256,387,000,  
5 to remain available until transferred: *Provided*, That the  
6 Secretary of the Army shall, upon determining that such  
7 funds are required for environmental restoration, reduc-  
8 tion and recycling of hazardous waste, removal of unsafe  
9 buildings and debris at sites formerly used by the De-  
10 partment of Defense, transfer the funds made available  
11 by this appropriation to other appropriations made avail-  
12 able to the Department of the Army, to be merged with  
13 and to be available for the same purposes and for the  
14 same time period as the appropriations to which trans-  
15 ferred: *Provided further*, That upon a determination that  
16 all or part of the funds transferred from this appropria-  
17 tion are not necessary for the purposes provided herein,  
18 such amounts may be transferred back to this appropria-  
19 tion.

20 OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

21 For expenses relating to the Overseas Humani-  
22 tarian, Disaster, and Civic Aid programs of the Depart-  
23 ment of Defense (consisting of the programs provided  
24 under sections 401, 402, 404, 2547, and 2551 of title 10,

1 United States Code); \$49,000,000, to remain available  
2 until September 30, 1998.

3 FORMER SOVIET UNION THREAT REDUCTION

4 For assistance to the republics of the former So-  
5 viet Union, including assistance provided by contract or  
6 by grants, for facilitating the elimination and the safe  
7 and secure transportation and storage of nuclear, chemi-  
8 cal and other weapons; for establishing programs to pre-  
9 vent the proliferation of weapons, weapons components,  
10 and weapon-related technology and expertise; for pro-  
11 grams relating to the training and support of defense and  
12 military personnel for demilitarization and protection of  
13 weapons, weapons components and weapons technology  
14 and expertise; \$327,900,000, to remain available until ex-  
15 pended.

16 QUALITY OF LIFE ENHANCEMENTS, DEFENSE

17 For expenses, not otherwise provided for, resulting  
18 from unfunded shortfalls in the repair and maintenance  
19 of real property of the Department of Defense (including  
20 military housing and barracks); \$600,000,000, for the  
21 maintenance of real property of the Department of De-  
22 fense (including minor construction and major mainte-  
23 nance and repair), which shall remain available for obli-  
24 gation until September 30, 1998, as follows:

25 Army, \$149,000,000;

1 Navy, \$108,000,000;  
2 Marine Corps, \$45,000,000;  
3 Air Force, \$108,000,000;  
4 Army Reserve, \$18,000,000;  
5 Navy Reserve, \$18,000,000;  
6 Marine Corps Reserve, \$9,000,000;  
7 Air Force Reserve, \$15,000,000;  
8 Army National Guard, \$86,000,000; and  
9 Air National Guard, \$44,000,000.

10 TITLE III

11 PROCUREMENT

12 AIRCRAFT PROCUREMENT, ARMY

13 For construction, procurement, production, modi-  
14 fication, and modernization of aircraft, equipment, in-  
15 cluding ordnance, ground handling equipment, spare  
16 parts, and accessories therefor; specialized equipment and  
17 training devices; expansion of public and private plants,  
18 including the land necessary therefor, for the foregoing  
19 purposes, and such lands and interests therein, may be  
20 acquired, and construction prosecuted thereon prior to  
21 approval of title; and procurement and installation of  
22 equipment, appliances, and machine tools in public and  
23 private plants; reserve plant and Government and con-  
24 tractor-owned equipment layaway; and other expenses

1 necessary for the foregoing purposes; \$1,348,434,000, to  
2 remain available for obligation until September 30, 1999.

3 MISSILE PROCUREMENT, ARMY

4 For construction, procurement, production, modi-  
5 fication, and modernization of missiles, equipment, in-  
6 cluding ordnance, ground handling equipment, spare  
7 parts, and accessories therefor; specialized equipment and  
8 training devices; expansion of public and private plants,  
9 including the land necessary therefor, for the foregoing  
10 purposes, and such lands and interests therein, may be  
11 acquired, and construction prosecuted thereon prior to  
12 approval of title; and procurement and installation of  
13 equipment, appliances, and machine tools in public and  
14 private plants; reserve plant and Government and con-  
15 tractor-owned equipment layaway; and other expenses  
16 necessary for the foregoing purposes; \$1,041,867,000, to  
17 remain available for obligation until September 30, 1999.

18 PROCUREMENT OF WEAPONS AND TRACKED COMBAT

19 VEHICLES, ARMY

20 For construction, procurement, production, and  
21 modification of weapons and tracked combat vehicles,  
22 equipment, including ordnance, spare parts, and acces-  
23 sories therefor; specialized equipment and training de-  
24 vices; expansion of public and private plants, including  
25 the land necessary therefor, for the foregoing purposes,



1 and such lands and interests therein, may be acquired,  
2 and construction prosecuted thereon prior to approval of  
3 title; and procurement and installation of equipment, ap-  
4 pliances, and machine tools in public and private plants;  
5 reserve plant and Government and contractor-owned  
6 equipment layaway; and other expenses necessary for the  
7 foregoing purposes; \$1,470,286,000, to remain available  
8 for obligation until September 30, 1999: *Provided*, That  
9 of the funds appropriated in this paragraph and notwith-  
10 standing the provisions of title 31, United States Code,  
11 Section 1502(a), not to exceed \$33,100,000 may be obli-  
12 gated for future year V903 diesel engine requirements to  
13 maintain the industrial base.

14           PROCUREMENT OF AMMUNITION, ARMY

15           For construction, procurement, production, and  
16 modification of ammunition, and accessories therefor;  
17 specialized equipment and training devices; expansion of  
18 public and private plants, including ammunition facilities  
19 authorized by section 2854, title 10, United States Code,  
20 and the land necessary therefor, for the foregoing pur-  
21 poses, and such lands and interests therein, may be ac-  
22 quired, and construction prosecuted thereon prior to ap-  
23 proval of title; and procurement and installation of equip-  
24 ment, appliances, and machine tools in public and private  
25 plants; reserve plant and Government and contractor-

1 owned equipment layaway; and other expenses necessary  
2 for the foregoing purposes; \$1,127,149,000, to remain  
3 available for obligation until September 30, 1999.

4 OTHER PROCUREMENT, ARMY

5 For construction, procurement, production, and  
6 modification of vehicles, including tactical, support, and  
7 non-tracked combat vehicles; the purchase of not to ex-  
8 ceed 14 passenger motor vehicles for replacement only;  
9 communications and electronic equipment; other support  
10 equipment; spare parts, ordnance, and accessories there-  
11 for; specialized equipment and training devices; expansion  
12 of public and private plants, including the land necessary  
13 therefor, for the foregoing purposes, and such lands and  
14 interests therein, may be acquired, and construction pros-  
15 ecuted thereon prior to approval of title; and procurement  
16 and installation of equipment, appliances, and machine  
17 tools in public and private plants; reserve plant and Gov-  
18 ernment and contractor-owned equipment layaway; and  
19 other expenses necessary for the foregoing purposes;  
20 \$3,172,485,000, to remain available for obligation until  
21 September 30, 1999: *Provided*, That of the funds appro-  
22 priated in this paragraph and notwithstanding the provi-  
23 sions of title 31, United States Code, Section 1502(a),  
24 not to exceed \$2,400,000 may be obligated for future

1 year V903 diesel engine requirements to maintain the in-  
2 dustrial base.

3 AIRCRAFT PROCUREMENT, NAVY

4 For construction, procurement, production, modi-  
5 fication, and modernization of aircraft, equipment, in-  
6 cluding ordnance, spare parts, and accessories therefor;  
7 specialized equipment; expansion of public and private  
8 plants, including the land necessary therefor, and such  
9 lands and interests therein, may be acquired, and con-  
10 struction prosecuted thereon prior to approval of title;  
11 and procurement and installation of equipment, appli-  
12 ances, and machine tools in public and private plants; re-  
13 serve plant and Government and contractor-owned equip-  
14 ment layaway; \$7,027,010,000, to remain available for  
15 obligation until September 30, 1999.

16 WEAPONS PROCUREMENT, NAVY

17 For construction, procurement, production, modi-  
18 fication, and modernization of missiles, torpedoes, other  
19 weapons, and related support equipment including spare  
20 parts, and accessories therefor; expansion of public and  
21 private plants, including the land necessary therefor, and  
22 such lands and interests therein, may be acquired, and  
23 construction prosecuted thereon prior to approval of title;  
24 and procurement and installation of equipment, appli-  
25 ances, and machine tools in public and private plants; re-

1 serve plant and Government and contractor-owned equip-  
2 ment layaway; \$1,389,913,000, to remain available for  
3 obligation until September 30, 1999: *Provided*, That in  
4 addition to the foregoing purposes, the funds appro-  
5 priated above under this heading shall be available to liq-  
6 uidate reported deficiencies in appropriations provided  
7 under this heading in prior Department of Defense ap-  
8 propriations acts, to the extent such deficiencies cannot  
9 otherwise be liquidated pursuant to 31 U.S.C. 1553(b).

10 PROCUREMENT OF AMMUNITION, NAVY AND MARINE  
11 CORPS

12 For construction, procurement, production, and  
13 modification of ammunition, and accessories therefor;  
14 specialized equipment and training devices; expansion of  
15 public and private plants, including ammunition facilities  
16 authorized by section 2854, title 10, United States Code,  
17 and the land necessary therefor, for the foregoing pur-  
18 poses, and such lands and interests therein, may be ac-  
19 quired, and construction prosecuted thereon prior to ap-  
20 proval of title; and procurement and installation of equip-  
21 ment, appliances, and machine tools in public and private  
22 plants; reserve plant and Government and contractor-  
23 owned equipment layaway; and other expenses necessary  
24 for the foregoing purposes; \$289,695,000, to remain  
25 available for obligation until September 30, 1999.

## 1 SHIPBUILDING AND CONVERSION, NAVY

2 For expenses necessary for the construction, ac-  
3 quisition, or conversion of vessels as authorized by law,  
4 including armor and armament thereof, plant equipment,  
5 appliances, and machine tools and installation thereof in  
6 public and private plants; reserve plant and Government  
7 and contractor-owned equipment layaway; procurement of  
8 critical, long leadtime components and designs for vessels  
9 to be constructed or converted in the future; and expan-  
10 sion of public and private plants, including land nec-  
11 essary therefor, and such lands and interests therein,  
12 may be acquired, and construction prosecuted thereon  
13 prior to approval of title, as follows:

14 For continuation of the SSN-21 attack sub-  
15 marine program, \$649,071,000;

16 NSSN-1 (AP), \$296,186,000;

17 NSSN-2 (AP), \$501,000,000;

18 CVN Refuelings, \$237,029,000;

19 DDG-51 destroyer program, \$3,609,072,000;

20 Oceanographic ship program, \$54,400,000;

21 Oceanographic ship SWATH, \$45,000,000;

22 LCAC landing craft air cushion program (AP-  
23 CY), \$3,000,000; and

24 For craft, outfitting, post delivery, conversions,  
25 and first destination transportation, \$218,907,000;

1 In all: \$5,613,665,000, to remain available for obligation  
2 until September 30, 2001: *Provided*, That additional obli-  
3 gations may be incurred after September 30, 2001, for  
4 engineering services, tests, evaluations, and other such  
5 budgeted work that must be performed in the final stage  
6 of ship construction: *Provided further*, That none of the  
7 funds herein provided for the construction or conversion  
8 of any naval vessel to be constructed in shipyards in the  
9 United States shall be expended in foreign facilities for  
10 the construction of major components of such vessel: *Pro-*  
11 *vided further*, That none of the funds herein provided shall  
12 be used for the construction of any naval vessel in foreign  
13 shipyards.

14 OTHER PROCUREMENT, NAVY

15 For procurement, production, and modernization  
16 of support equipment and materials not otherwise pro-  
17 vided for, Navy ordnance (except ordnance for new air-  
18 craft, new ships, and ships authorized for conversion); ex-  
19 pansion of public and private plants, including the land  
20 necessary therefor, and such lands and interests therein,  
21 may be acquired, and construction prosecuted thereon  
22 prior to approval of title; and procurement and installa-  
23 tion of equipment, appliances, and machine tools in pub-  
24 lic and private plants; reserve plant and Government and

1 contractor-owned equipment layaway; \$3,067,944,000, to  
2 remain available for obligation until September 30, 1999.

3                   PROCUREMENT, MARINE CORPS

4           For expenses necessary for the procurement, man-  
5 ufacture, and modification of missiles, armament, mili-  
6 tary equipment, spare parts, and accessories therefor;  
7 plant equipment, appliances, and machine tools, and in-  
8 stallation thereof in public and private plants; reserve  
9 plant and Government and contractor-owned equipment  
10 layaway; vehicles for the Marine Corps, including the  
11 purchase of not to exceed 88 passenger motor vehicles for  
12 replacement only; and expansion of public and private  
13 plants, including land necessary therefor, and such lands  
14 and interests therein, may be acquired, and construction  
15 prosecuted thereon prior to approval of title;  
16 \$569,073,000, to remain available for obligation until  
17 September 30, 1999.

18                   AIRCRAFT PROCUREMENT, AIR FORCE

19           For construction, procurement, and modification  
20 of aircraft and equipment, including armor and arma-  
21 ment, specialized ground handling equipment, and train-  
22 ing devices, spare parts, and accessories therefor; special-  
23 ized equipment; expansion of public and private plants,  
24 Government-owned equipment and installation thereof in  
25 such plants, erection of structures, and acquisition of

1 land, for the foregoing purposes, and such lands and in-  
2 terests therein, may be acquired, and construction pros-  
3 ecuted thereon prior to approval of title; reserve plant  
4 and Government and contractor-owned equipment lay-  
5 away; and other expenses necessary for the foregoing  
6 purposes including rents and transportation of things;  
7 \$6,404,980,000, to remain available for obligation until  
8 September 30, 1999.

9 MISSILE PROCUREMENT, AIR FORCE

10 For construction, procurement, and modification  
11 of missiles, spacecraft, rockets, and related equipment,  
12 including spare parts and accessories therefor, ground  
13 handling equipment, and training devices; expansion of  
14 public and private plants, Government-owned equipment  
15 and installation thereof in such plants, erection of struc-  
16 tures, and acquisition of land, for the foregoing purposes,  
17 and such lands and interests therein, may be acquired,  
18 and construction prosecuted thereon prior to approval of  
19 title; reserve plant and Government and contractor-owned  
20 equipment layaway; and other expenses necessary for the  
21 foregoing purposes including rents and transportation of  
22 things; \$2,297,145,000, to remain available for obligation  
23 until September 30, 1999.



## 1           PROCUREMENT OF AMMUNITION, AIR FORCE

2           For construction, procurement, production, and  
3 modification of ammunition, and accessories therefor;  
4 specialized equipment and training devices; expansion of  
5 public and private plants, including ammunition facilities  
6 authorized by section 2854, title 10, United States Code,  
7 and the land necessary therefor, for the foregoing pur-  
8 poses, and such lands and interests therein, may be ac-  
9 quired, and construction prosecuted thereon prior to ap-  
10 proval of title; and procurement and installation of equip-  
11 ment, appliances, and machine tools in public and private  
12 plants; reserve plant and Government and contractor-  
13 owned equipment layaway; and other expenses necessary  
14 for the foregoing purposes; \$293,153,000, to remain  
15 available for obligation until September 30, 1999.

## 16           OTHER PROCUREMENT, AIR FORCE

17           For procurement and modification of equipment  
18 (including ground guidance and electronic control equip-  
19 ment, and ground electronic and communication equip-  
20 ment), and supplies, materials, and spare parts therefor,  
21 not otherwise provided for; the purchase of not to exceed  
22 506 passenger motor vehicles for replacement only; the  
23 purchase of 1 vehicle required for physical security of  
24 personnel, notwithstanding price limitations applicable to  
25 passenger vehicles but not to exceed \$287,000 per vehi-

1 cle; and expansion of public and private plants, Govern-  
2 ment-owned equipment and installation thereof in such  
3 plants, erection of structures, and acquisition of land, for  
4 the foregoing purposes, and such lands and interests  
5 therein, may be acquired, and construction prosecuted  
6 thereon, prior to approval of title; reserve plant and Gov-  
7 ernment and contractor-owned equipment layaway;  
8 \$5,944,680,000, to remain available for obligation until  
9 September 30, 1999.

10                   PROCUREMENT, DEFENSE-WIDE

11           For expenses of activities and agencies of the De-  
12 partment of Defense (other than the military depart-  
13 ments) necessary for procurement, production, and modi-  
14 fication of equipment, supplies, materials, and spare  
15 parts therefor, not otherwise provided for; the purchase  
16 of not to exceed 389 passenger motor vehicles for replace-  
17 ment only; expansion of public and private plants, equip-  
18 ment, and installation thereof in such plants, erection of  
19 structures, and acquisition of land for the foregoing pur-  
20 poses, and such lands and interests therein, may be ac-  
21 quired, and construction prosecuted thereon prior to ap-  
22 proval of title; reserve plant and Government and con-  
23 tractor-owned equipment layaway; \$1,978,005,000, to re-  
24 main available for obligation until September 30, 1999.

## 1 NATIONAL GUARD AND RESERVE EQUIPMENT

2 For procurement of aircraft, missiles, tracked  
3 combat vehicles, ammunition, other weapons, and other  
4 procurement for the reserve components of the Armed  
5 Forces; \$780,000,000, to remain available for obligation  
6 until September 30, 1999: *Provided*, That the Chiefs of  
7 the Reserve and National Guard components shall, not  
8 later than 30 days after the enactment of this Act, indi-  
9 vidually submit to the congressional defense committees  
10 the modernization priority assessment for their respective  
11 Reserve or National Guard component.

12 TITLE IV—RESEARCH, DEVELOPMENT, TEST  
13 AND EVALUATION

14 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,  
15 ARMY

16 For expenses necessary for basic and applied sci-  
17 entific research, development, test and evaluation, includ-  
18 ing maintenance, rehabilitation, lease, and operation of  
19 facilities and equipment; \$5,062,763,000 to remain avail-  
20 able for obligation until September 30, 1998.

21 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,  
22 NAVY

23 For expenses necessary for basic and applied sci-  
24 entific research, development, test and evaluation, includ-  
25 ing maintenance, rehabilitation, lease, and operation of

1 facilities and equipment; \$8,208,946,000, to remain  
2 available for obligation until September 30, 1998: *Pro-*  
3 *vided*, That funds appropriated in this paragraph which  
4 are available for the V-22 may be used to meet unique  
5 requirements of the Special Operations Forces.

6 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,  
7 AIR FORCE

8 For expenses necessary for basic and applied sci-  
9 entific research, development, test and evaluation, includ-  
10 ing maintenance, rehabilitation, lease, and operation of  
11 facilities and equipment; \$14,499,606,000, to remain  
12 available for obligation until September 30, 1998: *Pro-*  
13 *vided*, That not less than \$1,000,000 of the funds appro-  
14 priated in this paragraph shall be made available only to  
15 assess the budgetary, cost, technical, operational, train-  
16 ing, and safety issues associated with a decision to elimi-  
17 nate development of the F-22B two-seat training variant  
18 of the F-22 advanced tactical fighter: *Provided further*,  
19 That the assessment required by the preceding proviso  
20 shall be submitted, in classified and unclassified versions,  
21 by the Secretary of the Air Force to the congressional de-  
22 fense committees not later than February 15, 1997: *Pro-*  
23 *vided further*, That of the funds made available in this  
24 paragraph, \$10,000,000 shall be only for development of  
25 reusable launch vehicle technologies.

1 RESEARCH, DEVELOPMENT, TEST AND EVALUATION,  
2 DEFENSE-WIDE

3 For expenses of activities and agencies of the De-  
4 partment of Defense (other than the military depart-  
5 ments), necessary for basic and applied scientific re-  
6 search, development, test and evaluation; advanced re-  
7 search projects as may be designated and determined by  
8 the Secretary of Defense, pursuant to law; maintenance,  
9 rehabilitation, lease, and operation of facilities and equip-  
10 ment; \$9,362,800,000, to remain available for obligation  
11 until September 30, 1998: *Provided*, That not less than  
12 \$304,171,000 of the funds appropriated in this para-  
13 graph shall be made available only for the Sea-Based  
14 Wide Area Defense (Navy Upper-Tier) program.

15 DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

16 For expenses, not otherwise provided for, of inde-  
17 pendent activities of the Director, Test and Evaluation in  
18 the direction and supervision of developmental test and  
19 evaluation, including performance and joint developmen-  
20 tal testing and evaluation; and administrative expenses in  
21 connection therewith; \$282,038,000, to remain available  
22 for obligation until September 30, 1998.

23 OPERATIONAL TEST AND EVALUATION, DEFENSE

24 For expenses, not otherwise provided for, nec-  
25 essary for the independent activities of the Director,

1 Operational Test and Evaluation in the direction and su-  
2 pervision of operational test and evaluation, including ini-  
3 tial operational test and evaluation which is conducted  
4 prior to, and in support of, production decisions; joint  
5 operational testing and evaluation; and administrative ex-  
6 penses in connection therewith; \$24,968,000, to remain  
7 available for obligation until September 30, 1998.

8 TITLE V—REVOLVING AND MANAGEMENT  
9 FUNDS

10 DEFENSE BUSINESS OPERATIONS FUND

11 For the Defense Business Operations Fund;  
12 \$947,900,000.

13 NATIONAL DEFENSE SEALIFT FUND

14 For National Defense Sealift Fund programs,  
15 projects, and activities, and for expenses of the National  
16 Defense Reserve Fleet, as established by section 11 of the  
17 Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744);  
18 \$1,428,002,000, to remain available until expended: *Pro-*  
19 *vided*, That none of the funds provided in this paragraph  
20 shall be used to award a new contract that provides for  
21 the acquisition of any of the following major components  
22 unless such components are manufactured in the United  
23 States: auxiliary equipment, including pumps, for all  
24 ship-board services; propulsion system components (that  
25 is; engines, reduction gears, and propellers); shipboard

1 cranes; and spreaders for shipboard cranes: *Provided fur-*  
2 *ther*, That the exercise of an option in a contract awarded  
3 through the obligation of previously appropriated funds  
4 shall not be considered to be the award of a new con-  
5 tract: *Provided further*, That the Secretary of the military  
6 department responsible for such procurement may waive  
7 these restrictions on a case-by-case basis by certifying in  
8 writing to the Committees on Appropriations of the  
9 House of Representatives and the Senate, that adequate  
10 domestic supplies are not available to meet Department  
11 of Defense requirements on a timely basis and that such  
12 an acquisition must be made in order to acquire capabil-  
13 ity for national security purposes.

14 TITLE VI—OTHER DEPARTMENT OF DEFENSE  
15 PROGRAMS

16 DEFENSE HEALTH PROGRAM

17 For expenses, not otherwise provided for, for med-  
18 ical and health care programs of the Department of De-  
19 fense, as authorized by law; \$10,207,308,000, of which  
20 \$9,937,838,000 shall be for Operation and maintenance,  
21 of which not to exceed three percent shall remain avail-  
22 able until September 30, 1998; and of which  
23 \$269,470,000, to remain available for obligation until  
24 September 30, 1999, shall be for Procurement: *Provided*,  
25 That of the funds appropriated under this heading,

1 \$14,500,000 shall be made available for obtaining emer-  
2 gency communications services for members of the Armed  
3 Forces and their families from the American National  
4 Red Cross: *Provided further*, That notwithstanding any  
5 other provision of law, of the funds provided under this  
6 heading, the Secretary of Defense is directed to use and  
7 obligate, within thirty days of enactment of this Act, not  
8 less than \$3,400,000 only to permit private sector or  
9 non-Federal physicians who have used and will use the  
10 antibacterial treatment method based upon the excretion  
11 of dead and decaying spherical bacteria to work in con-  
12 junction with the Walter Reed Army Medical Center on  
13 a treatment protocol and related studies for Desert  
14 Storm Syndrome affected veterans.

15 CHEMICAL AGENTS AND MUNITIONS DESTRUCTION,  
16 DEFENSE

17 For expenses, not otherwise provided for, nec-  
18 essary for the destruction of the United States stockpile  
19 of lethal chemical agents and munitions in accordance  
20 with the provisions of section 1412 of the Department of  
21 Defense Authorization Act, 1986 (50 U.S.C. 1521), and  
22 for the destruction of other chemical warfare materials  
23 that are not in the chemical weapon stockpile,  
24 \$758,447,000, of which \$478,947,000 shall be for Oper-  
25 ation and maintenance, \$191,200,000 shall be for Pro-



1 curement to remain available until September 30, 1999,  
2 and \$88,300,000 shall be for Research, development, test  
3 and evaluation to remain available until September 30,  
4 1998: *Provided*, That of the funds made available under  
5 this heading, \$1,000,000 shall be available until expended  
6 only for a Johnston Atoll off-island leave program: *Pro-*  
7 *vided further*, That notwithstanding any other provision  
8 of law, the Secretaries concerned may, pursuant to uni-  
9 form regulations prescribe travel and transportation al-  
10 lowances for travel by participants in the off-island leave  
11 program.

12 DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES,  
13 DEFENSE  
14 (INCLUDING TRANSFER OF FUNDS)

15 For drug interdiction and counter-drug activities  
16 of the Department of Defense, for transfer to appropria-  
17 tions available to the Department of Defense for military  
18 personnel of the reserve components serving under the  
19 provisions of title 10 and title 32, United States Code;  
20 for Operation and maintenance; for Procurement; and for  
21 Research, development, test and evaluation;  
22 \$807,800,000: *Provided*, That the funds appropriated by  
23 this paragraph shall be available for obligation for the  
24 same time period and for the same purpose as the appro-  
25 priation to which transferred: *Provided further*, That the

1 transfer authority provided in this paragraph is in addi-  
2 tion to any transfer authority contained elsewhere in this  
3 Act.

4 OFFICE OF THE INSPECTOR GENERAL

5 For expenses and activities of the Office of the In-  
6 spector General in carrying out the provisions of the In-  
7 spector General Act of 1978, as amended; \$139,157,000,  
8 of which \$137,157,000 shall be for Operation and main-  
9 tenance, of which not to exceed \$500,000 is available for  
10 emergencies and extraordinary expenses to be expended  
11 on the approval or authority of the Inspector General,  
12 and payments may be made on his certificate of necessity  
13 for confidential military purposes; and of which  
14 \$2,000,000, to remain available until September 30,  
15 1999, shall be for Procurement.

16 TITLE VII—RELATED AGENCIES

17 CENTRAL INTELLIGENCE AGENCY RETIREMENT AND  
18 DISABILITY SYSTEM FUND

19 For payment to the Central Intelligence Agency  
20 Retirement and Disability System Fund, to maintain  
21 proper funding level for continuing the operation of the  
22 Central Intelligence Agency Retirement and Disability  
23 System; \$196,400,000.

## 1 INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

2 For necessary expenses of the Intelligence Com-  
3 munity Management Account; \$129,164,000: *Provided*,  
4 That of the funds appropriated under this heading,  
5 \$27,000,000 shall be transferred to the Department of  
6 Justice for the National Drug Intelligence Center to sup-  
7 port the Department of Defense's counterdrug monitor-  
8 ing and detection responsibilities.

9 PAYMENT TO KAHO'OLAWA ISLAND CONVEYANCE, RE-  
10 MEDIATION, AND ENVIRONMENTAL RESTORATION  
11 FUND

12 For payment to Kaho'olawe Island Conveyance,  
13 Remediation, and Environmental Restoration Fund, as  
14 authorized by law; \$10,000,000, to remain available until  
15 expended.

## 16 NATIONAL SECURITY EDUCATION TRUST FUND

17 For the purposes of title VIII of Public Law 102-  
18 183, \$5,100,000, to be derived from the National Secu-  
19 rity Education Trust Fund, to remain available until ex-  
20 pended.

## 21 TITLE VIII—GENERAL PROVISIONS

22 SEC. 8001. No part of any appropriation con-  
23 tained in this Act shall be used for publicity or propa-  
24 ganda purposes not authorized by the Congress.

1           SEC. 8002. During the current fiscal year, provi-  
2   sions of law prohibiting the payment of compensation to,  
3   or employment of, any person not a citizen of the United  
4   States shall not apply to personnel of the Department of  
5   Defense: *Provided*, That salary increases granted to di-  
6   rect and indirect hire foreign national employees of the  
7   Department of Defense funded by this Act shall not be  
8   at a rate in excess of the percentage increase authorized  
9   by law for civilian employees of the Department of De-  
10   fense whose pay is computed under the provisions of sec-  
11   tion 5332 of title 5, United States Code, or at a rate in  
12   excess of the percentage increase provided by the appro-  
13   priate host nation to its own employees, whichever is  
14   higher: *Provided further*, That this section shall not apply  
15   to Department of Defense foreign service national em-  
16   ployees serving at United States diplomatic missions  
17   whose pay is set by the Department of State under the  
18   Foreign Service Act of 1980: *Provided further*, That the  
19   limitations of this provision shall not apply to foreign na-  
20   tional employees of the Department of Defense in the Re-  
21   public of Turkey.

22           SEC. 8003. No part of any appropriation con-  
23   tained in this Act shall remain available for obligation be-  
24   yond the current fiscal year, unless expressly so provided  
25   herein.

1           SEC. 8004. No more than 20 per centum of the  
2 appropriations in this Act which are limited for obligation  
3 during the current fiscal year shall be obligated during  
4 the last two months of the fiscal year: *Provided*, That  
5 this section shall not apply to obligations for support of  
6 active duty training of reserve components or summer  
7 camp training of the Reserve Officers' Training Corps.

8                               (TRANSFER OF FUNDS)

9           SEC. 8005. Upon determination by the Secretary  
10 of Defense that such action is necessary in the national  
11 interest, he may, with the approval of the Office of Man-  
12 agement and Budget, transfer not to exceed  
13 \$2,000,000,000 of working capital funds of the Depart-  
14 ment of Defense or funds made available in this Act to  
15 the Department of Defense for military functions (except  
16 military construction) between such appropriations or  
17 funds or any subdivision thereof, to be merged with and  
18 to be available for the same purposes, and for the same  
19 time period, as the appropriation or fund to which trans-  
20 ferred: *Provided*, That such authority to transfer may not  
21 be used unless for higher priority items, based on unfore-  
22 seen military requirements, than those for which origi-  
23 nally appropriated and in no case where the item for  
24 which funds are requested has been denied by Congress:  
25 *Provided further*, That the Secretary of Defense shall no-  
26 tify the Congress promptly of all transfers made pursu-

1 ant to this authority or any other authority in this Act:  
2 *Provided further*, That no part of the funds in this Act  
3 shall be available to prepare or present a request to the  
4 Committees on Appropriations for reprogramming of  
5 funds, unless for higher priority items, based on unfore-  
6 seen military requirements, than those for which origi-  
7 nally appropriated and in no case where the item for  
8 which reprogramming is requested has been denied by  
9 the Congress.

10 (TRANSFER OF FUNDS)

11 SEC. 8006. During the current fiscal year, cash  
12 balances in working capital funds of the Department of  
13 Defense established pursuant to section 2208 of title 10,  
14 United States Code, may be maintained in only such  
15 amounts as are necessary at any time for cash disburse-  
16 ments to be made from such funds: *Provided*, That trans-  
17 fers may be made between such funds and the “Foreign  
18 Currency Fluctuations, Defense” and “Operation and  
19 Maintenance” appropriation accounts in such amounts as  
20 may be determined by the Secretary of Defense, with the  
21 approval of the Office of Management and Budget, ex-  
22 cept that such transfers may not be made unless the Sec-  
23 retary of Defense has notified the Congress of the pro-  
24 posed transfer. Except in amounts equal to the amounts  
25 appropriated to working capital funds in this Act, no ob-  
26 ligations may be made against a working capital fund to

1 procure or increase the value of war reserve material in-  
2 ventory, unless the Secretary of Defense has notified the  
3 Congress prior to any such obligation.

4 SEC. 8007. Funds appropriated by this Act may  
5 not be used to initiate a special access program without  
6 prior notification 30 calendar days in session in advance  
7 to the congressional defense committees.

8 SEC. 8008. None of the funds contained in this  
9 Act available for the Civilian Health and Medical Pro-  
10 gram of the Uniformed Services shall be available for  
11 payments to physicians and other non-institutional health  
12 care providers in excess of the amounts allowed in fiscal  
13 year 1996 for similar services, except that: (a) for serv-  
14 ices for which the Secretary of Defense determines an in-  
15 crease is justified by economic circumstances, the allow-  
16 able amounts may be increased in accordance with appro-  
17 priate economic index data similar to that used pursuant  
18 to title XVIII of the Social Security Act; and (b) for serv-  
19 ices the Secretary determines are overpriced based on al-  
20 lowable payments under title XVIII of the Social Security  
21 Act, the allowable amounts shall be reduced by not more  
22 than 15 percent (except that the reduction may be waived  
23 if the Secretary determines that it would impair adequate  
24 access to health care services for beneficiaries). The Sec-  
25 retary shall solicit public comment prior to promulgating

1 regulations to implement this section. Such regulations  
2 shall include a limitation, similar to that used under title  
3 XVIII of the Social Security Act, on the extent to which  
4 a provider may bill a beneficiary an actual charge in ex-  
5 cess of the allowable amount.

6       SEC. 8009. None of the funds provided in this Act  
7 shall be available to initiate (1) a multiyear contract that  
8 employs economic order quantity procurement in excess  
9 of \$20,000,000 in any one year of the contract or that  
10 includes an unfunded contingent liability in excess of  
11 \$20,000,000, or (2) a contract for advance procurement  
12 leading to a multiyear contract that employs economic  
13 order quantity procurement in excess of \$20,000,000 in  
14 any one year, unless the congressional defense commit-  
15 tees have been notified at least thirty days in advance of  
16 the proposed contract award: *Provided*, That no part of  
17 any appropriation contained in this Act shall be available  
18 to initiate a multiyear contract for which the economic  
19 order quantity advance procurement is not funded at  
20 least to the limits of the Government's liability: *Provided*  
21 *further*, That no part of any appropriation contained in  
22 this Act shall be available to initiate multiyear procure-  
23 ment contracts for any systems or component thereof if  
24 the value of the multiyear contract would exceed  
25 \$500,000,000 unless specifically provided in this Act:



1 *Provided further*, That no multiyear procurement contract  
2 can be terminated without 10-day prior notification to  
3 the congressional defense committees: *Provided further*,  
4 That the execution of multiyear authority shall require  
5 the use of a present value analysis to determine lowest  
6 cost compared to an annual procurement: *Provided fur-*  
7 *ther*, That notwithstanding Section 8010 of Public Law  
8 104–61, funds appropriated for the DDG–51 destroyer  
9 program in Public Law 104–61 may be used to initiate  
10 a multiyear contract for the Arleigh Burke class de-  
11 stroyer program.

12 Funds appropriated in title III of this Act may be  
13 used for multiyear procurement contracts as follows:

14 Javelin missiles;  
15 Army Tactical Missile System (ATACMS);  
16 MK19–3 grenade machine guns;  
17 M16A2 rifles;  
18 M249 Squad Automatic Weapons;  
19 M4 carbine rifles;  
20 M240B machine guns; and  
21 Arleigh Burke (DDG–51) class destroyers.

22 SEC. 8010. Within the funds appropriated for the  
23 operation and maintenance of the Armed Forces, funds  
24 are hereby appropriated pursuant to section 401 of title  
25 10, United States Code, for humanitarian and civic as-

1   sistance costs under chapter 20 of title 10, United States  
2   Code. Such funds may also be obligated for humanitarian  
3   and civic assistance costs incidental to authorized oper-  
4   ations and pursuant to authority granted in section 401  
5   of chapter 20 of title 10, United States Code, and these  
6   obligations shall be reported to Congress on September  
7   30 of each year: *Provided*, That funds available for oper-  
8   ation and maintenance shall be available for providing  
9   humanitarian and similar assistance by using Civic Ac-  
10   tion Teams in the Trust Territories of the Pacific Islands  
11   and freely associated states of Micronesia, pursuant to  
12   the Compact of Free Association as authorized by Public  
13   Law 99-239: *Provided further*, That upon a determina-  
14   tion by the Secretary of the Army that such action is  
15   beneficial for graduate medical education programs con-  
16   ducted at Army medical facilities located in Hawaii, the  
17   Secretary of the Army may authorize the provision of  
18   medical services at such facilities and transportation to  
19   such facilities, on a nonreimbursable basis, for civilian  
20   patients from American Samoa, the Commonwealth of  
21   the Northern Mariana Islands, the Marshall Islands, the  
22   Federated States of Micronesia, Palau, and Guam.

23           SEC. 8011. (a) During fiscal year 1997, the civil-  
24   ian personnel of the Department of Defense may not be  
25   managed on the basis of any end-strength, and the man-

1 agement of such personnel during that fiscal year shall  
2 not be subject to any constraint or limitation (known as  
3 an end-strength) on the number of such personnel who  
4 may be employed on the last day of such fiscal year.

5 (b) The fiscal year 1998 budget request for the  
6 department of Defense as well as all justification material  
7 and other documentation supporting the fiscal year 1998  
8 Department of Defense budget request shall be prepared  
9 and submitted to the Congress as if subsections (a) and  
10 (b) of this provision were effective with regard to fiscal  
11 year 1998.

12 (c) Nothing in this section shall be construed to  
13 apply to military (civilian) technicians.

14 SEC. 8012. Notwithstanding any other provision  
15 of law, none of the funds made available by this Act shall  
16 be used by the Department of Defense to exceed, outside  
17 the fifty United States, its territories, and the District of  
18 Columbia, 125,000 civilian workyears: *Provided*, That  
19 workyears shall be applied as defined in the Federal Per-  
20 sonnel Manual: *Provided further*, That workyears ex-  
21 pended in dependent student hiring programs for dis-  
22 advantaged youths shall not be included in this workyear  
23 limitation.

24 SEC. 8013. None of the funds made available by  
25 this Act shall be used in any way, directly or indirectly,

1 to influence congressional action on any legislation or ap-  
2 propriation matters pending before the Congress.

3 SEC. 8014. (a) None of the funds appropriated by  
4 this Act shall be used to make contributions to the De-  
5 partment of Defense Education Benefits Fund pursuant  
6 to section 2006(g) of title 10, United States Code, rep-  
7 resenting the normal cost for future benefits under sec-  
8 tion 3015(c) of title 38, United States Code, for any  
9 member of the armed services who, on or after the date  
10 of enactment of this Act—

11 (1) enlists in the armed services for a period of  
12 active duty of less than three years; or

13 (2) receives an enlistment bonus under section  
14 308a or 308f of title 37, United States Code,

15 nor shall any amounts representing the normal cost of  
16 such future benefits be transferred from the Fund by the  
17 Secretary of the Treasury to the Secretary of Veterans  
18 Affairs pursuant to section 2006(d) of title 10, United  
19 States Code; nor shall the Secretary of Veterans Affairs  
20 pay such benefits to any such member: *Provided*, That in  
21 the case of a member covered by clause (1), these limita-  
22 tions shall not apply to members in combat arms skills  
23 or to members who enlist in the armed services on or after  
24 July 1, 1989, under a program continued or established  
25 by the Secretary of Defense in fiscal year 1991 to test

1 the cost-effective use of special recruiting incentives in-  
2 volving not more than nineteen noncombat arms skills ap-  
3 proved in advance by the Secretary of Defense: *Provided*  
4 *further*, That this subsection applies only to active compo-  
5 nents of the Army.

6 (b) None of the funds appropriated by this Act  
7 shall be available for the basic pay and allowances of any  
8 member of the Army participating as a full-time student  
9 and receiving benefits paid by the Secretary of Veterans  
10 Affairs from the Department of Defense Education Bene-  
11 fits Fund when time spent as a full-time student is cred-  
12 ited toward completion of a service commitment: *Pro-*  
13 *vided*, That this subsection shall not apply to those mem-  
14 bers who have reenlisted with this option prior to October  
15 1, 1987: *Provided further*, That this subsection applies  
16 only to active components of the Army.

17 SEC. 8015. None of the funds appropriated by  
18 this Act shall be available to convert to contractor per-  
19 formance an activity or function of the Department of  
20 Defense that, on or after the date of enactment of this  
21 Act, is performed by more than ten Department of De-  
22 fense civilian employees until a most efficient and cost-  
23 effective organization analysis is completed on such activ-  
24 ity or function and certification of the analysis is made  
25 to the Committees on Appropriations of the House of

1 Representatives and the Senate: *Provided*, That this sec-  
2 tion shall not apply to a commercial or industrial type  
3 function of the Department of Defense that: (1) is in-  
4 cluded on the procurement list established pursuant to  
5 section 2 of the Act of June 25, 1938 (41 U.S.C. 47),  
6 popularly referred to as the Javits-Wagner-O'Day Act;  
7 (2) is planned to be converted to performance by a quali-  
8 fied nonprofit agency for the blind or by a qualified non-  
9 profit agency for other severely handicapped individuals  
10 in accordance with that Act; or (3) is planned to be con-  
11 verted to performance by a qualified firm under 51 per-  
12 cent Native American ownership.

13 (TRANSFER OF FUNDS)

14 SEC. 8016. Funds appropriated in title III of this  
15 Act for the Department of Defense Pilot Mentor-Protege  
16 Program may be transferred to any other appropriation  
17 contained in this Act solely for the purpose of implement-  
18 ing a Mentor-Protege Program developmental assistance  
19 agreement pursuant to section 831 of the National De-  
20 fense Authorization Act for Fiscal Year 1991 (Public  
21 Law 101-510; 10 U.S.C. 2301 note), as amended, under  
22 the authority of this provision or any other transfer au-  
23 thority contained in this Act.

24 SEC. 8017. None of the funds in this Act may be  
25 available for the purchase by the Department of Defense  
26 (and its departments and agencies) of welded shipboard

1 anchor and mooring chain 4 inches in diameter and  
2 under unless the anchor and mooring chain are manufac-  
3 tured in the United States from components which are  
4 substantially manufactured in the United States: *Pro-*  
5 *vided*, That for the purpose of this section manufactured  
6 will include cutting, heat treating, quality control, testing  
7 of chain and welding (including the forging and shot  
8 blasting process): *Provided further*, That for the purpose  
9 of this section substantially all of the components of an-  
10 chor and mooring chain shall be considered to be pro-  
11 duced or manufactured in the United States if the aggre-  
12 gate cost of the components produced or manufactured in  
13 the United States exceeds the aggregate cost of the com-  
14 ponents produced or manufactured outside the United  
15 States: *Provided further*, That when adequate domestic  
16 supplies are not available to meet Department of Defense  
17 requirements on a timely basis, the Secretary of the serv-  
18 ice responsible for the procurement may waive this re-  
19 striction on a case-by-case basis by certifying in writing  
20 to the Committees on Appropriations that such an acqui-  
21 sition must be made in order to acquire capability for na-  
22 tional security purposes.

23 SEC. 8018. None of the funds appropriated by  
24 this Act available for the Civilian Health and Medical  
25 Program of the Uniformed Services (CHAMPUS) shall

1 be available for the reimbursement of any health care  
2 provider for inpatient mental health service for care re-  
3 ceived when a patient is referred to a provider of inpa-  
4 tient mental health care or residential treatment care by  
5 a medical or health care professional having an economic  
6 interest in the facility to which the patient is referred:  
7 *Provided*, That this limitation does not apply in the case  
8 of inpatient mental health services provided under the  
9 program for the handicapped under subsection (d) of sec-  
10 tion 1079 of title 10, United States Code, provided as  
11 partial hospital care, or provided pursuant to a waiver  
12 authorized by the Secretary of Defense because of medi-  
13 cal or psychological circumstances of the patient that are  
14 confirmed by a health professional who is not a Federal  
15 employee after a review, pursuant to rules prescribed by  
16 the Secretary, which takes into account the appropriate  
17 level of care for the patient, the intensity of services re-  
18 quired by the patient, and the availability of that care.

19       SEC. 8019. Funds available in this Act may be  
20 used to provide transportation for the next-of-kin of indi-  
21 viduals who have been prisoners of war or missing in ac-  
22 tion from the Vietnam era to an annual meeting in the  
23 United States, under such regulations as the Secretary of  
24 Defense may prescribe.



1           SEC. 8020. Notwithstanding any other provision  
2 of law, during the current fiscal year, the Secretary of  
3 Defense may, by Executive Agreement, establish with  
4 host nation governments in NATO member states a separate  
5 rate account into which such residual value amounts negotiated  
6 in the return of United States military installations in NATO  
7 member states may be deposited, in the  
8 currency of the host nation, in lieu of direct monetary  
9 transfers to the United States Treasury: *Provided*, That  
10 such credits may be utilized only for the construction of  
11 facilities to support United States military forces in that  
12 host nation, or such real property maintenance and base  
13 operating costs that are currently executed through monetary  
14 transfers to such host nations: *Provided further*,  
15 That the Department of Defense's budget submission for  
16 fiscal year 1998 shall identify such sums anticipated in  
17 residual value settlements, and identify such construction,  
18 real property maintenance or base operating costs that  
19 shall be funded by the host nation through such credits:  
20 *Provided further*, That all military construction projects  
21 to be executed from such accounts must be previously approved  
22 in a prior Act of Congress: *Provided further*, That  
23 each such Executive Agreement with a NATO member  
24 host nation shall be reported to the congressional defense  
25 committees, the Committee on International Relations of

1 the House of Representatives and the Committee on For-  
2 eign Relations of the Senate thirty days prior to the con-  
3 clusion and endorsement of any such agreement estab-  
4 lished under this provision.

5 SEC. 8021. None of the funds available to the De-  
6 partment of Defense may be used to demilitarize or dis-  
7 pose of M-1 Carbines, M-1 Garand rifles, M-14 rifles,  
8 .22 caliber rifles, .30 caliber rifles, or M-1911 pistols.

9 SEC. 8022. Notwithstanding any other provision  
10 of law, none of the funds appropriated by this Act shall  
11 be available to pay more than 50 percent of an amount  
12 paid to any person under section 308 of title 37, United  
13 States Code, in a lump sum.

14 SEC. 8023. None of the funds appropriated by  
15 this Act shall be available for payments under the De-  
16 partment of Defense contract with the Louisiana State  
17 University Medical Center involving the use of cats for  
18 Brain Missile Wound Research, and the Department of  
19 Defense shall not make payments under such contract  
20 from funds obligated prior to the date of the enactment  
21 of this Act, except as necessary for costs incurred by the  
22 contractor prior to the enactment of this Act: *Provided*,  
23 That funds necessary for the care of animals covered by  
24 this contract are allowed.

1           SEC. 8024. Of the funds made available by this  
2 Act in title III, Procurement, \$8,000,000, drawn pro rata  
3 from each appropriations account in title III, shall be  
4 available for incentive payments authorized by section  
5 504 of the Indian Financing Act of 1974, 25 U.S.C.  
6 1544. These payments shall be available only to contrac-  
7 tors which have submitted subcontracting plans pursuant  
8 to 15 U.S.C. 637(d), and according to regulations which  
9 shall be promulgated by the Secretary of Defense within  
10 90 days of the passage of this Act.

11           SEC. 8025. None of the funds provided in this Act  
12 or any other Act shall be available to conduct bone trau-  
13 ma research at any Army Research Laboratory until the  
14 Secretary of the Army certifies that the synthetic  
15 compound to be used in the experiments is of such a type  
16 that its use will result in a significant medical finding,  
17 the research has military application, the research will be  
18 conducted in accordance with the standards set by an  
19 animal care and use committee, and the research does  
20 not duplicate research already conducted by a manufac-  
21 turer or any other research organization.

22           SEC. 8026. During the current fiscal year, none of  
23 the funds available to the Department of Defense may be  
24 used to procure or acquire (1) defensive handguns unless  
25 such handguns are the M9 or M11 9mm Department of

1 Defense standard handguns, or (2) offensive handguns  
2 except for the Special Operations Forces: *Provided*, That  
3 the foregoing shall not apply to handguns and ammuni-  
4 tion for marksmanship competitions.

5 SEC. 8027. No more than \$500,000 of the funds  
6 appropriated or made available in this Act shall be used  
7 for any single relocation of an organization, unit, activity  
8 or function of the Department of Defense into or within  
9 the National Capital Region: *Provided*, That the Sec-  
10 retary of Defense may waive this restriction on a case-  
11 by-case basis by certifying in writing to the Congressional  
12 defense committees that such a relocation is required in  
13 the best interest of the Government.

14 SEC. 8028. During the current fiscal year, funds  
15 appropriated or otherwise available for any Federal agen-  
16 cy, the Congress, the judicial branch, or the District of  
17 Columbia may be used for the pay, allowances, and bene-  
18 fits of an employee as defined by section 2105 of title 5  
19 or an individual employed by the government of the Dis-  
20 trict of Columbia, permanent or temporary indefinite,  
21 who—

22 (1) is a member of a Reserve component of the  
23 Armed Forces, as described in section 261 of title  
24 10, or the National Guard, as described in section  
25 101 of title 32;

1           (2) performs, for the purpose of providing mili-  
2       tary aid to enforce the law or providing assistance  
3       to civil authorities in the protection or saving of life  
4       or property or prevention of injury—

5           (A) Federal service under sections 331,  
6       332, 333, or 12406 of title 10, or other provi-  
7       sion of law, as applicable, or

8           (B) full-time military service for his or her  
9       State, the District of Columbia, the Common-  
10      wealth of Puerto Rico, or a territory of the  
11      United States; and

12       (3) requests and is granted—

13           (A) leave under the authority of this sec-  
14      tion; or

15           (B) annual leave, which may be granted  
16      without regard to the provisions of sections  
17      5519 and 6323(b) of title 5, if such employee  
18      is otherwise entitled to such annual leave:

19 *Provided*, That any employee who requests leave under  
20 subsection (3)(A) for service described in subsection (2)  
21 of this section is entitled to such leave, subject to the pro-  
22 visions of this section and of the last sentence of section  
23 6323(b) of title 5, and such leave shall be considered leave  
24 under section 6323(b) of title 5.

1           SEC. 8029. None of the funds appropriated by  
2 this Act shall be available to perform any cost study pur-  
3 suant to the provisions of OMB Circular A-76 if the  
4 study being performed exceeds a period of twenty-four  
5 months after initiation of such study with respect to a  
6 single function activity or forty-eight months after initi-  
7 ation of such study for a multi-function activity.

8           SEC. 8030. Funds appropriated by this Act for  
9 the American Forces Information Service shall not be  
10 used for any national or international political or psycho-  
11 logical activities.

12          SEC. 8031. Notwithstanding any other provision  
13 of law or regulation, the Secretary of Defense may adjust  
14 wage rates for civilian employees hired for certain health  
15 care occupations as authorized for the Secretary of Veter-  
16 ans Affairs by section 7455 of title 38, United States  
17 Code.

18          SEC. 8032. None of the funds appropriated or  
19 made available in this Act shall be used to reduce or dis-  
20 establish the operation of the 53rd Weather Reconnaiss-  
21 sance Squadron of the Air Force Reserve, if such action  
22 would reduce the WC-130 Weather Reconnaissance mis-  
23 sion below the levels funded in this Act.

24          SEC. 8033. (a) Of the funds for the procurement  
25 of supplies or services appropriated by this Act, qualified

1 nonprofit agencies for the blind or other severely handi-  
2 capped shall be afforded the maximum practicable oppor-  
3 tunity to participate as subcontractors and supplies in  
4 the performance of contracts let by the Department of  
5 Defense.

6 (b) During the current fiscal year, a business con-  
7 cern which has negotiated with a military service or de-  
8 fense agency a subcontracting plan for the participation  
9 by small business concerns pursuant to section 8(d) of  
10 the Small Business Act (15 U.S.C. 637(d)) shall be given  
11 credit toward meeting that subcontracting goal for any  
12 purchases made from qualified nonprofit agencies for the  
13 blind or other severely handicapped.

14 (c) For the purpose of this section, the phrase  
15 “qualified nonprofit agency for the blind or other severely  
16 handicapped” means a nonprofit agency for the blind or  
17 other severely handicapped that has been approved by the  
18 Committee for the Purchase from the Blind and Other  
19 Severely Handicapped under the Javits-Wagner-O’Day  
20 Act (41 U.S.C. 46–48).

21 SEC. 8034. During the current fiscal year, net re-  
22 ceipts pursuant to collections from third party payers  
23 pursuant to section 1095 of title 10, United States Code,  
24 shall be made available to the local facility of the uni-

1 formed services responsible for the collections and shall  
2 be over and above the facility's direct budget amount.

3       SEC. 8035. During the current fiscal year, the  
4 Department of Defense is authorized to incur obligations  
5 of not to exceed \$350,000,000 for purposes of specified  
6 in section 2350j(c) of title 10, United States Code, in an-  
7 ticipation of receipt of contributions, only from the Gov-  
8 ernment of Kuwait, under that section: *Provided*, That,  
9 upon receipt, such contributions from the Government of  
10 Kuwait shall be credited to the appropriations or fund  
11 which incurred such obligations.

12       SEC. 8036. Of the funds made available in this  
13 Act, not less than \$23,626,000 shall be available for the  
14 Civil Air Patrol, of which \$19,926,000 shall be available  
15 for Operation and maintenance.

16       SEC. 8037. (a) None of the funds appropriated in  
17 this Act are available to establish a new Department of  
18 Defense (department) federally funded research and de-  
19 velopment center (FFRDC), either as a new entity, or as  
20 a separate entity administrated by an organization man-  
21 aging another FFRDC, or as a nonprofit membership  
22 corporation consisting of a consortium of other FFRDCs  
23 and other non-profit entities.

24       (b) LIMITATION ON COMPENSATION.—No member  
25 of a Board of Directors, Trustees, Overseers, Advisory



1 Group, Special Issues Panel, Visiting Committee, or any  
2 similar entity of a defense FFRDC, and no paid consult-  
3 ant to any defense FFRDC, may be compensated for his  
4 or her services as a member of such entity, or as a paid  
5 consultant, except under the same conditions, and to the  
6 same extent, as members of the Defense Science Board:  
7 *Provided*, That a member of any such entity referred to  
8 previously in this subsection shall be allowed travel ex-  
9 penses and per diem as authorized under the Federal  
10 Joint Travel Regulations, when engaged in the perform-  
11 ance of membership duties.

12 (c) Notwithstanding any other provision of law,  
13 none of the funds available to the department from any  
14 source during fiscal year 1997 may be used by a defense  
15 FFRDC, through a fee or other payment mechanism, for  
16 charitable contributions, for construction of new build-  
17 ings, for payment of cost sharing for projects funded by  
18 government grants, or for absorption of contract over-  
19 runs.

20 (d) Notwithstanding any other provision of law, of  
21 the funds available to the department during fiscal year  
22 1997, not more than 5,975 staff years of technical effort  
23 (staff years) may be funded for defense FFRDCs: *Pro-*  
24 *vided*, That of the specific amount referred to previously

1 in this subsection, not more than 1,088 staff years may  
2 be funded for the defense studies and analysis FFRDCs.

3 (e) Notwithstanding any other provision of law,  
4 the Secretary of Defense shall control the total number  
5 of staff years to be performed by defense FFRDCs dur-  
6 ing fiscal year 1997 so as to reduce the total amounts  
7 appropriated in titles II, III, and IV of this Act by  
8 \$52,286,000: *Provided*, That the total amounts appro-  
9 priated in titles II, III, and IV of this Act are hereby re-  
10 duced by \$52,286,000 to reflect savings from the use of  
11 defense FFRDCs by the department.

12 (f) Within 60 days after enactment of this Act,  
13 the Secretary of Defense shall submit to the Congres-  
14 sional defense committees a report presenting the specific  
15 amounts of staff years of technical effort to be allocated  
16 by the department for each defense FFRDC during fiscal  
17 year 1997: *Provided*, That, after the submission of the  
18 report required by this subsection, the department may  
19 not reallocate more than five percent of an FFRDC's  
20 staff years among other defense FFRDCs until 30 days  
21 after a detailed justification for any such reallocation is  
22 submitted to the Congressional defense committees.

23 (g) The Secretary of Defense shall, with the sub-  
24 mission of the department's fiscal year 1998 budget re-  
25 quest, submit a report presenting the specific amounts of

1 staff years of technical effort to be allocated for each de-  
2 fense FFRDC during that fiscal year.

3 (h) The total amounts appropriated to or for the  
4 use of the department in titles II, III, and IV of this Act  
5 are hereby further reduced by \$102,286,000 to reflect  
6 savings from the decreased use of non-FFRDC consult-  
7 ing services by the department.

8 (i) No part of the reductions contained in sub-  
9 sections (e) and (h) of this section may be applied  
10 against any budget activity, activity group, subactivity  
11 group, line item, program element, program, project, sub-  
12 project or activity which does not fund defense FFRDC  
13 activities or non-FFRDC consulting services within each  
14 appropriation account.

15 (j) Not later than 90 days after enactment of this  
16 Act, the Secretary of Defense shall submit to the con-  
17 gressional defense committees a report listing the specific  
18 funding reductions allocated to each category listed in  
19 subsection (i) above pursuant to this section.

20 SEC. 8038. None of the funds in this or any other  
21 Act shall be available for the preparation of studies on—

22 (a) the feasibility of removal and transportation  
23 of unitary chemical weapons or agents from the  
24 eight chemical storage sites within the continental  
25 United States to Johnston Atoll: *Provided*, That this

1 prohibition shall not apply to General Accounting  
2 Office studies requested by a Member of Congress or  
3 a Congressional Committee; and

4 (b) the potential future uses of the nine chemi-  
5 cal disposal facilities other than for the destruction  
6 of stockpile chemical munitions and as limited by  
7 section 1412(c)(2), Public Law 99-145: *Provided*,  
8 That this prohibition does not apply to future use  
9 studies for the CAMDS facility at Tooele, Utah.

10 SEC. 8039. None of the funds appropriated or  
11 made available in this Act shall be used to procure car-  
12 bon, alloy or armor steel plate for use in any Govern-  
13 ment-owned facility or property under the control of the  
14 Department of Defense which were not melted and rolled  
15 in the United States or Canada: *Provided*, That these  
16 procurement restrictions shall apply to any and all Fed-  
17 eral Supply Class 9515, American Society of Testing and  
18 Materials (ASTM) or American Iron and Steel Institute  
19 (AISI) specifications of carbon, alloy or armor steel plate:  
20 *Provided further*, That the Secretary of the military de-  
21 partment responsible for the procurement may waive this  
22 restriction on a case-by-case basis by certifying in writing  
23 to the Committees on Appropriations of the House of  
24 Representatives and the Senate that adequate domestic  
25 supplies are not available to meet Department of Defense

1 requirements on a timely basis and that such an acquisi-  
2 tion must be made in order to acquire capability for na-  
3 tional security purposes: *Provided further*, That these re-  
4 strictions shall not apply to contracts which are in being  
5 as of the date of enactment of this Act.

6       SEC. 8040. For the purposes of this Act, the term  
7 “congressional defense committees” means the National  
8 Security Committee of the House of Representatives, the  
9 Armed Services Committee of the Senate, the subcommit-  
10 tee on Defense of the Committee on Appropriations of  
11 the Senate, and the subcommittee on National Security  
12 of the Committee on Appropriations of the House of Rep-  
13 resentatives.

14       SEC. 8041. During the current fiscal year, the  
15 Department of Defense may acquire the modification,  
16 depot maintenance and repair of aircraft, vehicles and  
17 vessels as well as the production of components and other  
18 Defense-related articles, through competition between De-  
19 partment of Defense depot maintenance activities and  
20 private firms: *Provided*, That the Senior Acquisition Ex-  
21 ecutive of the military department or defense agency con-  
22 cerned, with power of delegation, shall certify that suc-  
23 cessful bids include comparable estimates of all direct  
24 and indirect costs for both public and private bids: *Pro-*  
25 *vided further*, That Office of Management and Budget

1 Circular A-76 shall not apply to competitions conducted  
2 under this section.

3       SEC. 8042. (a)(1) If the Secretary of Defense,  
4 after consultation with the United States Trade Rep-  
5 resentative, determines that a foreign country which is  
6 party to an agreement described in paragraph (2) has  
7 violated the terms of the agreement by discriminating  
8 against certain types of products produced in the United  
9 States that are covered by the agreement, the Secretary  
10 of Defense shall rescind the Secretary's blanket waiver of  
11 the Buy American Act with respect to such types of prod-  
12 ucts produced in that foreign country.

13       (2) An agreement referred to in paragraph (1) is  
14 any reciprocal defense procurement memorandum of un-  
15 derstanding, between the United States and a foreign  
16 country pursuant to which the Secretary of Defense has  
17 prospectively waived the Buy American Act for certain  
18 products in that country.

19       (b) The Secretary of Defense shall submit to Con-  
20 gress a report on the amount of Department of Defense  
21 purchases from foreign entities in fiscal year 1997. Such  
22 report shall separately indicate the dollar value of items  
23 for which the Buy American Act was waived pursuant to  
24 any agreement described in subsection (a)(2), the Trade  
25 Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any

1 international agreement to which the United States is a  
2 party.

3 (c) For purposes of this section, the term “Buy  
4 American Act” means title III of the Act entitled “An  
5 Act making appropriations for the Treasury and Post Of-  
6 fice Departments for the fiscal year ending June 30,  
7 1934, and for other purposes”, approved March 3, 1933  
8 (41 U.S.C. 10a et seq.).

9 SEC. 8043. Appropriations contained in this Act  
10 that remain available at the end of the current fiscal year  
11 as a result of energy cost savings realized by the Depart-  
12 ment of Defense shall remain available for obligation for  
13 the next fiscal year to the extent, and for the purposes,  
14 provided in section 2865 of title 10, United States Code.

15 SEC. 8044. During the current fiscal year and  
16 hereafter, voluntary separation incentives payable under  
17 10 U.S.C. 1175 may be paid in such amounts as are nec-  
18 essary from the assets of the Voluntary Separation In-  
19 centive Fund established by section 1175(h)(1).

20 (INCLUDING TRANSFER OF FUNDS)

21 SEC. 8045. Amounts deposited during the current  
22 fiscal year to the special account established under 40  
23 U.S.C. 485(h)(2) and to the special account established  
24 under 10 U.S.C. 2667(d)(1) are appropriated and shall  
25 be available until transferred by the Secretary of Defense  
26 to current applicable appropriations or funds of the De-

1 partment of Defense under the terms and conditions  
2 specified by 40 U.S.C. 485(h)(2) (A) and (B) and 10  
3 U.S.C. 2667(d)(1)(B), to be merged with and to be avail-  
4 able for the same time period and the same purposes as  
5 the appropriation to which transferred.

6       SEC. 8046. During the current fiscal year, appro-  
7 priations available to the Department of Defense may be  
8 used to reimburse a member of a reserve component of  
9 the Armed Forces who is not otherwise entitled to travel  
10 and transportation allowances and who occupies transient  
11 government housing while performing active duty for  
12 training or inactive duty training: *Provided*, That such  
13 members may be provided lodging in kind if transient  
14 government quarters are unavailable as if the member  
15 was entitled to such allowances under subsection (a) of  
16 section 404 of title 37, United States Code: *Provided fur-*  
17 *ther*, That if lodging in kind is provided, any authorized  
18 service charge or cost of such lodging may be paid di-  
19 rectly from funds appropriated for operation and mainte-  
20 nance of the reserve component of the member concerned.

21       SEC. 8047. The President shall include with each  
22 budget for a fiscal year submitted to the Congress under  
23 section 1105 of title 31, United States Code, materials  
24 that shall identify clearly and separately the amounts re-  
25 quested in the budget for appropriation for that fiscal



1 year for salaries and expenses related to administrative  
2 activities of the Department of Defense, the military de-  
3 partments, and the Defense Agencies.

4 SEC. 8048. Notwithstanding any other provision  
5 of law, funds available for “Drug Interdiction and  
6 Counter-Drug Activities, Defense” may be obligated for  
7 the Young Marines program.

8 SEC. 8049. During the current fiscal year,  
9 amounts contained in the Department of Defense Over-  
10 seas Military Facility Investment Recovery Account es-  
11 tablished by section 2921(c)(1) of the National Defense  
12 Authorization Act of 1991 (Public Law 101–510; 10  
13 U.S.C. 2687 note) shall be available until expended for  
14 the payments specified by section 2921(c)(2) of that Act.

15 SEC. 8050. During the current fiscal year and  
16 hereafter, annual payments granted under the provisions  
17 of section 4416 of the National Defense Authorization  
18 Act for Fiscal Year 1993 (Public Law 102–484; 106  
19 Stat. 2714) shall be made from appropriations in this  
20 Act which are available for the pay of reserve component  
21 personnel.

22 SEC. 8051. Of the funds appropriated or other-  
23 wise made available by this Act, not more than  
24 \$119,200,000 shall be available for payment of the oper-  
25 ating costs of NATO Headquarters: *Provided*, That the

1 Secretary of Defense may waive this section for Depart-  
2 ment of Defense support provided to NATO forces in and  
3 around the former Yugoslavia.

4 SEC. 8052. During the current fiscal year, appro-  
5 priations which are available to the Department of De-  
6 fense for operation and maintenance may be used to pur-  
7 chase items having an investment item unit cost of not  
8 more than \$100,000.

9 SEC. 8053. During the current fiscal year and  
10 hereafter, appropriations available for the pay and allow-  
11 ances of active duty members of the Armed Forces shall  
12 be available to pay the retired pay which is payable pur-  
13 suant to section 4403 of Public Law 102-484 (10 U.S.C.  
14 1293 note) under the terms and conditions provided in  
15 section 4403.

16 SEC. 8054. (a) During the current fiscal year,  
17 none of the appropriations or funds available to the De-  
18 fense Business Operations Fund shall be used for the  
19 purchase of an investment item for the purpose of acquir-  
20 ing a new inventory item for sale or anticipated sale dur-  
21 ing the current fiscal year or a subsequent fiscal year to  
22 customers of the Defense Business Operations Fund if  
23 such an item would not have been chargeable to the De-  
24 fense Business Operations Fund during fiscal year 1994  
25 and if the purchase of such an investment item would be

1 chargeable during the current fiscal year to appropria-  
2 tions made to the Department of Defense for procure-  
3 ment.

4 (b) The fiscal year 1998 budget request for the  
5 Department of Defense as well as all justification mate-  
6 rial and other documentation supporting the fiscal year  
7 1998 Department of Defense budget shall be prepared  
8 and submitted to the Congress on the basis that any  
9 equipment which was classified as an end item and fund-  
10 ed in a procurement appropriation contained in this Act  
11 shall be budgeted for in a proposed fiscal year 1998 pro-  
12 curement appropriation and not in the supply manage-  
13 ment business area or any other area or category of the  
14 Defense Business Operations Fund.

15 SEC. 8055. None of the funds provided in this Act  
16 shall be available for use by a Military Department to  
17 modify an aircraft, weapon, ship or other item of equip-  
18 ment, that the Military Department concerned plans to  
19 retire or otherwise dispose of within five years after com-  
20 pletion of the modification: *Provided*, That this prohibi-  
21 tion shall not apply to safety modifications: *Provided fur-*  
22 *ther*, That this prohibition may be waived by the Sec-  
23 retary of a Military Department if the Secretary deter-  
24 mines it is in the best national security interest of the

1 United States to provide such waiver and so notifies the  
2 congressional defense committees in writing.

3 SEC. 8056. None of the funds appropriated by  
4 this Act for programs of the Central Intelligence Agency  
5 shall remain available for obligation beyond the current  
6 fiscal year, except for funds appropriated for the Reserve  
7 for Contingencies, which shall remain available until Sep-  
8 tember 30, 1998.

9 SEC. 8057. Notwithstanding any other provision  
10 of law, funds made available in this Act for the Defense  
11 Intelligence Agency may be used for the design, develop-  
12 ment, and deployment of General Defense Intelligence  
13 Program intelligence communications and intelligence in-  
14 formation systems for the Services, the Unified and Spec-  
15 ified Commands, and the component commands.

16 SEC. 8058. (a) Notwithstanding any other provi-  
17 sion of law, funds appropriated in this Act for the High  
18 Performance Computing Modernization Program shall be  
19 made available only for the acquisition, modernization  
20 and sustainment of supercomputing capability and capac-  
21 ity at Department of Defense (DoD) science and tech-  
22 nology sites under the cognizance of the Director of De-  
23 fense Research and Engineering and DoD test and eval-  
24 uation facilities under the Director of Test and Evalua-

1 tion, OUSD (A&T): *Provided*, That these funds shall be  
2 awarded based on user-defined requirements.

3 (b) Of the funds appropriated in this Act under  
4 the heading “Procurement, Defense-Wide”,  
5 \$124,735,000 shall be made available for the High Per-  
6 formance Computing Modernization Program. Of the  
7 total funds made available for the program pursuant to  
8 this subsection, \$20,000,000 shall be for the Army High  
9 Performance Computing Research Center.

10 SEC. 8059. Of the funds appropriated by the De-  
11 partment of Defense under the heading “Operation and  
12 Maintenance, Defense-Wide”, not less than \$8,000,000  
13 shall be made available only for the mitigation of environ-  
14 mental impacts, including training and technical assist-  
15 ance to tribes, related administrative support, the gather-  
16 ing of information, documenting of environmental dam-  
17 age, and developing a system for prioritization of mitiga-  
18 tion, on Indian lands resulting from Department of De-  
19 fense activities.

20 SEC. 8060. Amounts collected for the use of the  
21 facilities of the National Science Center for Communica-  
22 tions and Electronics during the current fiscal year pur-  
23 suant to section 1459(g) of the Department of Defense  
24 Authorization Act, 1986, and deposited to the special ac-  
25 count established under subsection 1459(g)(2) of that

1 Act are appropriated and shall be available until ex-  
2 pended for the operation and maintenance of the Center  
3 as provided for in subsection 1459(g)(2).

4 SEC. 8061. None of the funds appropriated in this  
5 Act may be used to fill the commander's position at any  
6 military medical facility with a health care professional  
7 unless the prospective candidate can demonstrate profes-  
8 sional administrative skills.

9 SEC. 8062. (a) None of the funds appropriated in  
10 this Act may be expended by an entity of the Department  
11 of Defense unless the entity, in expending the funds,  
12 complies with Buy American Act. For purposes of this  
13 subsection, the term "Buy American Act" means title III  
14 of the Act entitled "An Act making appropriations for  
15 the Treasury and Post Office Departments for the fiscal  
16 year ending June 30, 1934, and for other purposes", ap-  
17 proved March 3, 1933 (41 U.S.C. 10a et seq.).

18 (b) If the Secretary of Defense determines that a  
19 person has been convicted of intentionally affixing a label  
20 bearing a "Made in America" inscription to any product  
21 sold in or shipped to the United States that is not made  
22 in America, the Secretary shall determine, in accordance  
23 with section 2410f of title 10, United States Code,  
24 whether the person should be debarred from contracting  
25 with the Department of Defense.

1           (c) In the case of any equipment or products pur-  
2 chased with appropriations provided under this Act, it is  
3 the sense of the Congress that any entity of the Depart-  
4 ment of Defense, in expending the appropriation, pur-  
5 chase only American-made equipment and products, pro-  
6 vided that American-made equipment and products are  
7 cost-competitive, quality-competitive, and available in a  
8 timely fashion.

9           SEC. 8063. None of the funds appropriated by  
10 this Act shall be available for a contract for studies, anal-  
11 ysis, or consulting services entered into without competi-  
12 tion on the basis of an unsolicited proposal unless the  
13 head of the activity responsible for the procurement de-  
14 termines—

15           (1) as a result of thorough technical evaluation,  
16 only one source is found fully qualified to perform  
17 the proposed work, or

18           (2) the purpose of the contract is to explore an  
19 unsolicited proposal which offers significant sci-  
20 entific or technological promise, represents the prod-  
21 uct of original thinking, and was submitted in con-  
22 fidence by one source, or

23           (3) the purpose of the contract is to take ad-  
24 vantage of unique and significant industrial accom-  
25 plishment by a specific concern, or to insure that a

1 new product or idea of a specific concern is given fi-  
2 nancial support:

3 *Provided*, That this limitation shall not apply to contracts  
4 in an amount of less than \$25,000, contracts related to  
5 improvements of equipment that is in development or pro-  
6 duction, or contracts as to which a civilian official of the  
7 Department of Defense, who has been confirmed by the  
8 Senate, determines that the award of such contract is in  
9 the interest of the national defense.

10 SEC. 8064. Funds appropriated by this Act for in-  
11 telligence activities are deemed to be specifically author-  
12 ized by the Congress for purposes of section 504 of the  
13 National Security Act of 1947 (50 U.S.C. 414).

14 SEC. 8065. Notwithstanding section 142 of H.R.  
15 3230, the National Defense Authorization Act for Fiscal  
16 Year 1997, as passed by the Senate on September 10,  
17 1996, of the funds provided in title VI of this Act, under  
18 the heading “Chemical Agents and Munitions Destruc-  
19 tion, Defense”, \$40,000,000 shall only be available for  
20 the conduct of a pilot program to identify and dem-  
21 onstrate not less than two alternatives to the baseline in-  
22 cineration process for the demilitarization of assembled  
23 chemical munitions: *Provided*, That the Under Secretary  
24 of Defense for Acquisition and Technology shall, not later  
25 than December 1, 1996, designate a program manager



1 who is not, nor has been, in direct or immediate control  
2 of the baseline reverse assembly incineration demilitariza-  
3 tion program to carry out the pilot program: *Provided*  
4 *further*, That the Under Secretary of Defense for Acquisi-  
5 tion and Technology shall evaluate the effectiveness of  
6 each alternative chemical munitions demilitarization tech-  
7 nology identified and demonstrated under the pilot pro-  
8 gram to demilitarize munitions and assembled chemical  
9 munitions while meeting all applicable Federal and State  
10 environmental and safety requirements: *Provided further*,  
11 That the Under Secretary of Defense for Acquisition and  
12 Technology shall transmit, by December 15 of each year,  
13 a report to the congressional defense committees on the  
14 activities carried out under the pilot program during the  
15 preceding fiscal year in which the report is to be made:  
16 *Provided further*, That section 142(f)(3) of H.R. 3230,  
17 the National Defense Authorization Act for Fiscal Year  
18 1997, as passed by the Senate on September 10, 1996,  
19 is repealed: *Provided further*, That no funds may be obli-  
20 gated for the construction of a baseline incineration facil-  
21 ity at the Lexington Blue Grass Army Depot or the  
22 Pueblo Depot activity until 180 days after the Secretary  
23 of Defense has submitted to the congressional defense  
24 committees a report detailing the effectiveness of each al-  
25 ternative chemical munitions demilitarization technology

1 identified and demonstrated under the pilot program and  
2 its ability to meet the applicable safety and environ-  
3 mental requirements: *Provided further*, That none of the  
4 funds in this or any other Act may be obligated for the  
5 preparation of studies, assessments, or planning of the  
6 removal and transportation of stockpile assembled uni-  
7 tary chemical weapons or neutralized chemical agent to  
8 any of the eight chemical weapons storage sites within  
9 the continental United States.

10       SEC. 8066. (a) None of the funds made available  
11 by this Act may be obligated for design, development, ac-  
12 quisition, or operation of more than 47 Titan IV expend-  
13 able launch vehicles, or for satellite mission-model plan-  
14 ning for a Titan IV requirement beyond 47 vehicles.

15       (b) \$59,600,000 made available in this Act for  
16 Research, Development, Test and Evaluation, Air Force,  
17 may only be obligated for development of a new family  
18 of medium-lift and heavy-lift expendable launch vehicles  
19 evolved from existing technologies.

20       SEC. 8067. None of the funds available to the De-  
21 partment of Defense in this Act may be used to establish  
22 additional field operating agencies of any element of the  
23 Department during fiscal year 1997, except for field op-  
24 erating agencies funded within the National Foreign In-  
25 telligence Program: *Provided*, That the Secretary of De-

12 SEC. 8069. Notwithstanding any other provision  
13 of law, for resident classes entering the war colleges after  
14 September 30, 1997, the Department of Defense shall re-  
15 quire that not less than 20 percent of the total of United  
16 States military students at each war college shall be from  
17 military departments other than the hosting military de-  
18 partment: *Provided*, That each military department will  
19 recognize the attendance at a sister military department  
20 war college as the equivalent of attendance at its own  
21 war college for promotion and advancement of personnel.

SEC. 8070. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded from the following accounts in the specified amounts:

1           “Procurement of Ammunition, Army, 1995/  
2           1997”, \$4,500,000;

3           “Aircraft Procurement, Navy, 1995/1997”,  
4           \$8,000,000;

5           “Procurement of Ammunition, Navy and Ma-  
6           rine Corps, 1995/1997”, \$2,000,000;

7           “Other Procurement, Navy, 1995/1997”,  
8           \$10,000,000;

9           “Aircraft Procurement, Air Force, 1995/1997”,  
10          \$3,100,000;

11          “Missile Procurement, Air Force, 1995/1997”,  
12          \$31,900,000;

13          “Aircraft Procurement, Navy, 1996/1998”,  
14          \$5,400,000;

15          “Procurement of Ammunition, Navy and Ma-  
16          rine Corps, 1996/1998”, \$12,708,000;

17          “Aircraft Procurement, Air Force, 1996/1998”,  
18          \$9,000,000;

19          “Missile Procurement, Air Force, 1996/1998”,  
20          \$20,000,000;

21          “Other Procurement, Air Force, 1996/1998”,  
22          \$26,000,000;

23          “Research, Development, Test and Evaluation,  
24          Navy 1996/1997”, \$4,500,000.

1           SEC. 8071. None of the funds provided in this Act  
2 may be obligated for payment on new contracts on which  
3 allowable costs charged to the government include pay-  
4 ments for individual compensation at a rate in excess of  
5 \$250,000 per year.

6           SEC. 8072. Of the funds appropriated in the De-  
7 partment of Defense Appropriations Act, 1996 (Public  
8 Law 104–61), under the heading “Other Procurement,  
9 Army”, the Department of the Army shall grant  
10 \$477,000 to the Kansas Unified School District 207 for  
11 the purpose of integrating schools at Fort Leavenworth  
12 into the existing fiber optic network on post.

13          SEC. 8073. None of the funds available in this Act  
14 may be used to reduce the authorized positions for mili-  
15 tary (civilian) technicians of the Army National Guard,  
16 the Air National Guard, Army Reserve and Air Force Re-  
17 serve for the purpose of applying any administratively  
18 imposed civilian personnel ceiling, freeze, or reduction on  
19 military (civilian) technicians, unless such reductions are  
20 a direct result of a reduction in military force structure.

21          SEC. 8074. None of the funds appropriated or  
22 otherwise made available in this Act may be obligated or  
23 expended for assistance to the Democratic People’s Re-  
24 public of North Korea unless specifically appropriated for  
25 that purpose.

1           SEC. 8075. During the current fiscal year, funds  
2 appropriated in this Act are available to compensate  
3 members of the National Guard for duty performed pur-  
4 suant to a plan submitted by a Governor of a State and  
5 approved by the Secretary of Defense under section 112  
6 of title 32, United States Code: *Provided*, That during  
7 the performance of such duty, the members of the Na-  
8 tional Guard shall be under State command and control:  
9 *Provided further*, That such duty shall be treated as full-  
10 time National Guard duty for purposes of sections 12602  
11 (a)(2) and (b)(2) of title 10, United States Code.

12           SEC. 8076. Funds appropriated in this Act for op-  
13 eration and maintenance of the Military Departments,  
14 Unified and Specified Commands and Defense Agencies  
15 shall be available for reimbursement of pay, allowances  
16 and other expenses which would otherwise be incurred  
17 against appropriations for the National Guard and Re-  
18 serve when members of the National Guard and Reserve  
19 provide intelligence support to Unified Commands, De-  
20 fense Agencies and Joint Intelligence Activities, including  
21 the activities and programs included within the General  
22 Defense Intelligence Program and the Consolidated  
23 Cryptologic Program: *Provided*, That nothing in this sec-  
24 tion authorizes deviation from established Reserve and  
25 National Guard personnel and training procedures.

1           SEC. 8077. During the current fiscal year, none of  
2 the funds appropriated in this Act may be used to reduce  
3 the civilian medical and medical support personnel as-  
4 signed to military treatment facilities below the Septem-  
5 ber 30, 1996 level: *Provided*, That the Service Surgeons  
6 General may waive this section by certifying to the con-  
7 gressional defense committees that the beneficiary popu-  
8 lation is declining in some catchment areas and civilian  
9 strength reductions may be consistent with responsible  
10 resource stewardship and capitation-based budgeting.

11           SEC. 8078. All refunds or other amounts collected  
12 in the administration of the Civilian Health and Medical  
13 Program of the Uniformed Services (CHAMPUS) shall  
14 be credited to current year appropriations.

15                       (INCLUDING TRANSFER OF FUNDS)

16           SEC. 8079. None of the funds appropriated in this  
17 Act may be transferred to or obligated from the Penta-  
18 gon Reservation Maintenance Revolving Fund, unless the  
19 Secretary of Defense certifies that the total cost for the  
20 planning, design, construction and installation of equip-  
21 ment for the renovation of the Pentagon Reservation will  
22 not exceed \$1,118,000,000.

23           SEC. 8080. (a) None of the funds available to the  
24 Department of Defense for any fiscal year for drug inter-  
25 diction or counter-drug activities may be transferred to

1 any other department or agency of the United States ex-  
2 cept as specifically provided in an appropriations law.

3 (b) None of the funds available to the Central In-  
4 telligence Agency for any fiscal year for drug interdiction  
5 and counter-drug activities may be transferred to any  
6 other department or agency of the United States except  
7 as specifically provided in an appropriations law.

8 (TRANSFER OF FUNDS)

9 SEC. 8081. Appropriations available in this Act  
10 under the heading “Operation and Maintenance, Defense-  
11 Wide” for increasing energy and water efficiency in Fed-  
12 eral buildings may, during their period of availability, be  
13 transferred to other appropriations or funds of the De-  
14 partment of Defense for projects related to increasing en-  
15 ergy and water efficiency, to be merged with and to be  
16 available for the same general purposes, and for the same  
17 time period, as the appropriation or fund to which trans-  
18 ferred.

19 SEC. 8082. None of the funds appropriated by  
20 this Act may be used for the procurement of ball and  
21 roller bearings other than those produced by a domestic  
22 source and of domestic origin: *Provided*, That the Sec-  
23 retary of the military department responsible for such  
24 procurement may waive this restriction on a case-by-case  
25 basis by certifying in writing to the Committees on Ap-  
26 propriations of the House of Representatives and the



1 Senate, that adequate domestic supplies are not available  
2 to meet Department of Defense requirements on a timely  
3 basis and that such an acquisition must be made in order  
4 to acquire capability for national security purposes.

5       SEC. 8083. Notwithstanding any other provision  
6 of law, funds available to the Department of Defense  
7 shall be made available to provide transportation of medi-  
8 cal supplies and equipment, on a nonreimbursable basis,  
9 to American Samoa: *Provided*, That notwithstanding any  
10 other provision of law, funds available to the Department  
11 of Defense shall be made available to provide transpor-  
12 tation of medical supplies and equipment, on a non-  
13 reimbursable basis, to the Indian Health Service when it  
14 is in conjunction with a civil-military project.

15       SEC. 8084. None of the funds in this Act may be  
16 used to purchase any supercomputer which is not manu-  
17 factured in the United States, unless the Secretary of  
18 Defense certifies to the congressional defense committees  
19 that such an acquisition must be made in order to ac-  
20 quire capability for national security purposes that is not  
21 available from United States manufacturers.

22       SEC. 8085. Notwithstanding any other provision  
23 of law, the Naval shipyards of the United States shall be  
24 eligible to participate in any manufacturing extension

1 program financed by funds appropriated in this or any  
2 other Act.

3       SEC. 8086. None of the funds appropriated by  
4 this Act shall be available to lease or charter a vessel in  
5 excess of seventeen months (inclusive of any option peri-  
6 ods) to transport fuel or oil for the Department of De-  
7 fense if the vessel was constructed after October 1, 1995  
8 unless the Secretary of Defense requires that the vessel  
9 be constructed in the United States with a double hull  
10 under the long-term lease or charter authority provided  
11 in section 2401 note of title 10, United States Code: *Pro-*  
12 *vided*, That this limitation shall not apply to contracts in  
13 force on the date of enactment of this Act: *Provided fur-*  
14 *ther*, That by 1997 at least 20 percent of annual leases  
15 and charters must be for ships of double hull design con-  
16 structed after October 1, 1995 if available in numbers  
17 sufficient to satisfy this requirement: *Provided further*,  
18 That the Military Sealift Command shall plan to achieve  
19 the goal of eliminating single hull ship leases by the year  
20 2015.

21                               (TRANSFER OF FUNDS)

22       SEC. 8087. In addition to amounts appropriated  
23 or otherwise made available by this Act, \$300,000,000 is  
24 hereby appropriated to the Department of Defense and  
25 shall be available only for transfer to the United States  
26 Coast Guard.

1           SEC. 8088. Notwithstanding any other provision  
2 in this Act, the total amount appropriated in this Act is  
3 hereby reduced by \$150,000,000 to reflect savings from  
4 reduced carryover of activities funded through the De-  
5 fense Business Operations Fund, to be distributed as fol-  
6 lows: “Operation and Maintenance, Army”, \$60,000,000;  
7 and “Operation and Maintenance, Navy”, \$90,000,000.

8           SEC. 8089. Notwithstanding any other provision  
9 of law, each contract awarded by the Department of De-  
10 fense during the current fiscal year for construction or  
11 service performed in whole or in part in a State which  
12 is not contiguous with another State and has an unem-  
13 ployment rate in excess of the national average rate of  
14 unemployment as determined by the Secretary of Labor,  
15 shall include a provision requiring the contractor to em-  
16 ploy, for the purpose of performing that portion of the  
17 contract in such State that is not contiguous with an-  
18 other State, individuals who are residents of such State  
19 and who, in the case of any craft or trade, possess or  
20 would be able to acquire promptly the necessary skills:  
21 *Provided*, That the Secretary of Defense may waive the  
22 requirements of this section, on a case-by-case basis, in  
23 the interest of national security.

24           SEC. 8090. During the current fiscal year, the  
25 Army shall use the former George Air Force Base as the

1 airhead for the National Training Center at Fort Irwin:  
2 *Provided*, That none of the funds in this Act shall be obli-  
3 gated or expended to transport Army personnel into Ed-  
4 wards Air Force Base for training rotations at the Na-  
5 tional Training Center.

6 SEC. 8091. (a) The Secretary of Defense shall  
7 submit, on a quarterly basis, a report to the congres-  
8 sional defense committees, the Committee on Inter-  
9 national Relations of the House of Representatives and  
10 the Committee on Foreign Relations of the Senate setting  
11 forth all costs (including incremental costs) incurred by  
12 the Department of Defense during the preceding quarter  
13 in implementing or supporting resolutions of the United  
14 Nations Security Council, including any such resolution  
15 calling for international sanctions, international peace-  
16 keeping operations, and humanitarian missions under-  
17 taken by the Department of Defense. The quarterly re-  
18 port shall include an aggregate of all such Department  
19 of Defense costs by operation or mission.

20 (b) The Secretary of Defense shall detail in the  
21 quarterly reports all efforts made to seek credit against  
22 past United Nations expenditures and all efforts made to  
23 seek compensation from the United Nations for costs in-  
24 curred by the Department of Defense in implementing  
25 and supporting United Nations activities.

1           SEC. 8092 (a) LIMITATION ON TRANSFER OF DE-  
2 FENSE ARTICLES AND SERVICES.—Notwithstanding any  
3 other provision of law, none of the funds available to the  
4 Department of Defense for the current fiscal year may be  
5 obligated or expended to transfer to another nation or an  
6 international organization any defense articles or services  
7 (other than intelligence services) for use in the activities  
8 described in subsection (b) unless the congressional de-  
9 fense committees, the Committee on International Rela-  
10 tions of the House of Representatives, and the Committee  
11 on Foreign Relations of the Senate are notified 15 days  
12 in advance of such transfer.

13           (b) COVERED ACTIVITIES.—(1) This section ap-  
14 plies to—

15           (A) any international peacekeeping or peace-en-  
16 forcement operation under the authority of chapter  
17 VI or chapter VII of the United Nations Charter  
18 under the authority of a United Nations Security  
19 Council resolution; and

20           (B) any other international peacekeeping,  
21 peace-enforcement, or humanitarian assistance oper-  
22 ation.

23           (c) REQUIRED NOTICE.—A notice under sub-  
24 section (a) shall include the following:

1           (1) A description of the equipment, supplies, or  
2       services to be transferred.

3           (2) A statement of the value of the equipment,  
4       supplies, or services to be transferred.

5           (3) In the case of a proposed transfer of equip-  
6       ment or supplies—

7                (A) a statement of whether the inventory  
8       requirements of all elements of the Armed  
9       Forces (including the reserve components) for  
10      the type of equipment or supplies to be trans-  
11      ferred have been met; and

12               (B) a statement of whether the items pro-  
13      posed to be transferred will have to be replaced  
14      and, if so, how the President proposes to pro-  
15      vide funds for such replacement.

16       SEC. 8093. To the extent authorized by sub-  
17   chapter VI of Chapter 148 of title 10, United States  
18   Code, the Secretary of Defense shall issue loan guaran-  
19   tees in support of U.S. defense exports not otherwise pro-  
20   vided for: *Provided*, That the total contingent liability of  
21   the United States for guarantees issued under the au-  
22   thority of this section may not exceed \$15,000,000,000:  
23   *Provided further*, That the exposure fees charged and col-  
24   lected by the Secretary for each guarantee, shall be paid  
25   by the country involved and shall not be financed as part

1 of a loan guaranteed by the United States: *Provided fur-*  
2 *ther*, That the Secretary shall provide quarterly reports to  
3 the Committees on Appropriations, Armed Services and  
4 Foreign Relations of the Senate and the Committees on  
5 Appropriations, National Security and International Re-  
6 lations in the House of Representatives on the implemen-  
7 tation of this program: *Provided further*, That amounts  
8 charged for administrative fees and deposited to the spe-  
9 cial account provided for under section 2540c(d) of title  
10 10, shall be available for paying the costs of administra-  
11 tive expenses of the Department of Defense that are at-  
12 tributable to the loan guarantee program under sub-  
13 chapter VI of Chapter 148 of title 10.

14       SEC. 8094. None of the funds available to the De-  
15 partment of Defense shall be obligated or expended to  
16 make a financial contribution to the United Nations for  
17 the cost of an United Nations peacekeeping activity  
18 (whether pursuant to assessment or a voluntary contribu-  
19 tion) or for payment of any United States arrearage to  
20 the United Nations.

21       SEC. 8095. None of the funds available to the De-  
22 partment of Defense under this Act shall be obligated or  
23 expended to pay a contractor under a contract with the  
24 Department of Defense for costs of any amount paid by  
25 the contractor to an employee when—

1           (1) such costs are for a bonus or otherwise in  
2           excess of the normal salary paid by the contractor  
3           to the employee; and

4           (2) such bonus is part of restructuring costs as-  
5           sociated with a business combination.

6           SEC. 8096. The amount otherwise provided by  
7           this Act for “Operation and Maintenance, Air Force” is  
8           hereby reduced by \$194,500,000, to reflect a reduction in  
9           the pass-through to the Air Force business areas of the  
10          Defense Business Operations Fund.

11          SEC. 8097. (a) None of the funds appropriated or  
12          otherwise made available in this Act may be used to  
13          transport or provide for the transportation of chemical  
14          munitions or agents to the Johnston Atoll for the pur-  
15          pose of storing or demilitarizing such munitions or  
16          agents.

17          (b) The prohibition in subsection (a) shall not  
18          apply to any obsolete World War II chemical munition or  
19          agent of the United States found in the World War II  
20          Pacific Theater of Operations.

21          (c) The President may suspend the application of  
22          subsection (a) during a period of war in which the United  
23          States is a party.

24          SEC. 8098. None of the funds provided in title II  
25          of this Act for “Former Soviet Union Threat Reduction”



1 may be obligated or expended to finance housing for any  
2 individual who was a member of the military forces of the  
3 Soviet Union or for any individual who is or was a mem-  
4 ber of the military forces of the Russian Federation.

5       SEC. 8099. During the current fiscal year, no  
6 more than \$15,000,000 of appropriations made in this  
7 Act under the heading “Operation and Maintenance, De-  
8 fense-Wide” may be transferred to appropriations avail-  
9 able for the pay of military personnel, to be merged with,  
10 and to be available for the same time period as the ap-  
11 propriations to which transferred, to be used in support  
12 of such personnel in connection with support and services  
13 for eligible organizations and activities outside the De-  
14 partment of Defense pursuant to section 2012 of title 10,  
15 United States Code.

16       SEC. 8100. Beginning in fiscal year 1997 and  
17 thereafter, and notwithstanding any other provision of  
18 law, fixed and mobile telecommunications support shall  
19 be provided by the White House Communications Agency  
20 (WHCA) to the United States Secret Service (USSS),  
21 without reimbursement, in connection with the Secret  
22 Service’s duties directly related to the protection of the  
23 President or the Vice President or other officer imme-  
24 diately next in order of succession to the office of the  
25 President at the White House Security Complex in the

1 Washington, D.C. Metropolitan Area and Camp David,  
2 Maryland. For these purposes, the White House Security  
3 Complex includes the White House, the White House  
4 grounds, the Old Executive Office Building, the New Ex-  
5 ecutive Office Building, the Blair House, the Treasury  
6 Building, and the Vice President’s Residence at the  
7 Naval Observatory.

8           SEC. 8101. None of the funds provided in this Act  
9 may be obligated or expended for the sale of zinc in the  
10 National Defense Stockpile if zinc commodity prices de-  
11 cline more than five percent below the London Metals  
12 Exchange market price reported on the date of enact-  
13 ment of this Act.

14           SEC. 8102. For purposes of section 1553(b) of  
15 title 31, United States Code, any subdivision of appro-  
16 priations made in this Act under the heading “Shipbuild-  
17 ing and Conversion, Navy” shall be considered to be for  
18 the same purpose as any subdivision under the heading  
19 “Shipbuilding and Conversion, Navy” appropriations in  
20 any prior year, and the one percent limitation shall apply  
21 to the total amount of the appropriation.

22           SEC. 8103. During the current fiscal year, and  
23 notwithstanding 31 U.S.C. 1552(a), not more than  
24 \$107,000,000 appropriated under the heading “Aircraft  
25 Procurement, Air Force” in Public Law 101–511 and not

1 more than \$15,000,000 appropriated under the heading  
2 “Aircraft Procurement, Air Force” in Public Law 102–  
3 172 which were available and obligated for the B–2 Air-  
4 craft Program shall remain available for expenditure and  
5 for adjusting obligations for such Program until Septem-  
6 ber 30, 2002.

7       SEC. 8104. During the current fiscal year, in the  
8 case of an appropriation account of the Department of  
9 Defense for which the period of availability for obligation  
10 has expired or which has closed under the provisions of  
11 section 1552 of title 31, United States Code, and which  
12 has a negative unliquidated or unexpended balance, an  
13 obligation or an adjustment of an obligation may be  
14 charged to any current appropriation account for the  
15 same purpose as the expired or closed account if—

16           (1) the obligation would have been properly  
17 chargeable (except as to amount) to the expired or  
18 closed account before the end of the period of avail-  
19 ability or closing of that account;

20           (2) the obligation is not otherwise properly  
21 chargeable to any current appropriation account of  
22 the Department of Defense; and

23           (3) in the case of an expired account, the obli-  
24 gation is not chargeable to a current appropriation  
25 of the Department of Defense under the provisions

1 of section 1405(b)(8) of the National Defense Au-  
2 thorization Act for Fiscal Year 1991, Public Law  
3 101–510, as amended (31 U.S.C. 1551 note): *Pro-*  
4 *vided*, That in the case of an expired account, if sub-  
5 sequent review or investigation discloses that there  
6 was not in fact a negative unliquidated or unex-  
7 pended balance in the account, any charge to a cur-  
8 rent account under the authority of this section shall  
9 be reversed and recorded against the expired ac-  
10 count: *Provided further*, That the total amount  
11 charged to a current appropriation under this sec-  
12 tion may not exceed an amount equal to one percent  
13 of the total appropriation for that account.

14 (TRANSFER OF FUNDS)

15 SEC. 8105. Upon enactment of this Act, the Sec-  
16 retary of Defense shall make the following transfers of  
17 funds: *Provided*, That the amounts transferred shall be  
18 available for the same purposes as the appropriations to  
19 which transferred, and for the same time period as the  
20 appropriation from which transferred: *Provided further*,  
21 That the amounts shall be transferred between the fol-  
22 lowing appropriations in the amount specified:

23 From:

24 Under the heading, “Shipbuilding and Conver-  
25 sion, Navy, 1985/1995”:

26 CG–47 cruiser program, \$4,300,000;

1                   For craft, outfitting, and post delivery,  
2                   \$2,000,000;

3           To:

4           Under the heading, “Shipbuilding and Conver-  
5           sion, Navy, 1985/1995”:

6                   DDG–51 destroyer program, \$6,300,000;

7           From:

8           Under the heading, “Shipbuilding and Conver-  
9           sion, Navy, 1986/1996”:

10                   LHD–1 amphibious assault ship program,  
11                   \$2,154,000;

12           To:

13           Under the heading, “Shipbuilding and Conver-  
14           sion, Navy, 1986/1996”:

15                   For craft, outfitting and post delivery,  
16                   \$2,154,000;

17           From:

18           Under the heading, “Shipbuilding and Conver-  
19           sion, Navy, 1987/1996”:

20                   T–AO fleet oiler program, \$1,095,000;

21                   Oceanographic ship program, \$735,000;

22           To:

23           Under the heading, “Shipbuilding and Conver-  
24           sion, Navy, 1987/1996”:

1           For craft, outfitting, and post delivery,  
2           \$1,830,000;

3           From:

4           Under the heading, “Shipbuilding and Conver-  
5           sion, Navy, 1989/2000”:

6           T-AO fleet oiler program, \$6,571,000;

7           To:

8           Under the heading, “Shipbuilding and Conver-  
9           sion, Navy, 1989/2000”:

10           SSN-21 attack submarine program,  
11           \$6,571,000;

12           From:

13           Under the heading, “Shipbuilding and Conver-  
14           sion, Navy, 1991/2001”:

15           DDG-51 destroyer program, \$12,687,000;

16           To:

17           Under the heading, “Shipbuilding and Conver-  
18           sion, Navy, 1991/2001”:

19           LHD-1 amphibious assault ship program,  
20           \$9,387,000;

21           MHC coastal mine hunter program,  
22           \$3,300,000;

23           From:

24           Under the heading, “Shipbuilding and Conver-  
25           sion, Navy, 1992/1996”:

1 For escalation, \$1,600,000;

2 To:

3 Under the heading, “Shipbuilding and Conver-  
4 sion, Navy, 1992/1996”:

5 MHC coastal mine hunter program,  
6 \$1,600,000;

7 From:

8 Under the heading, “Shipbuilding and Conver-  
9 sion, Navy, 1993/1997”:

10 DDG–51 destroyer program, \$5,000,000;

11 LSD–41 cargo variant ship program,  
12 \$2,700,000;

13 For craft, outfitting, post delivery, and first  
14 destination transportation, and inflation adjust-  
15 ment, \$1,577,000;

16 To:

17 Under the heading, “Shipbuilding and Conver-  
18 sion, Navy, 1993/1997”:

19 AOE combat support ship program,  
20 \$9,277,000;

21 From:

22 Under the heading, “Shipbuilding and Conver-  
23 sion, Navy, 1995/1999”:

24 Carrier replacement program,  
25 \$18,023,000;

1           To:

2           Under the heading, “Shipbuilding and Conver-  
3       sion, Navy, 1993/1997”:

4           MHC coastal mine hunter program,  
5           \$6,700,000;

6           AOE combat support ship program,  
7           \$11,323,000;

8           From:

9           Under the heading, “Shipbuilding and Conver-  
10       sion, Navy, 1994/1998”:

11          LHD-1 amphibious assault ship program,  
12          \$4,100,000;

13          Mine warfare command and control ship,  
14          \$1,000,000;

15          For craft, outfitting, post delivery, and  
16          first destination transportation, \$2,000,000;

17          From:

18          Under the heading, “Shipbuilding and Conver-  
19       sion, Navy, 1995/1999”:

20          Carrier replacement program, \$9,477,000;

21          From:

22          Under the heading, “Shipbuilding and Conver-  
23       sion, Navy, 1996/2000”:

24          NSSN-1 (AP), \$3,791,000;

25          DDG-51 destroyer program, \$4,075,000;



1 CVN Refuelings, \$5,212,000;  
2 LHD-1 amphibious ship program,  
3 \$16,800,000;  
4 T-AGS-64 multi-purpose oceanographic  
5 survey ship, \$375,000;  
6 For craft, outfitting, post delivery, conver-  
7 sions and first destination transportation,  
8 \$11,770,000;

9 To:

10 Under the heading, “Shipbuilding and Conver-  
11 sion, Navy, 1994/1998”:

12 DDG-51 destroyer program, \$41,800,000;  
13 and

14 Under the heading, “Shipbuilding and Conver-  
15 sion, Navy, 1995/1999”:

16 For craft, outfitting, post delivery, conver-  
17 sions and first destination transportation,  
18 \$16,800,000.

19 SEC. 8106. (a) The Secretary of Defense shall re-  
20 quire not later than June 30, 1997, each disbursement  
21 by the Department of Defense in an amount in excess of  
22 \$3,000,000 be matched to a particular obligation before  
23 the disbursement is made.

24 (b) The Secretary shall ensure that a disburse-  
25 ment in excess of the threshold amount applicable under

1 section (a) is not divided into multiple disbursements of  
2 less than that amount for the purpose of avoiding the ap-  
3 plicability of such section to that disbursement.

4 SEC. 8107. Notwithstanding any other provision  
5 of law, the Air Force shall not introduce any new sup-  
6 plier for the remaining production units for the AN/  
7 ALE-47 Countermeasures Dispenser System without  
8 conducting a full and open competition that will include,  
9 but not be limited to, small businesses.

10 SEC. 8108. The Under Secretary of Defense  
11 (Comptroller) shall submit to the congressional defense  
12 committees a detailed report identifying, by amount and  
13 by separate budget activity, activity group, subactivity  
14 group, line item, program element, program, project, sub-  
15 project, and activity, any activity for which the fiscal year  
16 1998 budget request was reduced because Congress ap-  
17 propriated funds above the President's budget request for  
18 that specific activity for fiscal year 1997.

19 SEC. 8109. In applying section 9005 of the De-  
20 partment of Defense Appropriations Act, 1993, Public  
21 Law 102-396 (10 U.S.C. 2241 note), during the current  
22 fiscal year and thereafter—

23 (1) the term “synthetic fabric and coated syn-  
24 thetic fabric” shall be deemed to include all textile  
25 fibers and yarns that are for use in such fabrics; and

1           (2) such section shall be treated, notwithstand-  
2           ing section 34 of Public Law 93–400 (41 U.S.C.  
3           430), as being applicable to contracts and sub-  
4           contracts for the procurement of commercial items  
5           that are articles or items, specialty metals, or tools  
6           covered by that section 9005.

7           SEC. 8110. Notwithstanding any other provision  
8           of law, including Section 2304(j) of title 10, United  
9           States Code, of the funds appropriated under the heading  
10          “Aircraft Procurement, Navy” in Public Law 104–61,  
11          \$45,000,000 shall be made available only for acquisition  
12          of T–39N aircraft, associated ground-based training sys-  
13          tem (GBTTS), service life extension related components  
14          and parts, associated equipment, and data that meet the  
15          Undergraduate Flight Officer (UNFO) training require-  
16          ments by procurement of the T–39N aircraft currently  
17          being used by the Navy for UNFO training under a serv-  
18          ices contract.

19          SEC. 8111. TRADEOFF STUDY OF CURRENT AND  
20          FUTURE DEEP-STRIKE CAPABILITIES.—

21               (1) The Secretary of Defense shall carry out  
22               the deep-strike tradeoff study announced by the  
23               President to study tradeoffs between bombers, land  
24               and sea-based tactical aircraft, and missiles capable  
25               of striking targets in an enemy’s rear area.

1           (2) The Secretary of Defense shall establish an  
2           ad hoc review committee under the auspices of the  
3           Defense Science Board to establish the methodologi-  
4           cal approach to the tradeoff study, to establish a  
5           broad range of stressing scenarios of interest, and to  
6           review assumptions regarding the analysis to be con-  
7           ducted.

8           (3) The ad hoc review committee to be estab-  
9           lished under paragraph (2) shall include among its  
10          members analysts who have performed or partici-  
11          pated in bomber tradeoff analysis, retired military  
12          personnel with broad experience in recent conven-  
13          tional warfare operations, and experts on the logis-  
14          tics of both initial deployment and sustaining sup-  
15          port. These members shall be selected without re-  
16          gard for current service on the Defense Science  
17          Board.

18          (4) After submitting its recommendations for  
19          the conduct of the deep-strike tradeoff study to the  
20          Secretary of Defense, the ad hoc review committee  
21          shall continue to meet regularly to review prelimi-  
22          nary results of the analysis and to recommend addi-  
23          tional variations in assumptions that may be re-  
24          quired to illuminate particular force tradeoff issues.

1           SEC. 8112. Notwithstanding 31 U.S.C. 1552(a),  
2 of the funds provided in Department of Defense Appro-  
3 priations Acts, not more than the specified amounts of  
4 funds from the following accounts shall remain available  
5 for the payment of satellite on-orbit incentive fees until  
6 the fees are paid:

7           “Missile Procurement, Air Force, 1990/1992”,  
8       \$17,800,000;

9           “Missile Procurement, Air Force, 1991/1993”,  
10      \$19,330,000;

11          “Missile Procurement, Air Force, 1992/1994”,  
12      \$23,570,000;

13          “Missile Procurement, Air Force, 1993/1995”,  
14      \$16,780,000;

15          “Missile Procurement, Air Force, 1994/1996”,  
16      \$16,780,000.

17           SEC. 8113. TACTICAL AIRCRAFT REQUIREMENT  
18 STUDY.—The Secretary of Defense and the Chairman of  
19 the Joint Chiefs of Staff shall carry out a joint study  
20 under the direct supervision of the Joint Requirements  
21 Oversight Council (JROC) assessing future tactical air-  
22 craft requirements across service jurisdictions. This study  
23 shall determine the best and most affordable mix of  
24 weapon systems to carry out different mission areas and  
25 shall include recommendations for changes to the planned

1 numbers and types of tactical aircraft to be developed  
2 and procured over the next ten years if appropriate. Such  
3 report shall be submitted to the congressional defense  
4 committees no later than March 30, 1997.

5       SEC. 8114. None of the funds available to the De-  
6 partment of the Navy may be used to enter into any con-  
7 tract for the overhaul, repair, or maintenance of any  
8 naval vessel homeported on the West Coast of the United  
9 States which includes charges for interport differential as  
10 an evaluation factor for award.

11       SEC. 8115. (a) None of the funds available to the  
12 Department of Defense under this Act may be obligated  
13 or expended to reimburse a defense contractor for re-  
14 structuring costs associated with a business combination  
15 of the defense contractor that occurs after the date of en-  
16 actment of this Act unless:

17           (1) the auditable savings for the Department of  
18 Defense resulting from the restructuring will exceed  
19 the costs allowed by a factor of at least two to one,  
20 or

21           (2) the savings for the Department of Defense  
22 resulting from the restructuring will exceed the costs  
23 allowed and the Secretary of Defense determines  
24 that the business combination will result in the pres-

1       ervation of a critical capability that might otherwise  
2       be lost to the Department, and

3           (3) the report required by Section 818(e) of  
4       Public Law 103–337 to be submitted to Congress in  
5       1996 is submitted.

6           (b) Not later than April 1, 1997, the Comptroller  
7       General shall, in consultation with the Inspector General  
8       of the Department of Defense, the Secretary of Defense,  
9       and the Secretary of Labor, submit to Congress a report  
10      which shall include the following:

11           (1) an analysis and breakdown of the restruc-  
12      turing costs paid by or submitted to the Department  
13      of Defense to companies involved in business com-  
14      binations since 1993;

15           (2) an analysis of the specific costs associated  
16      with workforce reductions;

17           (3) an analysis of the services provided to the  
18      workers affected by business combinations;

19           (4) an analysis of the effectiveness of the re-  
20      structuring costs used to assist laid off workers in  
21      gaining employment;

22           (5) in accordance with section 818 of Public  
23      Law 103–337, an analysis of the savings reached  
24      from the business combination relative to the re-

1 structuring costs paid by the Department of De-  
2 fense.

3 (c) The report should set forth recommendations  
4 to make this program more effective for workers affected  
5 by business combinations and more efficient in terms of  
6 the use of Federal dollars.

7 SEC. 8116. Notwithstanding any other provision  
8 of law, none of the funds appropriated in this Act may  
9 be used to purchase, install, replace, or otherwise repair  
10 any lock on a safe or security container which protects  
11 information critical to national security or any other clas-  
12 sified materials and which has not been certified as pass-  
13 ing the security lock specifications contained in regula-  
14 tion FF-L-2740 dated October 12, 1989, and has not  
15 passed all testing criteria and procedures established  
16 through February 28, 1992: *Provided*, That the Director  
17 of Central Intelligence may waive this provision, on a  
18 case-by-case basis only, upon certification that the above  
19 cited locks are not adequate for the protection of sen-  
20 sitive intelligence information.

21 SEC. 8117. Section 8110 of Public Law 104-61  
22 (109 Stat. 674) is hereby repealed.

23 SEC. 8118. The Secretary of Defense, in conjunc-  
24 tion with the Secretary of Labor, shall take such steps  
25 as required to ensure that those Department of Defense



1 contractors and other entities subject to section 4212(d)  
2 of title 38, United States Code are aware of, and in com-  
3 pliance with, the requirements of that section regarding  
4 submission of an annual report to the Secretary of Labor  
5 concerning employment of certain veterans: *Provided*,  
6 That the Secretary of Defense shall ensure that those  
7 Department of Defense contractors and other entities  
8 subject to section 4212(d) of title 38, United States Code  
9 which have contracts with the Department of Defense are  
10 notified of the potential penalties associated with failure  
11 to comply with these annual reporting requirements (in-  
12 cluding potential suspension or debarment from federal  
13 contracting): *Provided further*, That within 180 days of  
14 enactment of this Act the Secretary of Labor and the  
15 Secretary of Defense shall submit a report to Congress  
16 which—

17           (1) using the most recent reporting data, de-  
18 tails the number of reports received from Depart-  
19 ment of Defense contractors and the estimated num-  
20 ber of Department of Defense contractors which are  
21 not in compliance with these annual reporting re-  
22 quirements;

23           (2) describes the steps taken by the Depart-  
24 ments of Labor and Defense in order to ensure com-

1       pliance with section 4212(d) of title 38, United  
2       States Code;

3           (3) describes any additional measures taken or  
4       planned to be taken by the Departments of Labor  
5       and Defense to improve compliance with section  
6       4212(d) of title 38, United States Code pursuant to  
7       this section; and

8           (4) any further recommendations regarding ad-  
9       ditional action (including changes in existing law)  
10      which may be necessary to improve compliance with  
11      section 4212(d) of title 38, United States Code.

12       SEC. 8119. Funds appropriated in title II of this  
13   Act for supervision and administration costs for facilities  
14   maintenance and repair, minor construction, or design  
15   projects may be obligated at the time the reimbursable  
16   order is accepted by the performing activity: *Provided*,  
17   That for the purpose of this section, supervision and ad-  
18   ministration costs includes all in-house Government cost.

19       SEC. 8120. (a) LIMITATION ON ADVANCE BILL-  
20   ING.—During fiscal year 1997, advance billing for serv-  
21   ices provided or work performed by the Defense Business  
22   Operations Fund activities of the Department of the  
23   Navy in excess of \$1,000,000,000 is prohibited.

24       (b) REVISED RATES; ADDITIONAL SUR-  
25   CHARGES.—In conjunction with the Under Secretary of

1 Defense (Comptroller), the Secretary of the Navy shall  
2 develop a plan to revise fiscal year 1997 customer rates  
3 or establish additional surcharges so as to increase reve-  
4 nues to the Defense Business Operations Fund by at  
5 least an additional \$500,000,000 in executing orders ac-  
6 cepted during fiscal year 1997.

7           (c) TRANSFER AUTHORITY.—To the extent nec-  
8 essary to comply with any rate increase or new surcharge  
9 on rates in fiscal year 1997 established under subsection  
10 (b), the Secretary of the Navy shall transfer at least  
11 \$500,000,000, from funds made available under sub-  
12 section (d), into customer accounts of the Navy used to  
13 reimburse the Defense Business Operations Fund so as  
14 to provide customers with sufficient resources to pay the  
15 increased customer rates and additional surcharges. The  
16 transfer authority provided by this subsection is in addi-  
17 tion to other transfer authority provided in this Act. The  
18 funds transferred shall be merged with and available for  
19 the same purposes, and for the same time period, as the  
20 appropriation to which transferred.

21           (d) SOURCE OF FUNDS.—To provide funds for  
22 transfer under subsection (c), the amounts appropriated  
23 elsewhere in this Act for the following appropriation ac-  
24 counts are reduced by 2.0 percent: Aircraft Procurement,  
25 Navy; Weapons Procurement, Navy; Procurement of Am-

1 munition, Navy and Marine Corps; Shipbuilding and  
2 Conversion, Navy; Other Procurement, Navy; and Re-  
3 search, Development, Test and Evaluation, Navy. These  
4 reductions shall be applied on a pro-rata basis to each  
5 line item, program element, program, project, subproject,  
6 and activity within each appropriation account.

7       SEC. 8121. The Secretary of Defense may waive  
8 reimbursement of the cost of conferences, seminars,  
9 courses of instruction, or similar educational activities of  
10 the Asia-Pacific Center for Security Studies for military  
11 officers and civilian officials of foreign nations if the Sec-  
12 retary determines that attendance by such personnel,  
13 without reimbursement, is in the national security inter-  
14 est of the United States: *Provided*, That costs for which  
15 reimbursement is waived pursuant to this subsection shall  
16 be paid from appropriations available for the Asia-Pacific  
17 Center.

18       SEC. 8122. (a) Of the amounts appropriated or  
19 otherwise made available by this Act for the Department  
20 of the Air Force, \$2,000,000 shall be available only for  
21 a facility at Lackland Air Force Base, Texas to provide  
22 comprehensive care and rehabilitation services to children  
23 with disabilities who are dependents of members of the  
24 Armed Forces.

1           (b) Subject to subsection (c), the Secretary of the  
2 Air Force shall grant the funds made available under  
3 subsection (a) to the Children's Association for Maximum  
4 Potential (CAMP) for use by the association to defray  
5 the costs of designing and constructing the facility re-  
6 ferred to in subsection (a).

7           (c)(1) The Secretary may not make a grant of  
8 funds under subsection (b) until the Secretary and the  
9 association enter into an agreement under which the Sec-  
10 retary leases to the association the facility to be con-  
11 structed using the funds.

12           (2) The term of the lease under subsection (c)(1)  
13 may not be less than 25 years.

14           (3) The Secretary may require such additional  
15 terms and conditions in connection with the lease as the  
16 Secretary considers appropriate to protect the interests of  
17 the United States.

18           SEC. 8123. None of the funds appropriated by  
19 this Act may be obligated or expended—

20           (1) to reduce the number of units of special op-  
21 erations forces of the Army National Guard during  
22 fiscal year 1997;

23           (2) to reduce the authorized strength of any  
24 such unit below the strength authorized for the unit  
25 as of September 30, 1996; or

1           (3) to apply any administratively imposed limi-  
2           tation on the assigned strength of any such unit at  
3           less than the strength authorized for that unit as of  
4           September 30, 1996.

5           SEC. 8124. (a) The Secretary of the Army shall  
6           ensure that solicitations for contracts for unrestricted  
7           procurement to be entered into using funds appropriated  
8           for the Army by this Act include, where appropriate, spe-  
9           cific goals for subcontracts with small businesses, small  
10          disadvantaged businesses, and women owned small busi-  
11          nesses.

12          (b) The Secretary shall ensure that any sub-  
13          contract entered into pursuant to a solicitation referred  
14          to in subsection (a) that meets a specific goal referred to  
15          in that subsection is credited toward the overall goal of  
16          the Army for subcontracts with the businesses referred to  
17          in that subsection.

18          SEC. 8125. (a) The Secretary of the Air Force  
19          and the Director of the Office of Personnel Management  
20          shall submit a joint report describing in detail the bene-  
21          fits, allowances, services, and any other forms of assist-  
22          ance which may or shall be provided to any civilian em-  
23          ployee of the Federal Government or to any private citi-  
24          zen, or to the family of such an individual, who is injured  
25          or killed while traveling on an aircraft owned, leased,

1 chartered, or operated by the Government of the United  
2 States.

3 (b) The report required by subsection (a) above  
4 shall be submitted to the congressional defense commit-  
5 tees and to the Committee on Governmental Affairs of  
6 the Senate and the Committee on Government Reform  
7 and Oversight of the House of Representatives not later  
8 than December 15, 1996.

9 SEC. 8126. (a) Not later than March 1, 1997, the  
10 Deputy Secretary of Defense shall submit to the congres-  
11 sional defense committees a report on Department of De-  
12 fense procurements of propellant raw materials.

13 (b) The report shall include the following:

14 (1) The projected future requirements of the  
15 Department of Defense for propellant raw materials,  
16 such as nitrocellulose.

17 (2) The capacity, ability, and production cost  
18 rates of the national technology and industrial base,  
19 including Government-owned, contractor-operated  
20 facilities, contractor-owned and operated facilities,  
21 and Government-owned, Government-operated facili-  
22 ties, for meeting such requirements.

23 (3) The national security benefits of preserving  
24 in the national technology and industrial base con-

1 tractor-owned and operated facilities for producing  
2 propellant raw materials, including nitrocellulose.

3 (4) The extent to which the cost rates for pro-  
4 duction of nitrocellulose in Government-owned, con-  
5 tractor-operated facilities is lower because of the re-  
6 lationship of those facilities with the Department of  
7 Defense than such rates would be without that rela-  
8 tionship.

9 (5) The advantages and disadvantages of per-  
10 mitting commercial facilities to compete for award of  
11 Department of Defense contracts for procurement of  
12 propellant raw materials, such as nitrocellulose.

13 SEC. 8127. Not later than six months after the  
14 date of the enactment of this Act, the Secretary of the  
15 Air Force shall submit to Congress a cost-benefit analysis  
16 of consolidating the ground station infrastructure of the  
17 Air Force that supports polar orbiting satellites.

18 (INCLUDING TRANSFER OF FUNDS)

19 SEC. 8128. In addition to the amounts appro-  
20 priated elsewhere in this Act, \$100,000,000 is appro-  
21 priated for defense against weapons of mass destruction:  
22 *Provided*, That the funds appropriated under this section  
23 may be transferred to and merged with funds appro-  
24 priated elsewhere in this Act and that this transfer au-  
25 thority shall be in addition to any other transfer author-  
26 ity provided under this Act: *Provided further*, That of the



1 funds made available by this section, \$10,000,000 shall  
2 be transferred to and merged with funds appropriated in  
3 this Act for “Procurement, Marine Corps” and shall be  
4 available only for the procurement of equipment that en-  
5 hances the capability of the Chemical-Biological Incident  
6 Response Force to respond to incidents of terrorism.

7       SEC. 8129. The Secretary of Defense, in consulta-  
8 tion with the Secretary of Health and Human Services  
9 and the Director of the Office of Personnel Management,  
10 shall submit a report to the congressional defense com-  
11 mittees by February 1, 1997 containing recommendations  
12 regarding the establishment of a demonstration program  
13 under which covered beneficiaries under chapter 55 of  
14 title 10, United States Code, who are entitled to benefits  
15 under part A of the medicare program and who do not  
16 have access to TRICARE, would be permitted to enroll  
17 in a health benefits program offered through the Federal  
18 Employees Health Benefits Program under chapter 89 of  
19 title 5, United States Code.

20       SEC. 8130. (a) Section 203 of H.R. 3230, the Na-  
21 tional Defense Authorization Act for Fiscal Year 1997,  
22 as passed by the Senate on September 10, 1996, is here-  
23 by amended by repealing section 203(a), section 203(c),  
24 and section 203(e).

1           (b) The amendments made by subsection (a) shall  
2 take effect as of the date of the enactment of the Na-  
3 tional Defense Authorization Act for Fiscal Year 1997 as  
4 if section 203 of such Act had been enacted as so amend-  
5 ed.

6           SEC. 8131. (a) Section 722(c) of the National De-  
7 fense Authorization Act for Fiscal Year 1997 is amend-  
8 ed—

9           (1) by striking out paragraph (2);

10          (2) by striking out “(1)”; and

11          (3) by redesignating subparagraphs (A) and  
12 (B) as paragraphs (1) and (2), respectively.

13          (b) The amendments made by subsection (a) shall  
14 take effect as of the date of the enactment of the Na-  
15 tional Defense Authorization Act for Fiscal Year 1997 as  
16 if section 722 of such Act had been enacted as so amend-  
17 ed.

18          SEC. 8132. The Secretary of Defense shall com-  
19 plete a cost/benefit analysis on the establishment of a Na-  
20 tional Missile Defense Joint Program Office: *Provided*,  
21 That the Secretary of Defense shall submit a report on  
22 this analysis to the congressional defense committees no  
23 later than March 31, 1997: *Provided further*, That the  
24 Department of Defense shall take no action to establish  
25 any National Missile Defense Joint Program Office, to

1 reassign service National Missile Defense roles and mis-  
2 sions under any National Missile Defense Joint Program  
3 Office strategy or to relocate people under such a strat-  
4 egy prior to March 31, 1997.

5       SEC. 8133. (a) Notwithstanding any other provi-  
6 sion of law, the Chief of the National Guard Bureau may  
7 permit the use of equipment of the National Guard Dis-  
8 tance Learning Project by any person or entity on a  
9 space-available, reimbursable basis. The Chief of the Na-  
10 tional Guard Bureau shall establish the amount of reim-  
11 bursement for such use on a case-by-case basis.

12       (b) Amounts collected under subsection (a) shall  
13 be credited to funds available for the National Guard  
14 Distance Learning Project and be available to defray the  
15 costs associated with the use of equipment of the project  
16 under that subsection. Such funds shall be available for  
17 such purposes without fiscal year limitation.

18       SEC. 8134. Using funds available by this Act or  
19 any other Act, the Secretary of the Air Force, pursuant  
20 to a determination under section 2690 of title 10, United  
21 States Code, may implement cost-effective agreements for  
22 required heating facility modernization in the  
23 Kaiserslautern Military Community in the Federal Re-  
24 public of Germany: *Provided*, That in the City of  
25 Kaiserslautern such agreements will include the use of

1 United States anthracite as the base load energy for mu-  
2 nicipal district heat to the United States Defense instal-  
3 lations: *Provided further*, That at Landstuhl Army Re-  
4 gional Medical Center and Ramstein Air Base, furnished  
5 heat may be obtained from private, regional or municipal  
6 services, if provisions are included for the consideration  
7 of United States coal as an energy source.

8 SEC. 8135. (a) Section 2867 of the National De-  
9 fense Authorization Act for Fiscal Year 1997 is amend-  
10 ed—

11 (1) by striking out “Michael O’Callaghan Mili-  
12 tary Hospital” both places it appears in the text of  
13 such section and inserting in lieu thereof “Mike  
14 O’Callaghan Federal Hospital”; and

15 (2) in the section heading, by striking out “MI-  
16 CHAEL O’CALLAGHAN MILITARY HOS-  
17 PITAL” and inserting in lieu thereof “MIKE  
18 O’CALLAGHAN FEDERAL HOSPITAL”.

19 (b) The amendments made by subsection (a) shall  
20 take effect as of the date of the enactment of the Na-  
21 tional Defense Authorization Act for Fiscal Year 1997  
22 and shall apply as if such amendments had been included  
23 in section 2867 of such Act when enacted.

24 SEC. 8136. (a) In addition to any other reductions  
25 required by this Act, the following funds are hereby re-

1 duced from the following accounts in title IV of this Act  
2 in the specified amounts:

3 “Research, Development, Test and Evaluation,  
4 Army”, \$101,257,000;

5 “Research, Development, Test and Evaluation,  
6 Navy”, \$164,179,000;

7 “Research, Development, Test and Evaluation,  
8 Air Force”, \$289,992,000;

9 “Research, Development, Test and Evaluation,  
10 Defense-Wide”, \$119,483,000; and

11 “Developmental Test and Evaluation, Defense”,  
12 \$5,641,000.

13 (b) The reductions taken pursuant to subsection  
14 (a) shall be applied on a pro-rata basis by subproject  
15 within each R-1 program element as modified by this  
16 Act, except that no reduction may be taken against the  
17 funds made available to the Department of Defense for  
18 Ballistic Missile Defense.

19 (c) Unless expressly exempted by subsection (b),  
20 each program element, program, project, subproject, and  
21 activity funded by title IV of this Act shall be allocated  
22 a pro-rata share of any of the reductions made by this  
23 section.

24 (d) Not later than 60 days after enactment of this  
25 Act, the Secretary of Defense shall submit to the con-

1 gressional defense committees a report listing the specific  
2 funding reductions allocated to each category listed in  
3 subsection (c) above pursuant to this section.

4 SEC. 8137. In addition to amounts appropriated  
5 or otherwise made available in this Act, \$230,680,000 is  
6 hereby appropriated to the Department of Defense for  
7 anti-terrorism, counter-terrorism, and security enhance-  
8 ment programs and activities, as follows:

9 “Operation and Maintenance, Army”,  
10 \$15,249,000;

11 “Operation and Maintenance, Navy”,  
12 \$23,956,000;

13 “Operation and Maintenance, Marine Corps”,  
14 \$600,000;

15 “Operation and Maintenance, Air Force”,  
16 \$10,750,000;

17 “Operation and Maintenance, Defense-Wide”,  
18 \$29,534,000;

19 “Operation and Maintenance, Navy Reserve”,  
20 \$517,000;

21 “Other Procurement, Army”, \$5,252,000;

22 “Other Procurement, Air Force”,  
23 \$101,472,000;

24 “Procurement, Defense-Wide”, \$35,350,000;

1           “Research, Development, Test and Evaluation,  
2       Defense-Wide”, \$8,000,000:

3   *Provided*, That such amounts in their entirety are des-  
4   ignated by Congress as an emergency requirement pursu-  
5   ant to section 251(b)(2)(D)(i) of the Balanced Budget and  
6   Emergency Deficit Control Act of 1985, as amended: *Pro-*  
7   *vided further*, That funds appropriated in this section, or  
8   made available by transfer of such funds, for programs  
9   and activities of the Central Intelligence Agency shall re-  
10   main available until September 30, 1997: *Provided further*,  
11   That funds appropriated in this section, or made available  
12   by transfer of such funds, to any intelligence agency or  
13   activity of the United States Government shall be deemed  
14   to be specifically authorized by the Congress for purposes  
15   of section 504 of the National Security Act of 1947 (50  
16   U.S.C. 414).

17       SEC. 8138. Of the amounts provided in Titles I  
18   though VIII of this Act, \$230,680,000 are permanently  
19   canceled: *Provided*, That the Secretary of Defense shall  
20   allocate the amount of budgetary resources canceled by  
21   this section on a pro-rata basis among each budget activ-  
22   ity, activity group and subactivity group and each pro-  
23   gram, project or activity within each appropriations ac-  
24   count.

1           Titles I through VIII of this Act may be cited as  
2 the “Department of Defense Appropriations Act, 1997”.

3 TITLE IX—FISCAL YEAR 1996 SUPPLEMENTAL  
4 APPROPRIATIONS AND RESCISSIONS FOR  
5 ANTI-TERRORISM, COUNTER-TERRORISM,  
6 AND SECURITY ENHANCEMENT ACTIVITIES

7           The following sums are appropriated, out of any  
8 money in the Treasury not otherwise appropriated, to  
9 provide emergency supplemental appropriations for the  
10 Department of Defense for the fiscal year ending Sep-  
11 tember 30, 1996, namely:

12           DEPARTMENT OF DEFENSE—MILITARY  
13                   MILITARY PERSONNEL  
14                   MILITARY PERSONNEL, ARMY

15           For an additional amount for “Military Personnel,  
16 Army”, \$4,800,000: *Provided*, That such amount is des-  
17 ignated by Congress as an emergency requirement pursu-  
18 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
19 and Emergency Deficit Control Act of 1985, as amended.

20                   MILITARY PERSONNEL, AIR FORCE

21           For an additional amount for “Military Personnel,  
22 Air Force”, \$4,000,000: *Provided*, That such amount is  
23 designated by Congress as an emergency requirement  
24 pursuant to section 251(b)(2)(D)(i) of the Balanced



1 Budget and Emergency Deficit Control Act of 1985, as  
2 amended.

3 OPERATION AND MAINTENANCE

4 OPERATION AND MAINTENANCE, ARMY

5 For an additional amount for “Operation and  
6 Maintenance, Army”, \$21,200,000, to remain available  
7 until September 30, 1997: *Provided*, That such amount  
8 is designated by Congress as an emergency requirement  
9 pursuant to section 251(b)(2)(D)(i) of the Balanced  
10 Budget and Emergency Deficit Control Act of 1985, as  
11 amended.

12 OPERATION AND MAINTENANCE, AIR FORCE

13 For an additional amount for “Operation and  
14 Maintenance, Air Force”, \$67,400,000, to remain avail-  
15 able until September 30, 1997: *Provided*, That such  
16 amount is designated by Congress as an emergency re-  
17 quirement pursuant to section 251(b)(2)(D)(i) of the  
18 Balanced Budget and Emergency Deficit Control Act of  
19 1985, as amended: *Provided further*, That these funds  
20 may be used to liquidate obligations incurred by the Air  
21 Force during fiscal year 1996 for costs incurred under  
22 the authority of the Feed and Forage Act (41 U.S.C.  
23 11).

## OTHER PROCUREMENT, ARMY

3 For an additional amount for “Other Procure-  
4 ment, Army”, \$11,600,000, to remain available until  
5 September 30, 1998: *Provided*, That such amount is des-  
6 ignated by Congress as an emergency requirement pursu-  
7 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
8 and Emergency Deficit Control Act of 1985, as amended.

For an additional amount for “Other Procurement, Air Force”, \$13,600,000, to remain available until September 30, 1998: *Provided*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

(RESCISSIONS)

18 SEC. 9001. Of the funds provided in Department  
19 of Defense Appropriations Acts, the following funds are  
20 hereby rescinded, as of the date of enactment of this Act,  
21 from the following accounts in the specified amounts:

22           “Procurement of Ammunition, Army, 1994/  
23           1996”, \$1,000,000;

24 “Other Procurement, Army, 1994/1996”,  
25 \$6,000,000;

1       “Research, Development, Test and Evaluation,  
2       Army, 1995/1996”, \$2,055,000;

3       “Aircraft Procurement, Navy, 1994/1996”,  
4       \$10,157,000;

5       “Weapons Procurement, Navy, 1994/1996”,  
6       \$10,688,000;

7       “Other Procurement, Navy, 1994/1996”,  
8       \$4,000,000;

9       “Research, Development, Test and Evaluation,  
10       Navy, 1995/1996”, \$6,909,000;

11       “Aircraft Procurement, Air Force, 1994/1996”,  
12       \$18,771,000;

13       “Missile Procurement, Air Force, 1994/1996”,  
14       \$10,156,000;

15       “Other Procurement, Air Force, 1994/1996”,  
16       \$14,395,000;

17       “Research, Development, Test and Evaluation,  
18       Air Force, 1995/1996”, \$4,918,000;

19       “Procurement, Defense-Wide, 1994/1996”,  
20       \$9,954,000;

21       “Research, Development, Test and Evaluation,  
22       Defense-Wide, 1995/1996”, \$23,597,000.

23       SEC. 9002. Funds appropriated by this title, or  
24       made available by transfer of such funds, for programs  
25       and activities of the Central Intelligence Agency shall re-

1 main available until September 30, 1997: *Provided*, That  
2 funds appropriated by this title, or made available by  
3 transfer of such funds, to any intelligence agency or intel-  
4 ligence activity of the United States Government shall be  
5 deemed to be specifically authorized by the Congress for  
6 purposes of section 504 of the National Security Act of  
7 1947 (50 U.S.C. 414).

8 (c) For programs, projects or activities in the  
9 Foreign Operations, Export Financing, and Related Pro-  
10 grams Appropriations Act, 1997, provided as follows, to  
11 be effective as if it had been enacted into law as the reg-  
12 ular appropriations Act:

13 AN ACT

14 Making appropriations for the foreign operations,  
15 export financing, and related programs for the fiscal year  
16 ending September 30, 1997, and for other purposes.

17 TITLE I—EXPORT AND INVESTMENT

18 ASSISTANCE

19 EXPORT-IMPORT BANK OF THE UNITED STATES

20 The Export-Import Bank of the United States is  
21 authorized to make such expenditures within the limits of  
22 funds and borrowing authority available to such corpora-  
23 tion, and in accordance with law, and to make such con-  
24 tracts and commitments without regard to fiscal year  
25 limitations, as provided by section 104 of the Government

1 Corporation Control Act, as may be necessary in carrying  
2 out the program for the current fiscal year for such cor-  
3 poration: *Provided*, That none of the funds available dur-  
4 ing the current fiscal year may be used to make expendi-  
5 tures, contracts, or commitments for the export of nu-  
6 clear equipment, fuel, or technology to any country other  
7 than a nuclear-weapon State as defined in Article IX of  
8 the Treaty on the Non-Proliferation of Nuclear Weapons  
9 eligible to receive economic or military assistance under  
10 this Act that has detonated a nuclear explosive after the  
11 date of enactment of this Act.

12 SUBSIDY APPROPRIATION

13 For the cost of direct loans, loan guarantees, in-  
14 surance, and tied-aid grants as authorized by section 10  
15 of the Export-Import Bank Act of 1945, as amended,  
16 \$726,000,000 to remain available until September 30,  
17 1998: *Provided*, That such costs, including the cost of  
18 modifying such loans, shall be as defined in section 502  
19 of the Congressional Budget Act of 1974: *Provided fur-*  
20 *ther*, That such sums shall remain available until 2012  
21 for the disbursement of direct loans, loan guarantees, in-  
22 surance and tied-aid grants obligated in fiscal years 1997  
23 and 1998: *Provided further*, That up to \$50,000,000 of  
24 funds appropriated by this paragraph shall remain avail-  
25 able until expended and may be used for tied-aid grant  
26 purposes: *Provided further*, That none of the funds appro-

1 priated by this paragraph may be used for tied-aid cred-  
2 its or grants except through the regular notification pro-  
3 cedures of the Committees on Appropriations: *Provided*  
4 *further*, That funds appropriated by this paragraph are  
5 made available notwithstanding section 2(b)(2) of the Ex-  
6 port-Import Bank Act of 1945, in connection with the  
7 purchase or lease of any product by any East European  
8 country, any Baltic State, or any agency or national  
9 thereof.

10 ADMINISTRATIVE EXPENSES

11 For administrative expenses to carry out the di-  
12 rect and guaranteed loan and insurance programs (to be  
13 computed on an accrual basis), including hire of pas-  
14 senger motor vehicles and services as authorized by 5  
15 U.S.C. 3109, and not to exceed \$20,000 for official re-  
16 ception and representation expenses for members of the  
17 Board of Directors, \$46,614,000: *Provided*, That nec-  
18 essary expenses (including special services performed on  
19 a contract or fee basis, but not including other personal  
20 services) in connection with the collection of moneys owed  
21 the Export-Import Bank, repossession or sale of pledged  
22 collateral or other assets acquired by the Export-Import  
23 Bank in satisfaction of moneys owed the Export-Import  
24 Bank, or the investigation or appraisal of any property,  
25 or the evaluation of the legal or technical aspects of any  
26 transaction for which an application for a loan, guarantee

1 or insurance commitment has been made, shall be consid-  
2 ered nonadministrative expenses for the purposes of this  
3 heading: *Provided further*, That, effective July 21, 1997,  
4 notwithstanding any other provision of law, none of the  
5 funds made available by this or any other Act may be  
6 made available to compensate the incumbent Chairman  
7 and President of the Export-Import Bank: *Provided fur-*  
8 *ther*, That, notwithstanding subsection (b) of section 117  
9 of the Export Enhancement Act of 1992, subsection (a)  
10 thereof shall remain in effect until October 1, 1997.

11 OVERSEAS PRIVATE INVESTMENT CORPORATION  
12 NONCREDIT ACCOUNT

13 The Overseas Private Investment Corporation is  
14 authorized to make, without regard to fiscal year limita-  
15 tions, as provided by 31 U.S.C. 9104, such expenditures  
16 and commitments within the limits of funds available to  
17 it and in accordance with law as may be necessary: *Pro-*  
18 *vided*, That the amount available for administrative ex-  
19 penses to carry out the credit and insurance programs  
20 (including an amount for official reception and represen-  
21 tation expenses which shall not exceed \$35,000) shall not  
22 exceed \$32,000,000: *Provided further*, That project-spe-  
23 cific transaction costs, including direct and indirect costs  
24 incurred in claims settlements, and other direct costs as-  
25 sociated with services provided to specific investors or po-  
26 tential investors pursuant to section 234 of the Foreign

1 Assistance Act of 1961, shall not be considered adminis-  
2 trative expenses for the purposes of this heading.

3 PROGRAM ACCOUNT

4 For the cost of direct and guaranteed loans,  
5 \$72,000,000, as authorized by section 234 of the Foreign  
6 Assistance Act of 1961: *Provided*, That such costs, in-  
7 cluding the cost of modifying such loans, shall be as de-  
8 fined in section 502 of the Congressional Budget Act of  
9 1974: *Provided further*, That such sums shall be available  
10 for direct loan obligations and loan guaranty commit-  
11 ments incurred or made during fiscal years 1997 and  
12 1998: *Provided further*, That such sums shall remain  
13 available through fiscal year 2005 for the disbursement  
14 of direct and guaranteed loans obligated in fiscal year  
15 1997, and through fiscal year 2006 for the disbursement  
16 of direct and guaranteed loans obligated in fiscal year  
17 1998: *Provided further*, That section 235(a)(3) of the  
18 Foreign Assistance Act of 1961 (22 U.S.C. 2195(a)(3))  
19 is amended by striking out “1996” and inserting in lieu  
20 thereof “1997” and, notwithstanding section 235(a)(1) of  
21 the Foreign Assistance Act of 1961 (22 U.S.C.  
22 2195(a)(1)), the maximum contingent liability of issuing  
23 authority for insurance and financing shall not in the ag-  
24 gregate exceed the amounts provided in section 235(a)(1)  
25 and (2) of that Act. In addition, such sums as may be  
26 necessary for administrative expenses to carry out the



1 credit program may be derived from amounts available  
2 for administrative expenses to carry out the credit and  
3 insurance programs in the Overseas Private Investment  
4 Corporation Noncredit Account and merged with said ac-  
5 count.

6 FUNDS APPROPRIATED TO THE PRESIDENT

7 TRADE AND DEVELOPMENT AGENCY

8 For necessary expenses to carry out the provisions  
9 of section 661 of the Foreign Assistance Act of 1961,  
10 \$40,000,000: *Provided*, That the Trade and Development  
11 Agency may receive reimbursements from corporations  
12 and other entities for the costs of grants for feasibility  
13 studies and other project planning services, to be depos-  
14 ited as an offsetting collection to this account and to be  
15 available for obligation until September 30, 1998, for  
16 necessary expenses under this paragraph: *Provided fur-*  
17 *ther*, That such reimbursements shall not cover, or be al-  
18 located against, direct or indirect administrative costs of  
19 the agency.

20 TITLE II—BILATERAL ECONOMIC ASSISTANCE

21 FUNDS APPROPRIATED TO THE PRESIDENT

22 For expenses necessary to enable the President to  
23 carry out the provisions of the Foreign Assistance Act of  
24 1961, and for other purposes, to remain available until

1 September 30, 1997, unless otherwise specified herein, as  
2 follows:

3 AGENCY FOR INTERNATIONAL DEVELOPMENT  
4 CHILD SURVIVAL AND DISEASE PROGRAMS FUND

5 For necessary expenses to carry out the provisions  
6 of part I and chapter 4 of part II of the Foreign Assist-  
7 ance Act of 1961, for child survival, basic education, as-  
8 sistance to combat tropical and other diseases, and relat-  
9 ed activities, in addition to funds otherwise available for  
10 such purposes, \$600,000,000, to remain available until  
11 expended: *Provided*, That this amount shall be made  
12 available for such activities as (1) immunization pro-  
13 grams, (2) oral rehydration programs, (3) health and nu-  
14 trition programs, and related education programs, which  
15 address the needs of mothers and children, (4) water and  
16 sanitation programs, (5) assistance for displaced and or-  
17 phaned children, (6) programs for the prevention, treat-  
18 ment, and control of, and research on, tuberculosis, HIV/  
19 AIDS, polio, malaria and other diseases, (7) not to ex-  
20 ceed \$98,000,000 for basic education programs for chil-  
21 dren, and (8) a contribution on a grant basis to the Unit-  
22 ed Nations Children's Fund (UNICEF) pursuant to sec-  
23 tion 301 of the Foreign Assistance Act of 1961.

## 1 DEVELOPMENT ASSISTANCE

## 2 (INCLUDING TRANSFER OF FUNDS)

3 For necessary expenses to carry out the provisions  
4 of sections 103 through 106 and chapter 10 of part I of  
5 the Foreign Assistance Act of 1961, title V of the Inter-  
6 national Security and Development Cooperation Act of  
7 1980 (Public Law 96–533) and the provisions of section  
8 401 of the Foreign Assistance Act of 1969,  
9 \$1,181,500,000, to remain available until September 30,  
10 1998: *Provided*, That of the amount appropriated under  
11 this heading, up to \$20,000,000 may be made available  
12 for the Inter-American Foundation and shall be appor-  
13 tioned directly to that Agency: *Provided further*, That of  
14 the amount appropriated under this heading, up to  
15 \$11,500,000 may be made available for the African De-  
16 velopment Foundation and shall be apportioned directly  
17 to that agency: *Provided further*, That of the funds ap-  
18 propriated under title II of this Act that are administered  
19 by the Agency for International Development and made  
20 available for family planning assistance, not less than 65  
21 percent shall be made available directly to the agency’s  
22 central Office of Population and shall be programmed by  
23 that office for family planning activities: *Provided further*,  
24 That of the funds appropriated under this heading and  
25 under the heading “Child Survival and Disease Programs  
26 Fund” that are made available by the Agency for Inter-

1 national Development for development assistance activi-  
2 ties, the amount made available to carry out chapter 10  
3 of part I of the Foreign Assistance Act of 1961 (relating  
4 to the Development Fund for Africa) and the amount  
5 made available for activities in the Latin America and  
6 Caribbean region should be in at least the same propor-  
7 tion as the amount identified in the fiscal year 1997  
8 draft congressional presentation document for develop-  
9 ment assistance for each such region is to the total  
10 amount requested for development assistance for such fis-  
11 cal year: *Provided further*, That funds appropriated under  
12 this heading may be made available, notwithstanding any  
13 other provision of law except section 515 of this Act, to  
14 assist Vietnam to reform its trade regime (such as  
15 through reform of its commercial and investment legal  
16 codes): *Provided further*, That none of the funds made  
17 available in this Act nor any unobligated balances from  
18 prior appropriations may be made available to any orga-  
19 nization or program which, as determined by the Presi-  
20 dent of the United States, supports or participates in the  
21 management of a program of coercive abortion or invol-  
22 untary sterilization: *Provided further*, That none of the  
23 funds made available under this heading may be used to  
24 pay for the performance of abortion as a method of fam-  
25 ily planning or to motivate or coerce any person to prac-

1 tice abortions; and that in order to reduce reliance on  
2 abortion in developing nations, funds shall be available  
3 only to voluntary family planning projects which offer, ei-  
4 ther directly or through referral to, or information about  
5 access to, a broad range of family planning methods and  
6 services: *Provided further*, That in awarding grants for  
7 natural family planning under section 104 of the Foreign  
8 Assistance Act of 1961 no applicant shall be discrimi-  
9 nated against because of such applicant's religious or  
10 conscientious commitment to offer only natural family  
11 planning; and, additionally, all such applicants shall com-  
12 ply with the requirements of the previous proviso: *Pro-*  
13 *vided further*, That for purposes of this or any other Act  
14 authorizing or appropriating funds for foreign operations,  
15 export financing, and related programs, the term "moti-  
16 vate", as it relates to family planning assistance, shall  
17 not be construed to prohibit the provision, consistent with  
18 local law, of information or counseling about all preg-  
19 nancy options: *Provided further*, That nothing in this  
20 paragraph shall be construed to alter any existing statu-  
21 tory prohibitions against abortion under section 104 of  
22 the Foreign Assistance Act of 1961: *Provided further*,  
23 That, notwithstanding section 109 of the Foreign Assist-  
24 ance Act of 1961, of the funds appropriated under this  
25 heading in this Act, and of the unobligated balances of

1 funds previously appropriated under this heading, up to  
2 \$17,500,000 may be transferred to “International Orga-  
3 nizations and Programs” for a contribution to the Inter-  
4 national Fund for Agricultural Development (IFAD), and  
5 that any such transfer of funds shall be subject to the  
6 regular notification procedures of the Committees on Ap-  
7 propriations: *Provided further*, That of the funds appro-  
8 priated under this heading that are made available for  
9 assistance programs for displaced and orphaned children  
10 and victims of war, not to exceed \$25,000, in addition to  
11 funds otherwise available for such purposes, may be used  
12 to monitor and provide oversight of such programs: *Pro-*  
13 *vided further*, That not less than \$500,000 of the funds  
14 made available under this heading shall be available only  
15 for support of the United States Telecommunications  
16 Training Institute.

## CYPRUS

18       Of the funds appropriated under the headings  
19 “Development Assistance” and “Economic Support  
20 Fund”, not less than \$15,000,000 shall be made avail-  
21 able for Cyprus to be used only for scholarships, adminis-  
22 trative support of the scholarship program, bicomunal  
23 projects, and measures aimed at reunification of the is-  
24 land and designed to reduce tensions and promote peace  
25 and cooperation between the two communities on Cyprus.

## 1 BURMA

2 Of the funds appropriated by this Act to carry out  
3 the provisions of chapter 4 of part II of the Foreign As-  
4 sistance Act of 1961, not less than \$2,500,000 shall be  
5 made available to support activities in Burma, along the  
6 Burma-Thailand border, and for activities of Burmese  
7 student groups and other organizations located outside  
8 Burma, for the purposes of fostering democracy in  
9 Burma, supporting the provision of medical supplies and  
10 other humanitarian assistance to Burmese located in  
11 Burma or displaced Burmese along the borders, and for  
12 other purposes: *Provided*, That of this amount, not less  
13 than \$200,000 shall be made available to support news-  
14 papers, publications, and other media activities promot-  
15 ing democracy inside Burma: *Provided further*, That  
16 funds made available under this heading may be made  
17 available notwithstanding any other provision of law: *Pro-*  
18 *vided further*, That provision of such funds shall be made  
19 available subject to the regular notification procedures of  
20 the Committees on Appropriations.

## 21 PRIVATE AND VOLUNTARY ORGANIZATIONS

22 None of the funds appropriated or otherwise made  
23 available by this Act for development assistance may be  
24 made available to any United States private and vol-  
25 untary organization, except any cooperative development  
26 organization, which obtains less than 20 per centum of

1 its total annual funding for international activities from  
2 sources other than the United States Government: *Pro-*  
3 *vided*, That the requirements of the provisions of section  
4 123(g) of the Foreign Assistance Act of 1961 and the  
5 provisions on private and voluntary organizations in title  
6 II of the “Foreign Assistance and Related Programs Ap-  
7 propriations Act, 1985” (as enacted in Public Law 98–  
8 473) shall be superseded by the provisions of this section,  
9 except that the authority contained in the last sentence  
10 of section 123(g) may be exercised by the Administrator  
11 with regard to the requirements of this paragraph.

12 Funds appropriated or otherwise made available  
13 under title II of this Act should be made available to pri-  
14 vate and voluntary organizations at a level which is  
15 equivalent to the level provided in fiscal year 1995. Such  
16 private and voluntary organizations shall include those  
17 which operate on a not-for-profit basis, receive contribu-  
18 tions from private sources, receive voluntary support  
19 from the public and are deemed to be among the most  
20 cost-effective and successful providers of development as-  
21 sistance.

22 INTERNATIONAL DISASTER ASSISTANCE

23 For necessary expenses for international disaster  
24 relief, rehabilitation, and reconstruction assistance pursu-  
25 ant to section 491 of the Foreign Assistance Act of 1961,



1 as amended, \$190,000,000, to remain available until ex-  
2 pended.

3 DEBT RESTRUCTURING

4 For the cost, as defined in section 502 of the Con-  
5 gressional Budget Act of 1974, of modifying direct loans  
6 and loan guarantees, as the President may determine, for  
7 which funds have been appropriated or otherwise made  
8 available for programs within the International Affairs  
9 Budget Function 150, including the cost of selling, re-  
10 ducing, or canceling amounts, through debt buybacks and  
11 swaps, owed to the United States as a result of  
12 concessional loans made to eligible Latin American and  
13 Caribbean countries, pursuant to part IV of the Foreign  
14 Assistance Act of 1961, and of modifying concessional  
15 loans authorized under title I of the Agricultural Trade  
16 Development and Assistance Act of 1954, as amended,  
17 as authorized under subsection (a) under the heading  
18 “Debt Reduction for Jordan” in title VI of Public Law  
19 103–306; \$27,000,000, to remain available until ex-  
20 pended: *Provided*, That none of the funds appropriated  
21 under this heading shall be obligated except as provided  
22 through the regular notification procedures of the Com-  
23 mittees on Appropriations.

1 MICRO AND SMALL ENTERPRISE DEVELOPMENT PROGRAM  
2 ACCOUNT

3 For the cost of direct loans and loan guarantees,  
4 \$1,500,000, as authorized by section 108 of the Foreign  
5 Assistance Act of 1961, as amended: *Provided*, That such  
6 costs shall be as defined in section 502 of the Congres-  
7 sional Budget Act of 1974: *Provided further*, That guar-  
8 antees of loans made under this heading in support of  
9 microenterprise activities may guarantee up to 70 percent  
10 of the principal amount of any such loans notwithstand-  
11 ing section 108 of the Foreign Assistance Act of 1961.  
12 In addition, for administrative expenses to carry out pro-  
13 grams under this heading, \$500,000, all of which may be  
14 transferred to and merged with the appropriation for Op-  
15 erating Expenses of the Agency for International Devel-  
16 opment: *Provided further*, That funds made available  
17 under this heading shall remain available until September  
18 30, 1998.

19 HOUSING GUARANTY PROGRAM ACCOUNT

20 For the cost, as defined in section 502 of the Con-  
21 gressional Budget Act of 1974, of guaranteed loans au-  
22 thorized by sections 221 and 222 of the Foreign Assist-  
23 ance Act of 1961, \$3,500,000, to remain available until  
24 September 30, 1998: *Provided*, That these funds are  
25 available to subsidize loan principal, 100 percent of which  
26 shall be guaranteed, pursuant to the authority of such

1 sections. In addition, for administrative expenses to carry  
2 out guaranteed loan programs, \$6,000,000, all of which  
3 may be transferred to and merged with the appropriation  
4 for Operating Expenses of the Agency for International  
5 Development: *Provided further*, That commitments to  
6 guarantee loans under this heading may be entered into  
7 notwithstanding the second and third sentences of section  
8 222(a) and, with regard to programs for Central and  
9 Eastern Europe and programs for the benefit of South  
10 Africans disadvantaged by apartheid, section 223(j) of  
11 the Foreign Assistance Act of 1961.

12 PAYMENT TO THE FOREIGN SERVICE RETIREMENT AND  
13 DISABILITY FUND

14 For payment to the “Foreign Service Retirement  
15 and Disability Fund”, as authorized by the Foreign Serv-  
16 ice Act of 1980, \$43,826,000.

17 OPERATING EXPENSES OF THE AGENCY FOR  
18 INTERNATIONAL DEVELOPMENT

19 For necessary expenses to carry out the provisions  
20 of section 667, \$470,750,000: *Provided*, That none of the  
21 funds appropriated by this Act for programs adminis-  
22 tered by the Agency for International Development may  
23 be used to finance printing costs of any report or study  
24 (except feasibility, design, or evaluation reports or stud-  
25 ies) in excess of \$25,000 without the approval of the Ad-

1   ministrator of the Agency or the Administrator's des-  
2   ignee.

3   OPERATING EXPENSES OF THE AGENCY FOR INTER-  
4       NATIONAL DEVELOPMENT OFFICE OF INSPECTOR  
5       GENERAL

6       For necessary expenses to carry out the provisions  
7   of section 667, \$30,000,000, to remain available until  
8   September 30, 1998, which sum shall be available for the  
9   Office of the Inspector General of the Agency for Inter-  
10   national Development.

11       OTHER BILATERAL ECONOMIC ASSISTANCE  
12       ECONOMIC SUPPORT FUND

13       For necessary expenses to carry out the provisions  
14   of chapter 4 of part II, \$2,343,000,000, to remain avail-  
15   able until September 30, 1998: *Provided*, That of the  
16   funds appropriated under this heading, not less than  
17   \$1,200,000,000 shall be available only for Israel, which  
18   sum shall be available on a grant basis as a cash transfer  
19   and shall be disbursed within thirty days of enactment of  
20   this Act or by October 31, 1996, whichever is later: *Pro-*  
21   *vided further*, That not less than \$815,000,000 shall be  
22   available only for Egypt, which sum shall be provided on  
23   a grant basis, and of which sum cash transfer assistance  
24   may be provided, with the understanding that Egypt will  
25   undertake significant economic reforms which are addi-  
26   tional to those which were undertaken in previous fiscal

1 years, and of which not less than \$200,000,000 shall be  
2 provided as Commodity Import Program assistance: *Pro-*  
3 *vided further*, That in exercising the authority to provide  
4 cash transfer assistance for Israel and Egypt, the Presi-  
5 dent shall ensure that the level of such assistance does  
6 not cause an adverse impact on the total level of non-  
7 military exports from the United States to each such  
8 country: *Provided further*, That it is the sense of the Con-  
9 gress that the recommended levels of assistance for  
10 Egypt and Israel are based in great measure upon their  
11 continued participation in the Camp David Accords and  
12 upon the Egyptian-Israeli peace treaty: *Provided further*,  
13 That none of the funds appropriated under this heading  
14 shall be made available for Zaire.

15 INTERNATIONAL FUND FOR IRELAND

16 For necessary expenses to carry out the provisions  
17 of chapter 4 of part II of the Foreign Assistance Act of  
18 1961, \$19,600,000, which shall be available for the Unit-  
19 ed States contribution to the International Fund for Ire-  
20 land and shall be made available in accordance with the  
21 provisions of the Anglo-Irish Agreement Support Act of  
22 1986 (Public Law 99-415): *Provided*, That such amount  
23 shall be expended at the minimum rate necessary to  
24 make timely payment for projects and activities: *Provided*  
25 *further*, That funds made available under this heading  
26 shall remain available until September 30, 1998.

(b) Funds appropriated under this heading or in prior appropriations Acts that are or have been made available for an Enterprise Fund may be deposited by such Fund in interest-bearing accounts prior to the Fund's disbursement of such funds for program purposes. The Fund may retain for such program purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress. Funds made available for Enterprise Funds shall be expended at the minimum rate necessary to make timely payment for projects and activities.

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1 available the administrative authorities contained in that  
2 Act for the use of economic assistance.

3 (d) None of the funds appropriated under this  
4 heading may be made available for new housing construc-  
5 tion or repair or reconstruction of existing housing in  
6 Bosnia and Herzegovina unless directly related to the ef-  
7 forts of United States troops to promote peace in said  
8 country.

9 (e) With regard to funds appropriated or other-  
10 wise made available under this heading for the economic  
11 revitalization program in Bosnia and Herzegovina, and  
12 local currencies generated by such funds (including the  
13 conversion of funds appropriated under this heading into  
14 currency used by Bosnia and Herzegovina as local cur-  
15 rency and local currency returned or repaid under such  
16 program)—

17 (1) the Administrator of the Agency for Inter-  
18 national Development shall provide written approval  
19 for grants and loans prior to the obligation and ex-  
20 penditure of funds for such purposes, and prior to  
21 the use of funds that have been returned or repaid  
22 to any lending facility or grantee; and

23 (2) the provisions of section 531 of this Act  
24 shall apply.

1           (f) With regard to funds appropriated under this  
2 heading that are made available for economic revitaliza-  
3 tion programs in Bosnia and Herzegovina, 50 percent of  
4 such funds shall not be available for obligation unless the  
5 President determines and certifies to the Committees on  
6 Appropriations that the Federation of Bosnia and  
7 Herzegovina has complied with article III of annex 1–A  
8 of the General Framework Agreement for Peace in  
9 Bosnia and Herzegovina concerning the withdrawal of  
10 foreign forces, and that intelligence cooperation on train-  
11 ing, investigations, and related activities between Iranian  
12 officials and Bosnian officials has been terminated.

13       ASSISTANCE FOR THE NEW INDEPENDENT STATES OF  
14                               THE FORMER SOVIET UNION

15           (a) For necessary expenses to carry out the provi-  
16 sions of chapter 11 of part I of the Foreign Assistance  
17 Act of 1961 and the FREEDOM Support Act, for assist-  
18 ance for the new independent states of the former Soviet  
19 Union and for related programs, \$625,000,000, to re-  
20 main available until September 30, 1998: *Provided*, That  
21 the provisions of such chapter shall apply to funds appro-  
22 priated by this paragraph.

23           (b) None of the funds appropriated under this  
24 heading shall be transferred to the Government of Rus-  
25 sia—



1           (1) unless that Government is making progress  
2       in implementing comprehensive economic reforms  
3       based on market principles, private ownership, nego-  
4       tiating repayment of commercial debt, respect for  
5       commercial contracts, and equitable treatment of  
6       foreign private investment; and

7           (2) if that Government applies or transfers  
8       United States assistance to any entity for the pur-  
9       pose of expropriating or seizing ownership or control  
10      of assets, investments, or ventures.

11          (c) Funds may be furnished without regard to  
12      subsection (b) if the President determines that to do so  
13      is in the national interest.

14          (d) None of the funds appropriated under this  
15      heading shall be made available to any government of the  
16      new independent states of the former Soviet Union if that  
17      government directs any action in violation of the terri-  
18      torial integrity or national sovereignty of any other new  
19      independent state, such as those violations included in  
20      the Helsinki Final Act: *Provided*, That such funds may  
21      be made available without regard to the restriction in this  
22      subsection if the President determines that to do so is in  
23      the national security interest of the United States: *Pro-*  
24      *vided further*, That the restriction of this subsection shall  
25      not apply to the use of such funds for the provision of

1 assistance for purposes of humanitarian, disaster and ref-  
2 ugee relief.

3 (e) None of the funds appropriated under this  
4 heading for the new independent states of the former So-  
5 viet Union shall be made available for any state to en-  
6 hance its military capability: *Provided*, That this restric-  
7 tion does not apply to demilitarization or nonproliferation  
8 programs.

9 (f) Funds appropriated under this heading shall  
10 be subject to the regular notification procedures of the  
11 Committees on Appropriations.

12 (g) Funds made available in this Act for assist-  
13 ance to the new independent states of the former Soviet  
14 Union shall be subject to the provisions of section 117  
15 (relating to environment and natural resources) of the  
16 Foreign Assistance Act of 1961.

17 (h)(1) Of the funds appropriated under title II of  
18 this Act, including funds appropriated under this head-  
19 ing, not less than \$10,000,000 shall be available only for  
20 assistance for Mongolia, of which amount not less than  
21 \$6,000,000 shall be available only for the Mongolian en-  
22 ergy sector.

23 (2) Funds made available for assistance for Mon-  
24 golia may be made available in accordance with the pur-

1 poses and utilizing the authorities provided in chapter 11  
2 of part I of the Foreign Assistance Act of 1961.

3 (i) Funds made available in this Act for assistance  
4 to the New Independent States of the former Soviet  
5 Union shall be provided to the maximum extent feasible  
6 through the private sector, including small- and medium-  
7 size businesses, entrepreneurs, and others with indige-  
8 nous private enterprises in the region, intermediary devel-  
9 opment organizations committed to private enterprise,  
10 and private voluntary organizations: *Provided*, That  
11 grantees and contractors should, to the maximum extent  
12 possible, place in key staff positions specialists with prior  
13 on the ground expertise in the region of activity and flu-  
14 ency in one of the local languages.

15 (j) In issuing new task orders, entering into con-  
16 tracts, or making grants, with funds appropriated under  
17 this heading or in prior appropriations Acts, for projects  
18 or activities that have as one of their primary purposes  
19 the fostering of private sector development, the Coordina-  
20 tor for United States Assistance to the New Independent  
21 States and the implementing agency shall encourage the  
22 participation of and give significant weight to contractors  
23 and grantees who propose investing a significant amount  
24 of their own resources (including volunteer services and  
25 in-kind contributions) in such projects and activities.

1           (k) Of the funds made available under this head-  
2 ing, not less than \$225,000,000 shall be made available  
3 for Ukraine, of which funds not less than \$25,000,000  
4 shall be made available to carry out United States decom-  
5 missioning obligations regarding the Chornobyl plant  
6 made in the Memorandum of Understanding between the  
7 Government of Ukraine and the G-7 Group: *Provided*,  
8 That not less than \$35,000,000 shall be made available  
9 for agricultural projects, including those undertaken  
10 through the Food Systems Restructuring Program, which  
11 leverage private sector resources with United States Gov-  
12 ernment assistance: *Provided further*, That \$5,000,000  
13 shall be available for a small business incubator project:  
14 *Provided further*, That \$5,000,000 shall be made avail-  
15 able for screening and treatment of childhood mental and  
16 physical illnesses related to Chornobyl radiation: *Provided*  
17 *further*, That \$5,000,000 shall be available only for a  
18 land and resource management institute to identify nu-  
19 clear contamination at Chornobyl: *Provided further*, That  
20 \$15,000,000 shall be available for the legal restructuring  
21 necessary to support a decentralized market-oriented eco-  
22 nomic system, including enactment of necessary sub-  
23 stantive commercial law, implementation of reforms nec-  
24 essary to establish an independent judiciary and bar,  
25 legal education for judges, attorneys, and law students,

1 and education of the public designed to promote under-  
2 standing of a law-based economy.

3 (l) Of the funds made available for Ukraine,  
4 under this Act and Public Law 104–107, not less than  
5 \$50,000,000 shall be made available to improve safety at  
6 nuclear reactors: *Provided*, That of this amount  
7 \$20,000,000 shall be provided for the purchase and in-  
8 stallation of, and training for, safety parameter display  
9 or control systems at all operational nuclear reactors:  
10 *Provided further*, That of this amount, \$20,000,000 shall  
11 be made available for the purchase, construction, installa-  
12 tion and training for Full Scope and Analytical/Engineer-  
13 ing simulators: *Provided further*, That of this amount  
14 funds shall be made available to conduct Safety Analysis  
15 Reports at all operational nuclear reactors.

16 (m) Of the funds made available by this Act, not  
17 less than \$95,000,000 shall be made available for Arme-  
18 nia.

19 (n) Funds appropriated under this heading or in  
20 prior appropriations Acts that are or have been made  
21 available for an Enterprise Fund may be deposited by  
22 such Fund in interest-bearing accounts prior to the dis-  
23 bursement of such funds by the Fund for program pur-  
24 poses. The Fund may retain for such program proposes  
25 any interest earned on such deposits without returning

1 such interest to the Treasury of the United States and  
2 without further appropriation by the Congress. Funds  
3 made available for Enterprise Funds shall be expended at  
4 the minimum rate necessary to make timely payment for  
5 projects and activities.

6 (o)(1) None of the funds appropriated under this  
7 heading may be made available for Russia unless the  
8 President determines and certifies in writing to the Com-  
9 mittees on Appropriations that the Government of Russia  
10 has terminated implementation of arrangements to pro-  
11 vide Iran with technical expertise, training, technology, or  
12 equipment necessary to develop a nuclear reactor or re-  
13 lated nuclear research facilities or programs.

14 (2) Paragraph (1) shall not apply if the President  
15 determines that making such funds available is important  
16 to the national security interest of the United States.  
17 Any such determination shall cease to be effective six  
18 months after being made unless the President determines  
19 that its continuation is important to the national security  
20 interest of the United States.

21 (p) Of the funds made available under this head-  
22 ing, not less than \$10,000,000 shall be made available  
23 for a United States contribution to the Trans-Caucasus  
24 Enterprise Fund: *Provided*, That to further the develop-  
25 ment of the private sector in the Trans-Caucasus, such

1 amount and amounts appropriated for purposes of sub-  
2 section (t) under the heading “Assistance for the New  
3 Independent States of the Former Soviet Union” in Pub-  
4 lic Law 104–107 may be invested in a Trans-Caucasus  
5 Enterprise Fund or, notwithstanding the provisions of  
6 such subsection, invested in other funds established by  
7 public or private organizations, or transferred to the  
8 Overseas Private Investment Corporation to be available,  
9 subject to the requirements of the Federal Credit Reform  
10 Act, to subsidize the costs of direct and guaranteed loans.

11       (q)(1) Funds appropriated under this heading  
12 may not be made available for the Government of  
13 Ukraine if the President determines and reports to the  
14 Committees on Appropriations that the Government of  
15 Ukraine is engaged in military cooperation with the Gov-  
16 ernment of Libya.

17       (2) Paragraph (1) shall not apply if the President  
18 determines that making such funds available is important  
19 to the national security interest of the United States.  
20 Any such determination shall cease to be effective six  
21 months after being made unless the President determines  
22 that its continuation is important to the national security  
23 interest of the United States.

24       (r) Of the funds appropriated under this heading,  
25 not less than \$15,000,000 should be available only for a

1 family planning program for the New Independent States  
2 of the former Soviet Union comparable to the family  
3 planning program currently administered by the Agency  
4 for International Development in the Central Asian Re-  
5 publics and focusing on population assistance which pro-  
6 vides an alternative to abortion.

7 (s) Funds made available under this Act or any  
8 other Act (other than assistance under title V of the  
9 FREEDOM Support Act and section 1424 of the “Na-  
10 tional Defense Authorization Act for Fiscal Year 1997”)   
11 may not be provided for assistance to the Government of  
12 Azerbaijan until the President determines, and so reports  
13 to the Congress, that the Government of Azerbaijan is  
14 taking demonstrable steps to cease all blockades and  
15 other offensive uses of force against Armenia and  
16 Nagorno-Karabakh.

17 (t) Of the funds appropriated under this heading,  
18 not less than \$2,500,000 shall be made available for the  
19 American-Russian Center.

20 INDEPENDENT AGENCY

21 PEACE CORPS

22 For expenses necessary to carry out the provisions  
23 of the Peace Corps Act (75 Stat. 612), \$208,000,000, in-  
24 cluding the purchase of not to exceed five passenger  
25 motor vehicles for administrative purposes for use outside



1 of the United States: *Provided*, That none of the funds  
2 appropriated under this heading shall be used to pay for  
3 abortions: *Provided further*, That funds appropriated  
4 under this heading shall remain available until September  
5 30, 1998.

6 DEPARTMENT OF STATE

7 INTERNATIONAL NARCOTICS CONTROL

8 For necessary expenses to carry out section 481  
9 of the Foreign Assistance Act of 1961, \$213,000,000:  
10 *Provided*, That during fiscal year 1997, the Department  
11 of State may also use the authority of section 608 of the  
12 Foreign Assistance Act of 1961, without regard to its re-  
13 strictions, to receive non-lethal excess property from an  
14 agency of the United States Government for the purpose  
15 of providing it to a foreign country under chapter 8 of  
16 part I of that Act subject to the regular notification pro-  
17 cedures of the Committees on Appropriations: *Provided*  
18 *further*, That none of the funds made available under this  
19 heading may be provided to any unit of the security  
20 forces of a foreign country if the Secretary of State has  
21 credible evidence to believe such unit has committed  
22 gross violations of human rights unless the Secretary de-  
23 termines and reports to the Committees on Appropria-  
24 tions that the government of such country is taking steps

1 to bring the responsible members of the security forces  
2 unit to justice.

3 MIGRATION AND REFUGEE ASSISTANCE

4 For expenses, not otherwise provided for, nec-  
5 essary to enable the Secretary of State to provide, as au-  
6 thorized by law, a contribution to the International Com-  
7 mittee of the Red Cross, assistance to refugees, including  
8 contributions to the International Organization for Mi-  
9 gration and the United Nations High Commissioner for  
10 Refugees, and other activities to meet refugee and migra-  
11 tion needs; salaries and expenses of personnel and de-  
12 pendants as authorized by the Foreign Service Act of  
13 1980; allowances as authorized by sections 5921 through  
14 5925 of title 5, United States Code; purchase and hire  
15 of passenger motor vehicles; and services as authorized  
16 by section 3109 of title 5, United States Code,  
17 \$650,000,000: *Provided*, That not more than  
18 \$12,000,000 shall be available for administrative ex-  
19 penses: *Provided further*, That not less than \$80,000,000  
20 shall be made available for refugees from the former So-  
21 viet Union and Eastern Europe and other refugees reset-  
22 tling in Israel.

23 REFUGEE RESETTLEMENT ASSISTANCE

24 For necessary expenses for the targeted assistance  
25 program authorized by title IV of the Immigration and  
26 Nationality Act and section 501 of the Refugee Edu-

1 cation Assistance Act of 1980 and administered by the  
2 Office of Refugee Resettlement of the Department of  
3 Health and Human Services, in addition to amounts oth-  
4 erwise available for such purposes, \$5,000,000.

5 UNITED STATES EMERGENCY REFUGEE AND MIGRATION  
6 ASSISTANCE FUND

7 For necessary expenses to carry out the provisions  
8 of section 2(c) of the Migration and Refugee Assistance  
9 Act of 1962, as amended (22 U.S.C. 260(c)),  
10 \$50,000,000, to remain available until expended: *Pro-*  
11 *vided*, That the funds made available under this heading  
12 are appropriated notwithstanding the provisions con-  
13 tained in section 2(c)(2) of the Migration and Refugee  
14 Assistance Act of 1962 which would limit the amount of  
15 funds which could be appropriated for this purpose.

16 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND  
17 RELATED PROGRAMS

18 For necessary expenses for nonproliferation, anti-  
19 terrorism and related programs and activities,  
20 \$133,000,000, to carry out the provisions of chapter 8 of  
21 part II of the Foreign Assistance Act of 1961 for anti-  
22 terrorism assistance, section 504 of the FREEDOM Sup-  
23 port Act for the Nonproliferation and Disarmament  
24 Fund, section 23 of the Arms Export Control Act for  
25 demining activities, notwithstanding any other provision  
26 of law, including activities implemented through non-

1 governmental and international organizations, section  
2 301 of the Foreign Assistance Act of 1961 for a vol-  
3 untary contribution to the International Atomic Energy  
4 Agency (IAEA) and a voluntary contribution to the Ko-  
5 rean Peninsula Energy Development Organization  
6 (KEDO), and for the acquisition and provision of goods  
7 and services, or for grants to Israel necessary to support  
8 the eradication of terrorism in and around Israel: *Pro-*  
9 *vided*, That of this amount not to exceed \$15,000,000, to  
10 remain available until expended, may be made available  
11 for the Nonproliferation and Disarmament Fund, not-  
12 withstanding any other provision of law, to promote bilat-  
13 eral and multilateral activities relating to nonproliferation  
14 and disarmament: *Provided further*, That such funds may  
15 also be used for such countries other than the new inde-  
16 pendent states of the former Soviet Union and inter-  
17 national organizations when it is in the national security  
18 interest of the United States to do so: *Provided further*,  
19 That such funds shall be subject to the regular notifica-  
20 tion procedures of the Committees on Appropriations:  
21 *Provided further*, That funds appropriated under this  
22 heading may be made available for the International  
23 Atomic Energy Agency only if the Secretary of State de-  
24 termines (and so reports to the Congress) that Israel is  
25 not being denied its right to participate in the activities

1 of that Agency: *Provided further*, That not to exceed  
2 \$25,000,000 may be made available to the Korean Penin-  
3 sula Energy Development Organization (KEDO) only for  
4 the administrative expenses and heavy fuel oil costs asso-  
5 ciated with the Agreed Framework: *Provided further*,  
6 That such funds may be obligated to KEDO only if, prior  
7 to such obligation of funds, the President certifies and so  
8 reports to Congress that (1)(A) the United States is tak-  
9 ing steps to assure that progress is made on the imple-  
10 mentation of the January 1, 1992, Joint Declaration on  
11 the Denuclearization of the Korean Peninsula and the  
12 implementation of the North-South dialogue, and (B)  
13 North Korea is complying with the other provisions of  
14 the Agreed Framework between North Korea and the  
15 United States and with the Confidential Minute; (2)  
16 North Korea is cooperating fully in the canning and safe  
17 storage of all spent fuel from its graphite-moderated nu-  
18 clear reactors and that such canning and safe storage is  
19 scheduled to be completed by the end of fiscal year 1997;  
20 and (3) North Korea has not significantly diverted assist-  
21 ance provided by the United States for purposes for  
22 which it was not intended: *Provided further*, That the  
23 President may waive the certification requirements of the  
24 preceding proviso if the President determines that it is  
25 vital to the national security interests of the United

1 States: *Provided further*, That no funds may be obligated  
2 for KEDO until 30 calendar days after submission to  
3 Congress of the waiver permitted under the preceding  
4 proviso: *Provided further*, That before obligating any  
5 funds for KEDO, the President shall report to Congress  
6 on (1) the cooperation of North Korea in the process of  
7 returning to the United States the remains of United  
8 States military personnel who are listed as missing in ac-  
9 tion as a result of the Korean conflict (including conduct-  
10 ing joint field activities with the United States); (2) viola-  
11 tions of the military armistice agreement of 1953; (3) the  
12 actions which the United States is taking to assure that  
13 North Korea is consistently taking steps to implement  
14 the Joint Declaration on Denuclearization of the Korean  
15 Peninsula and engage in North-South dialogue; and (4)  
16 all instances of non-compliance with the Agreed Frame-  
17 work between North Korea and the United States and  
18 the Confidential Minute, including diversion of heavy fuel  
19 oil: *Provided further*, That the obligation of such funds  
20 shall be subject to the regular notification procedures of  
21 the Committees on Appropriations: *Provided further*,  
22 That the Secretary of State shall submit to the appro-  
23 priate congressional committees an annual report (to be  
24 submitted with the annual presentation for appropria-  
25 tions) providing a full and detailed accounting of the fis-

1 cal year request for the United States contribution to  
2 KEDO, the expected operating budget of the Korean Pe-  
3 ninsula Energy Development Organization, to include  
4 proposed annual costs associated with heavy fuel oil pur-  
5 chases and other related activities, and the amount of  
6 funds pledged by other donor nations and organizations  
7 to support KEDO activities on a per country basis.

### 8 TITLE III—MILITARY ASSISTANCE

#### 9 FUNDS APPROPRIATED TO THE PRESIDENT

##### 10 INTERNATIONAL MILITARY EDUCATION AND TRAINING

11 For necessary expenses to carry out the provisions  
12 of section 541 of the Foreign Assistance Act of 1961,  
13 \$43,475,000: *Provided*, That none of the funds appro-  
14 priated under this heading shall be available for Zaire  
15 and Guatemala: *Provided further*, That funds appro-  
16 priated under this heading for grant financed military  
17 education and training for Indonesia may only be avail-  
18 able for expanded international military education and  
19 training.

##### 20 FOREIGN MILITARY FINANCING PROGRAM

21 For expenses necessary for grants to enable the  
22 President to carry out the provisions of section 23 of the  
23 Arms Export Control Act, \$3,164,000,000: *Provided*,  
24 That of the funds appropriated by this paragraph not  
25 less than \$1,800,000,000 shall be available for grants  
26 only for Israel, and not less than \$1,300,000,000 shall be

1 available for grants only for Egypt: *Provided further*,  
2 That the funds appropriated by this paragraph for Israel  
3 shall be disbursed within thirty days of enactment of this  
4 Act or by October 31, 1996, whichever is later: *Provided*  
5 *further*, That to the extent that the Government of Israel  
6 requests that funds be used for such purposes, grants  
7 made available for Israel by this paragraph shall, as  
8 agreed by Israel and the United States, be available for  
9 advanced weapons systems, of which not less than  
10 \$475,000,000 shall be available for the procurement in  
11 Israel of defense articles and defense services, including  
12 research and development: *Provided further*, That of the  
13 funds made available under this paragraph, \$30,000,000  
14 shall be available for assistance on a grant basis for Po-  
15 land, Hungary, and the Czech Republic to carry out title  
16 II of Public Law 103–477 and section 585 of Public Law  
17 104–107: *Provided further*, That funds made available  
18 under this paragraph shall be nonrepayable notwithstand-  
19 ing any requirement in section 23 of the Arms Export  
20 Control Act: *Provided further*, That, for the purpose only  
21 of providing support for NATO expansion and the War-  
22 saw Initiative Program, of the funds appropriated by this  
23 Act under the headings “Assistance for Eastern Europe  
24 and the Baltic States” and “Assistance for the New  
25 Independent States of the Former Soviet Union”, up to



1 a total of \$7,000,000 may be transferred, notwithstand-  
2 ing any other provision of law, to the funds appropriated  
3 under this paragraph: *Provided further*, That none of the  
4 funds made available under this heading shall be avail-  
5 able for any non-NATO country participating in the  
6 Partnership for Peace Program except through the regu-  
7 lar notification procedures of the Committees on Appro-  
8 priations.

9           For the cost, as defined in section 502 of the Con-  
10 gressional Budget Act of 1974, of direct loans authorized  
11 by section 23 of the Arms Export Control Act as follows:  
12 cost of direct loans, \$60,000,000: *Provided*, That these  
13 funds are available to subsidize gross obligations for the  
14 principal amount of direct loans of not to exceed  
15 \$540,000,000: *Provided further*, That the rate of interest  
16 charged on such loans shall be not less than the current  
17 average market yield on outstanding marketable obliga-  
18 tions of the United States of comparable maturities: *Pro-*  
19 *vided further*, That of the funds appropriated under this  
20 paragraph \$20,000,000 shall be made available to Po-  
21 land, Hungary, and the Czech Republic: *Provided further*,  
22 That funds appropriated under this heading shall be  
23 made available for Greece and Turkey only on a loan  
24 basis, and the principal amount of direct loans for each

1 country shall not exceed the following: \$122,500,000 only  
2 for Greece and \$175,000,000 only for Turkey.

3       None of the funds made available under this head-  
4 ing shall be available to finance the procurement of de-  
5 fense articles, defense services, or design and construc-  
6 tion services that are not sold by the United States Gov-  
7 ernment under the Arms Export Control Act unless the  
8 foreign country proposing to make such procurements  
9 has first signed an agreement with the United States  
10 Government specifying the conditions under which such  
11 procurements may be financed with such funds: *Provided*,  
12 That all country and funding level increases in allocations  
13 shall be submitted through the regular notification proce-  
14 dures of section 515 of this Act: *Provided further*, That  
15 funds made available under this heading shall be obli-  
16 gated upon apportionment in accordance with paragraph  
17 (5)(C) of title 31, United States Code, section 1501(a):  
18 *Provided further*, That none of the funds appropriated  
19 under this heading shall be available for Zaire, Sudan,  
20 Liberia, and Guatemala: *Provided further*, That funds  
21 made available under this heading may be used, notwith-  
22 standing any other provision of law, for activities related  
23 to the clearance of landmines and unexploded ordnance,  
24 and may include activities implemented through non-  
25 governmental and international organizations: *Provided*

1 *further*, That only those countries for which assistance  
2 was justified for the “Foreign Military Sales Financing  
3 Program” in the fiscal year 1989 congressional presentation for security assistance programs may utilize funds  
4 made available under this heading for procurement of defense articles, defense services or design and construction  
5 services that are not sold by the United States Government under the Arms Export Control Act: *Provided further*,  
6 That, subject to the regular notification procedures  
7 of the Committees on Appropriations, funds made available under this heading for the cost of direct loans may  
8 also be used to supplement the funds available under this heading for grants, and funds made available under this  
9 heading for grants may also be used to supplement the funds available under this heading for the cost of direct  
10 loans: *Provided further*, That funds appropriated under this heading shall be expended at the minimum rate necessary to make timely payment for defense articles and  
11 services: *Provided further*, That not more than  
12 \$23,250,000 of the funds appropriated under this heading may be obligated for necessary expenses, including  
13 the purchase of passenger motor vehicles for replacement only for use outside of the United States, for the general  
14 costs of administering military assistance and sales: *Provided further*, That not more than \$355,000,000 of funds

1 realized pursuant to section 21(e)(1)(A) of the Arms Ex-  
 2 port Control Act may be obligated for expenses incurred  
 3 by the Department of Defense during fiscal year 1997  
 4 pursuant to section 43(b) of the Arms Export Control  
 5 Act, except that this limitation may be exceeded only  
 6 through the regular notification procedures of the Com-  
 7 mittees on Appropriations.

8 TITLE IV—MULTILATERAL ECONOMIC  
 9 ASSISTANCE

10 FUNDS APPROPRIATED TO THE PRESIDENT

11 INTERNATIONAL FINANCIAL INSTITUTIONS

12 CONTRIBUTION TO THE INTERNATIONAL BANK FOR

13 RECONSTRUCTION AND DEVELOPMENT

14 For payment to the International Bank for Re-  
 15 construction and Development by the Secretary of the  
 16 Treasury, for the United States contribution to the Glob-  
 17 al Environment Facility (GEF), \$35,000,000, to remain  
 18 available until September 30, 1998.

19 CONTRIBUTION TO THE INTERNATIONAL DEVELOPMENT

20 ASSOCIATION

21 For payment to the International Development  
 22 Association by the Secretary of the Treasury,  
 23 \$700,000,000, for the United States contribution to the  
 24 tenth replenishment, to remain available until expended:  
 25 *Provided*, That none of the funds may be obligated before  
 26 March 1, 1997: *Provided further*, That not less than

1 twenty days before such funds are obligated, the Sec-  
2 retary of the Treasury shall submit a report to the Com-  
3 mittees on Appropriations on his efforts to reach agree-  
4 ment with the other IDA-11 donors, including at the  
5 February 1997 IDA-11 donors review meeting, that the  
6 procurement restrictions in the Interim Trust Fund will  
7 be lifted.

8       CONTRIBUTION TO THE INTERNATIONAL FINANCE

9                               CORPORATION

10       For payment to the International Finance Cor-  
11 poration by the Secretary of the Treasury, \$6,656,000,  
12 for the United States share of the increase in subscrip-  
13 tions to capital stock, to remain available until expended.

14       CONTRIBUTION TO THE INTER-AMERICAN DEVELOPMENT

15                               BANK

16       For payment to the Inter-American Development  
17 Bank by the Secretary of the Treasury, for the United  
18 States share of the paid-in share portion of the increase  
19 in capital stock, \$25,610,667, and for the United States  
20 share of the increase in the resources of the Fund for  
21 Special Operations, \$10,000,000, to remain available  
22 until expended.

23       LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

24       The United States Governor of the Inter-Amer-  
25 ican Development Bank may subscribe without fiscal year  
26 limitation to the callable capital portion of the United

1 States share of such capital stock in an amount not to  
2 exceed \$1,503,718,910.

3 CONTRIBUTION TO THE ENTERPRISE FOR THE AMERICAS

4 MULTILATERAL INVESTMENT FUND

5 For payment to the Enterprise for the Americas  
6 Multilateral Investment Fund by the Secretary of the  
7 Treasury, for the United States contribution to the Fund  
8 to be administered by the Inter-American Development  
9 Bank, \$27,500,000 to remain available until expended.

10 CONTRIBUTION TO THE ASIAN DEVELOPMENT BANK

11 For payment to the Asian Development Bank by  
12 the Secretary of the Treasury for the United States share  
13 of the paid-in portion of the increase in capital stock,  
14 \$13,221,596, to remain available until expended.

15 LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

16 The United States Governor of the Asian Develop-  
17 ment Bank may subscribe without fiscal year limitation  
18 to the callable capital portion of the United States share  
19 of such capital stock in an amount not to exceed  
20 \$647,858,204.

21 CONTRIBUTION TO THE ASIAN DEVELOPMENT FUND

22 For the United States contribution by the Sec-  
23 retary of the Treasury to the increases in resources of  
24 the Asian Development Fund, as authorized by the Asian  
25 Development Bank Act, as amended (Public Law 89–  
26 369), \$100,000,000, to remain available until expended.

1           CONTRIBUTION TO THE EUROPEAN BANK FOR  
2           RECONSTRUCTION AND DEVELOPMENT

3           For payment to the European Bank for Recon-  
4 struction and Development by the Secretary of the Treas-  
5 ury, \$11,916,447, for the United States share of the  
6 paid-in share portion of the initial capital subscription, to  
7 remain available until expended.

8           LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

9           The United States Governor of the European  
10 Bank for Reconstruction and Development may subscribe  
11 without fiscal year limitation to the callable capital por-  
12 tion of the United States share of such capital stock in  
13 an amount not to exceed \$27,805,043.

14          NORTH AMERICAN DEVELOPMENT BANK

15          For payment to the North American Development  
16 Bank by the Secretary of the Treasury, for the United  
17 States share of the paid-in portion of the capital stock,  
18 \$56,000,000, to remain available until expended.

19          LIMITATION ON CALLABLE CAPITAL SUBSCRIPTIONS

20          The United States Governor of the North Amer-  
21 ican Development Bank may subscribe without fiscal year  
22 limitation to the callable capital portion of the United  
23 States share of the capital stock of the North American  
24 Development Bank in an account not to exceed  
25 \$318,750,000.

## 1        INTERNATIONAL ORGANIZATIONS AND PROGRAMS

2            For necessary expenses to carry out the provisions  
3 of section 301 of the Foreign Assistance Act of 1961,  
4 and of section 2 of the United Nations Environment Pro-  
5 gram Participation Act of 1973, \$169,950,000: *Provided*,  
6 That none of the funds appropriated under this heading  
7 shall be made available for the United Nations Fund for  
8 Science and Technology: *Provided further*, That none of  
9 the funds appropriated under this heading that are made  
10 available to the United Nations Population Fund  
11 (UNFPA) shall be made available for activities in the  
12 People's Republic of China: *Provided further*, That not  
13 more than \$25,000,000 of the funds appropriated under  
14 this heading may be made available to the UNFPA: *Pro-*  
15 *vided further*, That not more than one-half of this  
16 amount may be provided to UNFPA before March 1,  
17 1997, and that no later than February 15, 1997, the  
18 Secretary of State shall submit a report to the Commit-  
19 tees on Appropriations indicating the amount UNFPA is  
20 budgeting for the People's Republic of China in 1997:  
21 *Provided further*, That any amount UNFPA plans to  
22 spend in the People's Republic of China in 1997 shall be  
23 deducted from the amount of funds provided to UNFPA  
24 after March 1, 1997, pursuant to the previous provisos:  
25 *Provided further*, That with respect to any funds appro-



1 priated under this heading that are made available to  
2 UNFPA, UNFPA shall be required to maintain such  
3 funds in a separate account and not commingle them  
4 with any other funds: *Provided further*, That none of the  
5 funds appropriated under this heading may be made  
6 available to the Korean Peninsula Energy Development  
7 Organization (KEDO) or the International Atomic En-  
8 ergy Agency (IAEA).

## 9 TITLE V—GENERAL PROVISIONS

### 10 OBLIGATIONS DURING LAST MONTH OF AVAILABILITY

11 SEC. 501. Except for the appropriations entitled  
12 “International Disaster Assistance”, and “United States  
13 Emergency Refugee and Migration Assistance Fund”,  
14 not more than 15 per centum of any appropriation item  
15 made available by this Act shall be obligated during the  
16 last month of availability.

### 17 PROHIBITION OF BILATERAL FUNDING FOR 18 INTERNATIONAL FINANCIAL INSTITUTIONS

19 SEC. 502. None of the funds contained in title II  
20 of this Act may be used to carry out the provisions of  
21 section 209(d) of the Foreign Assistance Act of 1961.

### 22 LIMITATION ON RESIDENCE EXPENSES

23 SEC. 503. Of the funds appropriated or made  
24 available pursuant to this Act, not to exceed \$126,500  
25 shall be for official residence expenses of the Agency for  
26 International Development during the current fiscal year:

1 *Provided*, That appropriate steps shall be taken to assure  
2 that, to the maximum extent possible, United States-  
3 owned foreign currencies are utilized in lieu of dollars.

4 LIMITATION ON EXPENSES

5 SEC. 504. Of the funds appropriated or made  
6 available pursuant to this Act, not to exceed \$5,000 shall  
7 be for entertainment expenses of the Agency for Inter-  
8 national Development during the current fiscal year.

9 LIMITATION ON REPRESENTATIONAL ALLOWANCES

10 SEC. 505. Of the funds appropriated or made  
11 available pursuant to this Act, not to exceed \$95,000  
12 shall be available for representation allowances for the  
13 Agency for International Development during the current  
14 fiscal year: *Provided*, That appropriate steps shall be  
15 taken to assure that, to the maximum extent possible,  
16 United States-owned foreign currencies are utilized in  
17 lieu of dollars: *Provided further*, That of the funds made  
18 available by this Act for general costs of administering  
19 military assistance and sales under the heading “Foreign  
20 Military Financing Program”, not to exceed \$2,000 shall  
21 be available for entertainment expenses and not to exceed  
22 \$50,000 shall be available for representation allowances:  
23 *Provided further*, That of the funds made available by  
24 this Act under the heading “International Military Edu-  
25 cation and Training”, not to exceed \$50,000 shall be  
26 available for entertainment allowances: *Provided further*,

1 That of the funds made available by this Act for the  
2 Inter-American Foundation, not to exceed \$2,000 shall  
3 be available for entertainment and representation allow-  
4 ances: *Provided further*, That of the funds made available  
5 by this Act for the Peace Corps, not to exceed a total of  
6 \$4,000 shall be available for entertainment expenses:  
7 *Provided further*, That of the funds made available by  
8 this Act under the heading “Trade and Development  
9 Agency”, not to exceed \$2,000 shall be available for rep-  
10 resentation and entertainment allowances.

11 PROHIBITION ON FINANCING NUCLEAR GOODS

12 SEC. 506. None of the funds appropriated or  
13 made available (other than funds for “Nonproliferation,  
14 Antiterrorism, Demining and Related Programs”) pursu-  
15 ant to this Act, for carrying out the Foreign Assistance  
16 Act of 1961, may be used, except for purposes of nuclear  
17 safety, to finance the export of nuclear equipment, fuel,  
18 or technology.

19 PROHIBITION AGAINST DIRECT FUNDING FOR CERTAIN  
20 COUNTRIES

21 SEC. 507. None of the funds appropriated or oth-  
22 erwise made available pursuant to this Act shall be obli-  
23 gated or expended to finance directly any assistance or  
24 reparations to Cuba, Iraq, Libya, North Korea, Iran,  
25 Sudan, or Syria: *Provided*, That for purposes of this sec-  
26 tion, the prohibition on obligations or expenditures shall

1 include direct loans, credits, insurance and guarantees of  
2 the Export-Import Bank or its agents.

3 MILITARY COUPS

4 SEC. 508. None of the funds appropriated or oth-  
5 erwise made available pursuant to this Act shall be obli-  
6 gated or expended to finance directly any assistance to  
7 any country whose duly elected Head of Government is  
8 deposed by military coup or decree: *Provided*, That assist-  
9 ance may be resumed to such country if the President de-  
10 termines and reports to the Committees on Appropria-  
11 tions that subsequent to the termination of assistance a  
12 democratically elected government has taken office.

13 TRANSFERS BETWEEN ACCOUNTS

14 SEC. 509. None of the funds made available by  
15 this Act may be obligated under an appropriation account  
16 to which they were not appropriated, except for transfers  
17 specifically provided for in this Act, unless the President,  
18 prior to the exercise of any authority contained in the  
19 Foreign Assistance Act of 1961 to transfer funds,  
20 consults with and provides a written policy justification  
21 to the Committees on Appropriations of the House of  
22 Representatives and the Senate.

23 DEOBLIGATION/REOBLIGATION AUTHORITY

24 SEC. 510. (a) Amounts certified pursuant to sec-  
25 tion 1311 of the Supplemental Appropriations Act, 1955,  
26 as having been obligated against appropriations here-

1 tofore made under the authority of the Foreign Assist-  
2 ance Act of 1961 for the same general purpose as any  
3 of the headings under title II of this Act are, if  
4 deobligated, hereby continued available for the same pe-  
5 riod as the respective appropriations under such headings  
6 or until September 30, 1997, whichever is later, and for  
7 the same general purpose, and for countries within the  
8 same region as originally obligated: *Provided*, That the  
9 Appropriations Committees of both Houses of the Con-  
10 gress are notified fifteen days in advance of the reobliga-  
11 tion of such funds in accordance with regular notification  
12 procedures of the Committees on Appropriations.

13 (b) Obligated balances of funds appropriated to  
14 carry out section 23 of the Arms Export Control Act as  
15 of the end of the fiscal year immediately preceding the  
16 current fiscal year are, if deobligated, hereby continued  
17 available during the current fiscal year for the same pur-  
18 pose under any authority applicable to such appropria-  
19 tions under this Act: *Provided*, That the authority of this  
20 subsection may not be used in fiscal year 1997.

21 AVAILABILITY OF FUNDS

22 SEC. 511. No part of any appropriation contained  
23 in this Act shall remain available for obligation after the  
24 expiration of the current fiscal year unless expressly so  
25 provided in this Act: *Provided*, That funds appropriated  
26 for the purposes of chapters 1, 8, and 11 of part I, sec-

tion 667, and chapter 4 of part II of the Foreign Assistance Act of 1961, as amended, and funds provided under the heading “Assistance for Eastern Europe and the Baltic States”, shall remain available until expended if such funds are initially obligated before the expiration of their respective periods of availability contained in this Act: *Provided further*, That, notwithstanding any other provision of this Act, any funds made available for the purposes of chapter 1 of part I and chapter 4 of part II of the Foreign Assistance Act of 1961 which are allocated or obligated for cash disbursements in order to address balance of payments or economic policy reform objectives, shall remain available until expended: *Provided further*, That the report required by section 653(a) of the Foreign Assistance Act of 1961 shall designate for each country, to the extent known at the time of submission of such report, those funds allocated for cash disbursement for balance of payment and economic policy reform purposes.

LIMITATION ON ASSISTANCE TO COUNTRIES IN DEFAULT

SEC. 512. No part of any appropriation contained in this Act shall be used to furnish assistance to any country which is in default during a period in excess of one calendar year in payment to the United States of principal or interest on any loan made to such country by the United States pursuant to a program for which funds are appropriated under this Act: *Provided*, That

1 this section and section 620(q) of the Foreign Assistance  
2 Act of 1961 shall not apply to funds made available in  
3 this Act or during the current fiscal year for Nicaragua,  
4 and for any narcotics-related assistance for Colombia,  
5 Bolivia, and Peru authorized by the Foreign Assistance  
6 Act of 1961 or the Arms Export Control Act.

7 COMMERCE AND TRADE

8 SEC. 513. (a) None of the funds appropriated or  
9 made available pursuant to this Act for direct assistance  
10 and none of the funds otherwise made available pursuant  
11 to this Act to the Export-Import Bank and the Overseas  
12 Private Investment Corporation shall be obligated or ex-  
13 pended to finance any loan, any assistance or any other  
14 financial commitments for establishing or expanding pro-  
15 duction of any commodity for export by any country  
16 other than the United States, if the commodity is likely  
17 to be in surplus on world markets at the time the result-  
18 ing productive capacity is expected to become operative  
19 and if the assistance will cause substantial injury to  
20 United States producers of the same, similar, or compet-  
21 ing commodity: *Provided*, That such prohibition shall not  
22 apply to the Export-Import Bank if in the judgment of  
23 its Board of Directors the benefits to industry and em-  
24 ployment in the United States are likely to outweigh the  
25 injury to United States producers of the same, similar,

1 or competing commodity, and the Chairman of the Board  
2 so notifies the Committees on Appropriations.

3 (b) None of the funds appropriated by this or any  
4 other Act to carry out chapter 1 of part I of the Foreign  
5 Assistance Act of 1961 shall be available for any testing  
6 or breeding feasibility study, variety improvement or in-  
7 troduction, consultancy, publication, conference, or train-  
8 ing in connection with the growth or production in a for-  
9 eign country of an agricultural commodity for export  
10 which would compete with a similar commodity grown or  
11 produced in the United States: *Provided*, That this sub-  
12 section shall not prohibit—

13 (1) activities designed to increase food security  
14 in developing countries where such activities will not  
15 have a significant impact in the export of agricul-  
16 tural commodities of the United States; or

17 (2) research activities intended primarily to  
18 benefit American producers.

19 SURPLUS COMMODITIES

20 SEC. 514. The Secretary of the Treasury shall in-  
21 struct the United States Executive Directors of the Inter-  
22 national Bank for Reconstruction and Development, the  
23 International Development Association, the International  
24 Finance Corporation, the Inter-American Development  
25 Bank, the International Monetary Fund, the Asian De-  
26 velopment Bank, the Inter-American Investment Cor-



1 poration, the North American Development Bank, the  
2 European Bank for Reconstruction and Development, the  
3 African Development Bank, and the African Development  
4 Fund to use the voice and vote of the United States to  
5 oppose any assistance by these institutions, using funds  
6 appropriated or made available pursuant to this Act, for  
7 the production or extraction of any commodity or mineral  
8 for export, if it is in surplus on world markets and if the  
9 assistance will cause substantial injury to United States  
10 producers of the same, similar, or competing commodity.

11 NOTIFICATION REQUIREMENTS

12 SEC. 515. For the purpose of providing the Exec-  
13 utive Branch with the necessary administrative flexibility,  
14 none of the funds made available under this Act for  
15 “Child Survival and Disease Programs Fund”, “Develop-  
16 ment Assistance”, “Debt restructuring”, “International  
17 organizations and programs”, “Trade and Development  
18 Agency”, “International narcotics control”, “Assistance  
19 for Eastern Europe and the Baltic States”, “Assistance  
20 for the New Independent State of the Former Soviet  
21 Union”, “Economic Support Fund”, “Peacekeeping oper-  
22 ations”, “Operating expenses of the Agency for Inter-  
23 national Development”, “Operating expenses of the  
24 Agency for International Development Office of Inspector  
25 General”, “Nonproliferation, anti-terrorism, demining  
26 and related programs”, “Foreign Military Financing Pro-

1 gram”, “International military education and training”,  
2 “Inter-American Foundation”, “African Development  
3 Foundation”, “Peace Corps”, “Migration and refugee as-  
4 sistance”, shall be available for obligation for activities,  
5 programs, projects, type of materiel assistance, countries,  
6 or other operations not justified or in excess of the  
7 amount justified to the Appropriations Committees for  
8 obligation under any of these specific headings unless the  
9 Appropriations Committees of both Houses of Congress  
10 are previously notified fifteen days in advance: *Provided*,  
11 That the President shall not enter into any commitment  
12 of funds appropriated for the purposes of section 23 of  
13 the Arms Export Control Act for the provision of major  
14 defense equipment, other than conventional ammunition,  
15 or other major defense items defined to be aircraft, ships,  
16 missiles, or combat vehicles, not previously justified to  
17 Congress or 20 per centum in excess of the quantities  
18 justified to Congress unless the Committees on Appro-  
19 priations are notified fifteen days in advance of such  
20 commitment: *Provided further*, That this section shall not  
21 apply to any reprogramming for an activity, program, or  
22 project under chapter 1 of part I of the Foreign Assist-  
23 ance Act of 1961 of less than 10 per centum of the  
24 amount previously justified to the Congress for obligation  
25 for such activity, program, or project for the current fis-

1 cal year: *Provided further*, That the requirements of this  
2 section or any similar provision of this Act or any other  
3 Act, including any prior Act requiring notification in ac-  
4 cordance with the regular notification procedures of the  
5 Committees on Appropriations, may be waived if failure  
6 to do so would pose a substantial risk to human health  
7 or welfare: *Provided further*, That in case of any such  
8 waiver, notification to the Congress, or the appropriate  
9 congressional committees, shall be provided as early as  
10 practicable, but in no event later than three days after  
11 taking the action to which such notification requirement  
12 was applicable, in the context of the circumstances neces-  
13 sitating such waiver: *Provided further*, That any notifica-  
14 tion provided pursuant to such a waiver shall contain an  
15 explanation of the emergency circumstances.

16 Drawdowns made pursuant to section 506(a)(2)  
17 of the Foreign Assistance Act of 1961 shall be subject to  
18 the regular notification procedures of the Committees on  
19 Appropriations.

20 LIMITATION ON AVAILABILITY OF FUNDS FOR  
21 INTERNATIONAL ORGANIZATIONS AND PROGRAMS

22 SEC. 516. Notwithstanding any other provision of  
23 law or of this Act, none of the funds provided for “Inter-  
24 national Organizations and Programs” shall be available  
25 for the United States proportionate share, in accordance  
26 with section 307(c) of the Foreign Assistance Act of

1 1961, for any programs identified in section 307, or for  
2 Libya, Iran, or, at the discretion of the President, Com-  
3 munist countries listed in section 620(f) of the Foreign  
4 Assistance Act of 1961, as amended: *Provided*, That,  
5 subject to the regular notification procedures of the Com-  
6 mittees on Appropriations, funds appropriated under this  
7 Act or any previously enacted Act making appropriations  
8 for foreign operations, export financing, and related pro-  
9 grams, which are returned or not made available for or-  
10 ganizations and programs because of the implementation  
11 of this section or any similar provision of law, shall re-  
12 main available for obligation through September 30,  
13 1998.

14 ECONOMIC SUPPORT FUND ASSISTANCE FOR ISRAEL

15 SEC. 517. The Congress finds that progress on  
16 the peace process in the Middle East is vitally important  
17 to United States security interests in the region. The  
18 Congress recognizes that, in fulfilling its obligations  
19 under the Treaty of Peace Between the Arab Republic of  
20 Egypt and the State of Israel, done at Washington on  
21 March 26, 1979, Israel incurred severe economic bur-  
22 dens. Furthermore, the Congress recognizes that an eco-  
23 nomically and militarily secure Israel serves the security  
24 interests of the United States, for a secure Israel is an  
25 Israel which has the incentive and confidence to continue  
26 pursuing the peace process. Therefore, the Congress de-

1 clares that, subject to the availability of appropriations,  
2 it is the policy and the intention of the United States  
3 that the funds provided in annual appropriations for the  
4 Economic Support Fund which are allocated to Israel  
5 shall not be less than the annual debt repayment (inter-  
6 est and principal) from Israel to the United States Gov-  
7 ernment in recognition that such a principle serves Unit-  
8 ed States interests in the region.

9 PROHIBITION ON FUNDING FOR ABORTIONS AND

10 INVOLUNTARY STERILIZATION

11 SEC. 518. None of the funds made available to  
12 carry out part I of the Foreign Assistance Act of 1961,  
13 as amended, may be used to pay for the performance of  
14 abortions as a method of family planning or to motivate  
15 or coerce any person to practice abortions. None of the  
16 funds made available to carry out part I of the Foreign  
17 Assistance Act of 1961, as amended, may be used to pay  
18 for the performance of involuntary sterilization as a  
19 method of family planning or to coerce or provide any fi-  
20 nancial incentive to any person to undergo sterilizations.  
21 None of the funds made available to carry out part I of  
22 the Foreign Assistance Act of 1961, as amended, may be  
23 used to pay for any biomedical research which relates in  
24 whole or in part, to methods of, or the performance of,  
25 abortions or involuntary sterilization as a means of fam-  
26 ily planning. None of the funds made available to carry

1 out part I of the Foreign Assistance Act of 1961, as  
2 amended, may be obligated or expended for any country  
3 or organization if the President certifies that the use of  
4 these funds by any such country or organization would  
5 violate any of the above provisions related to abortions  
6 and involuntary sterilizations: *Provided*, That none of the  
7 funds made available under this Act may be used to  
8 lobby for or against abortion.

9 AUTHORIZATION FOR POPULATION PLANNING

10 SEC. 518A. (a) None of the funds made available  
11 in title II of this Act for population planning activities or  
12 other population assistance pursuant to section 104(b) of  
13 the Foreign Assistance Act or any other provision of law  
14 may be obligated or expended prior to July 1, 1997.

15 (b) Not to exceed \$385,000,000 of the funds ap-  
16 propriated in title II of this Act may be made available  
17 for population planning activities or other population as-  
18 sistance.

19 (c) Such funds may be apportioned only on a  
20 monthly basis, and such monthly apportionments may  
21 not exceed 8 percent of the total available for such activi-  
22 ties.

23 (d) Not later than February 1, 1997, the Presi-  
24 dent shall submit a finding to the Congress regarding the  
25 impact of the limitation on obligations imposed by sub-  
26 section (a) of this section on the proper functioning of

1 the population planning program. If such Presidential  
2 finding indicates that the limitation is having a negative  
3 impact on the proper functioning of the population plan-  
4 ning program, funds for population planning activities  
5 and other population assistance referred to in subsection  
6 (a) may be made available beginning March 1, 1997, not-  
7 withstanding the July 1, 1997, limitation set forth in  
8 subsection (a), if the Congress approves such finding by  
9 adoption of a joint resolution of approval not later than  
10 February 28, 1997, in accordance with subsection (e).

11 (e) CONGRESSIONAL REVIEW PROCEDURE.—

12 (1) This subsection is enacted by Congress—

13 (A) as an exercise of the rulemaking power  
14 of the House of Representatives and the Sen-  
15 ate, respectively, and as such it is deemed a  
16 part of the rules of each House, respectively,  
17 but applicable only with respect to the proce-  
18 dure to be followed in that House in the case  
19 of resolutions described by paragraph (2) of  
20 this subsection; and it supersedes other rules  
21 only to the extent that it is inconsistent there-  
22 with; and

23 (B) with full recognition of the constitu-  
24 tional right of either House to change the rules  
25 (so far as those rules relate to the procedure of

1           that House) at any time, in the same manner,  
2           and to the same extent as in the case of any  
3           other rule of such House.

4           (2) For purposes of this section, the term “res-  
5           olution” means a joint resolution, the text of which  
6           is as follows: “That the House of Representatives  
7           and Senate approve the Presidential finding, submit-  
8           ted to the Congress on XXXXX, that the limitation  
9           on obligations imposed by section 518A(a) of the  
10          Foreign Operations, Export Financing, and Related  
11          Programs Appropriations Act, 1997, is having a  
12          negative impact on the proper functioning of the  
13          population planning program.”. The blank space  
14          therein shall be filled with the date on which the  
15          President submits his finding to the House of Rep-  
16          resentatives and the Senate.

17          (3) On the day on which the President submits  
18          a finding under this section to the Congress, a joint  
19          resolution described in paragraph (2) shall be intro-  
20          duced (by request) in the House by the majority  
21          leader of the House, for himself and the minority  
22          leader of the House, or by Members of the House  
23          designated by the majority leader and minority lead-  
24          er of the House; and shall be introduced (by re-  
25          quest) in the Senate by the majority leader of the



1 Senate, for himself and the minority leader of the  
2 Senate, or by Members of the Senate designated by  
3 the majority leader and minority leader of the Sen-  
4 ate. If either House is not in session on the day on  
5 which the President submits such finding, the reso-  
6 lution shall be introduced in that House, as provided  
7 in the preceding sentence, on the first day thereafter  
8 on which that House is in session. A resolution once  
9 introduced in the House with respect to a Presi-  
10 dential finding under this section shall be referred to  
11 1 or more committees (and all resolutions with re-  
12 spect to the same Presidential finding shall be re-  
13 ferred to the same committee or committees) by the  
14 Speaker of the House of Representatives. A resolu-  
15 tion once introduced in the Senate with respect to a  
16 Presidential finding under this section shall be re-  
17 ferred to the appropriate committee (and all resolu-  
18 tions with respect to the same Presidential finding  
19 shall be referred to the same committee) by the  
20 President of the Senate.

21 (4) No amendment to a resolution introduced  
22 under this section shall be in order in either the  
23 House of Representatives or the Senate; and no mo-  
24 tion to suspend the application of this subsection  
25 shall be in order in either House, nor shall it be in

1 order in either House for the presiding officer to en-  
2 tertain a request to suspend the application of this  
3 subsection by unanimous consent.

4 (5)(A) If any committee to which a resolution  
5 with respect to a Presidential finding under this sec-  
6 tion has been referred has not reported it at the end  
7 of 5 calendar days after its introduction, such com-  
8 mittee shall be automatically discharged from fur-  
9 ther consideration of the resolution and it shall be  
10 placed on the appropriate calendar. A vote on final  
11 passage of the resolution, shall be taken in each  
12 House on or before February 28, 1997. If prior to  
13 the passage by 1 House of a resolution of that  
14 House under this section, that House receives the  
15 same resolution from the other House, then—

16 (i) the procedure in that House shall be  
17 the same as if no resolution had been received  
18 from the other House, but

19 (ii) the vote on final passage shall be on  
20 the resolution of the other House.

21 (6)(A) A motion in the House of Representa-  
22 tives to proceed to the consideration of a resolution  
23 under this section shall be highly privileged and not  
24 debatable. An amendment to the motion shall not be  
25 in order, nor shall it be in order to move to recon-

1       sider the vote by which the motion is agreed to or  
2       disagreed to.

3           (B) Debate in the House of Representatives on  
4       the resolution described in paragraph (2) of this  
5       subsection shall be limited to not more than 2 hours,  
6       which shall be divided equally between those favoring  
7       and those opposing such resolution. A motion to fur-  
8       ther limit debate shall not be debatable. It shall not  
9       be in order to move to recommit a resolution or to  
10      move to reconsider the vote by which such resolution  
11      was agreed to or disagreed to.

12          (C) Appeals from the decision of the Chair re-  
13      lating to the application of the rules of the House  
14      of Representatives to the procedures relating to a  
15      resolution under this section shall be decided without  
16      debate.

17          (D) Except to the extent specifically provided in  
18      preceding provisions of this subsection, consideration  
19      in the House of Representatives of a resolution  
20      under this subsection shall be governed by the rules  
21      of the House of Representatives applicable to other  
22      resolutions in similar circumstances.

23          (7)(A) A motion in the Senate to proceed to the  
24      consideration of a resolution under this section shall  
25      not debatable. It shall not be in order to move to re-

1 consider the vote by which the motion is agreed to  
2 or disagreed to.

3 (B) Debate in the Senate on the resolution de-  
4 scribed in paragraph (2) of this subsection, and all  
5 debatable motions and appeals in connection there-  
6 with, shall be limited to not more than 2 hours. The  
7 time shall be equally divided between, and controlled  
8 by, the mover and the manager of the resolution, ex-  
9 cept that in the event the manager of the resolution  
10 is in favor of any such motion or appeal, the time  
11 in opposition thereto shall be controlled by the mi-  
12 nority leader or his designee. Such leaders, or either  
13 of them, may, from time under their control on the  
14 passage of a resolution, allot additional time to any  
15 Senator during the consideration of any debatable  
16 motion or appeal.

17 (C) A motion in the Senate to further limit de-  
18 bate is not debatable. A motion to recommit a reso-  
19 lution is not in order.

20 REPORTING REQUIREMENT

21 SEC. 519. The President shall submit to the Com-  
22 mittees on Appropriations the reports required by section  
23 25(a)(1) of the Arms Export Control Act.

24 SPECIAL NOTIFICATION REQUIREMENTS

25 SEC. 520. None of the funds appropriated in this  
26 Act shall be obligated or expended for Colombia, Guate-

1 mala (except that this provision shall not apply to devel-  
2 opment assistance for Guatemala), Dominican Republic,  
3 Haiti, Liberia, Pakistan, Peru, Serbia, Sudan, or Zaire  
4 except as provided through the regular notification proce-  
5 dures of the Committee on Appropriations.

6 DEFINITION OF PROGRAM, PROJECT, AND ACTIVITY

7 SEC. 521. For the purpose of this Act, “program,  
8 project, and activity” shall be defined at the Appropria-  
9 tions Act account level and shall include all Appropria-  
10 tions and Authorizations Acts earmarks, ceilings, and  
11 limitations with the exception that for the following ac-  
12 counts: Economics Support Fund and Foreign Military  
13 Financing Program, “program, project, and activity”  
14 shall also be considered to include country, regional, and  
15 central program level funding within each such account;  
16 for the development assistance accounts of the Agency for  
17 International Development “program, project, and activ-  
18 ity” shall also be considered to include central program  
19 level funding, either as (1) justified to the Congress, or  
20 (2) allocated by the executive branch in accordance with  
21 a report, to be provided to the Committees on Appropria-  
22 tions within thirty days of enactment of this Act, as re-  
23 quired by section 653(a) of the Foreign Assistance Act  
24 of 1961.

## CHILD SURVIVAL AND AIDS ACTIVITIES

SEC. 522. Up to \$8,000,000 of the funds made available by this Act for assistance for family planning, health, child survival, and AIDS, may be used to reimburse United States Government agencies, agencies of State governments, institutions of higher learning, and private and voluntary organizations for the full cost of individuals (including for the personal services of such individuals) detailed or assigned to, or contracted by, as the case may be, the Agency for International Development for the purpose of carrying out family planning activities, child survival activities and activities relating to research on, and the treatment and control of acquired immune deficiency syndrome in developing countries: *Provided*, That funds appropriated by this Act that are made available for child survival activities or activities relating to research on, and the treatment and control of, acquired immune deficiency syndrome may be made available notwithstanding any provision of law that restricts assistance to foreign countries: *Provided further*, That funds appropriated by this Act that are made available for family planning activities may be made available notwithstanding section 512 of this Act and section 620(q) of the Foreign Assistance Act of 1961.

1 PROHIBITION AGAINST INDIRECT FUNDING TO CERTAIN  
2 COUNTRIES

3 SEC. 523. None of the funds appropriated or oth-  
4 erwise made available pursuant to this Act shall be obli-  
5 gated to finance indirectly any assistance or reparations  
6 to Cuba, Iraq, Libya, Iran, Syria, North Korea, or the  
7 People's Republic of China, unless the President of the  
8 United States certifies that the withholding of these  
9 funds is contrary to the national interest of the United  
10 States.

11 RECIPROCAL LEASING

12 SEC. 524. Section 61(a) of the Arms Export Con-  
13 trol Act is amended by striking out "1996" and inserting  
14 in lieu thereof "1997".

15 NOTIFICATION ON EXCESS DEFENSE EQUIPMENT

16 SEC. 525. Prior to providing excess Department  
17 of Defense articles in accordance with section 516(a) of  
18 the Foreign Assistance Act of 1961, the Department of  
19 Defense shall notify the Committees on Appropriations to  
20 the same extent and under the same conditions as are  
21 other committees pursuant to subsection (c) of that sec-  
22 tion: *Provided*, That before issuing a letter of offer to sell  
23 excess defense articles under the Arms Export Control  
24 Act, the Department of Defense shall notify the Commit-  
25 tees on Appropriations in accordance with the regular no-  
26 tification procedures of such Committees: *Provided fur-*

1 *ther*, That such Committees shall also be informed of the  
2 original acquisition cost of such defense articles.

3 AUTHORIZATION REQUIREMENT

4 SEC. 526. Funds appropriated by this Act may be  
5 obligated and expended notwithstanding section 10 of  
6 Public Law 91–672 and section 15 of the State Depart-  
7 ment Basic Authorities Act of 1956.

8 PROHIBITION ON BILATERAL ASSISTANCE TO TERRORIST  
9 COUNTRIES

10 SEC. 527. (a) Notwithstanding any other provi-  
11 sion of law, funds appropriated for bilateral assistance  
12 under any heading of this Act and funds appropriated  
13 under any such heading in a provision of law enacted  
14 prior to enactment of this Act, shall not be made avail-  
15 able to any country which the President determines—

16 (1) grants sanctuary from prosecution to any  
17 individual or group which has committed an act of  
18 international terrorism, or

19 (2) otherwise supports international terrorism.

20 (b) The President may waive the application of  
21 subsection (a) to a country if the President determines  
22 that national security or humanitarian reasons justify  
23 such waiver. The President shall publish each waiver in  
24 the Federal Register and, at least fifteen days before the  
25 waiver takes effect, shall notify the Committees on Ap-  
26 propriations of the waiver (including the justification for



1 the waiver) in accordance with the regular notification  
2 procedures of the Committees on Appropriations.

3           COMMERCIAL LEASING OF DEFENSE ARTICLES

4           SEC. 528. Notwithstanding any other provision of  
5 law, and subject to the regular notification procedures of  
6 the Committees on Appropriations, the authority of sec-  
7 tion 23(a) of the Arms Export Control Act may be used  
8 to provide financing to Israel, Egypt and NATO and  
9 major non-NATO allies for the procurement by leasing  
10 (including leasing with an option to purchase) of defense  
11 articles from United States commercial suppliers, not in-  
12 cluding Major Defense Equipment (other than helicopters  
13 and other types of aircraft having possible civilian appli-  
14 cation), if the President determines that there are com-  
15 pelling foreign policy or national security reasons for  
16 those defense articles being provided by commercial lease  
17 rather than by government-to-government sale under  
18 such Act.

19           COMPETITIVE INSURANCE

20           SEC. 528A. All Agency for International Develop-  
21 ment contracts and solicitations, and subcontracts en-  
22 tered into under such contracts, shall include a clause re-  
23 quiring that United States insurance companies have a  
24 fair opportunity to bid for insurance when such insurance  
25 is necessary or appropriate.

## 1           STINGERS IN THE PERSIAN GULF REGION

2           SEC. 529. Except as provided in section 581 of  
3 the Foreign Operations, Export Financing, and Related  
4 Programs Appropriations Act, 1990, the United States  
5 may not sell or otherwise make available any Stingers to  
6 any country bordering the Persian Gulf under the Arms  
7 Export Control Act or chapter 2 of part II of the Foreign  
8 Assistance Act of 1961.

## 9           DEBT-FOR-DEVELOPMENT

10          SEC. 530. In order to enhance the continued par-  
11 ticipation of nongovernmental organizations in economic  
12 assistance activities under the Foreign Assistance Act of  
13 1961, including endowments, debt-for-development and  
14 debt-for-nature exchanges, a nongovernmental organiza-  
15 tion which is a grantee or contractor of the Agency for  
16 International Development may place in interest bearing  
17 accounts funds made available under this Act or prior  
18 Acts or local currencies which accrue to that organization  
19 as a result of economic assistance provided under title II  
20 of this Act and any interest earned on such investment  
21 shall be used for the purpose for which the assistance  
22 was provided to that organization.

## 23          SEPARATE ACCOUNTS

24          SEC. 531. (a) SEPARATE ACCOUNTS FOR LOCAL  
25 CURRENCIES.—(1) If assistance is furnished to the gov-  
26 ernment of a foreign country under chapters 1 and 10 of

1 part I or chapter 4 of part II of the Foreign Assistance  
2 Act of 1961 under agreements which result in the gen-  
3 eration of local currencies of that country, the Adminis-  
4 trator of the Agency for International Development  
5 shall—

6 (A) require that local currencies be deposited in  
7 a separate account established by that government;

8 (B) enter into an agreement with that govern-  
9 ment which sets forth—

10 (i) the amount of the local currencies to be  
11 generated, and

12 (ii) the terms and conditions under which  
13 the currencies so deposited may be utilized, con-  
14 sistent with this section; and

15 (C) establish by agreement with that govern-  
16 ment the responsibilities of the Agency for Inter-  
17 national Development and that government to mon-  
18 itor and account for deposits into and disbursements  
19 from the separate account.

20 (2) USES OF LOCAL CURRENCIES.—As may be  
21 agreed upon with the foreign government, local currencies  
22 deposited in a separate account pursuant to subsection  
23 (a), or an equivalent amount of local currencies, shall be  
24 used only—

1 (A) to carry out chapters 1 or 10 of part I or  
2 chapter 4 of part II (as the case may be), for such  
3 purposes as—

4 (i) project and sector assistance activities,  
5 or

6 (ii) debt and deficit financing, or

7 (B) for the administrative requirements of the  
8 United States Government.

9 (3) PROGRAMMING ACCOUNTABILITY.—The Agen-  
10 cy for International Development shall take all necessary  
11 steps to ensure that the equivalent of the local currencies  
12 disbursed pursuant to subsection (a)(2)(A) from the sep-  
13 arate account established pursuant to subsection (a)(1)  
14 are used for the purposes agreed upon pursuant to sub-  
15 section (a)(2).

16 (4) TERMINATION OF ASSISTANCE PROGRAMS.—  
17 Upon termination of assistance to a country under chap-  
18 ters 1 or 10 of part I or chapter 4 of part II (as the case  
19 may be), any unencumbered balances of funds which re-  
20 main in a separate account established pursuant to sub-  
21 section (a) shall be disposed of for such purposes as may  
22 be agreed to by the government of that country and the  
23 United States Government.

24 (5) CONFORMING AMENDMENTS.—The provisions  
25 of this subsection shall supersede the tenth and eleventh

1 provisos contained under the heading “Sub-Saharan Afri-  
2 ca, Development Assistance” as included in the Foreign  
3 Operations, Export Financing, and Related Programs  
4 Appropriations Act, 1989 and sections 531(d) and 609 of  
5 the Foreign Assistance Act of 1961.

6           (6) REPORTING REQUIREMENT.—The Adminis-  
7 trator of the Agency for International Development shall  
8 report on an annual basis as part of the justification doc-  
9 uments submitted to the Committees on Appropriations  
10 on the use of local currencies for the administrative re-  
11 quirements of the United States Government as author-  
12 ized in subsection (a)(2)(B), and such report shall in-  
13 clude the amount of local currency (and United States  
14 dollar equivalent) used and/or to be used for such pur-  
15 pose in each applicable country.

16           (b) SEPARATE ACCOUNTS FOR CASH TRANS-  
17 FERS.—(1) If assistance is made available to the govern-  
18 ment of a foreign country, under chapters 1 or 10 of part  
19 I or chapter 4 of part II of the Foreign Assistance Act  
20 of 1961, as cash transfer assistance or as nonproject sec-  
21 tor assistance, that country shall be required to maintain  
22 such funds in a separate account and not commingle  
23 them with any other funds.

24           (2) APPLICABILITY OF OTHER PROVISIONS OF  
25 LAW.—Such funds may be obligated and expended not-

1 withstanding provisions of law which are inconsistent  
2 with the nature of this assistance including provisions  
3 which are referenced in the Joint Explanatory Statement  
4 of the Committee of Conference accompanying House  
5 Joint Resolution 648 (H. Report No. 98–1159).

6           (3) NOTIFICATION.—At lest fifteen days prior to  
7 obligating any such cash transfer or nonproject sector as-  
8 sistance, the President shall submit a notification  
9 through the regular notification procedures of the Com-  
10 mittees on Appropriations, which shall include a detailed  
11 description of how the funds proposed to be made avail-  
12 able will be used, with a discussion of the United States  
13 interests that will be served by the assistance (including,  
14 as appropriate, a description of the economic policy re-  
15 forms that will be promoted by such assistance).

16           (4) EXEMPTION.—Nonproject sector assistance  
17 funds may be exempt from the requirements of sub-  
18 section (b)(1) only through the notification procedures of  
19 the Committees on Appropriations.

20 COMPENSATION FOR UNITED STATES EXECUTIVE DIREC-  
21 TORS TO INTERNATIONAL FINANCING INSTITUTIONS

22           SEC. 532. (a) No funds appropriated by this Act  
23 may be made as payment to any international financial  
24 institution while the United States Executive Director to  
25 such institution is compensated by the institution at a  
26 rate which, together with whatever compensation such

1 Director receives from the United States, is in excess of  
2 the rate provided for an individual occupying a position  
3 at level IV of the Executive Schedule under section 5315  
4 of title 5, United States Code, or while any alternate  
5 United States Director to such institution is compensated  
6 by the institution at a rate in excess of the rate provided  
7 for an individual occupying a position at level V of the  
8 Executive Schedule under section 5316 of title 5, United  
9 States Code.

10 (b) For purposes of this section, “international fi-  
11 nancial institutions” are: the International Bank for Re-  
12 construction and Development, the Inter-American Devel-  
13 opment Bank, the Asian Development Bank, the Asian  
14 Development Fund, the African Development Bank, the  
15 African Development Fund, the International Monetary  
16 Fund, the North American Development Bank, and the  
17 European Bank for Reconstruction and Development.

18 COMPLIANCE WITH UNITED NATIONS SANCTIONS AGAINST  
19 IRAQ

20 SEC. 533. (a) DENIAL OF ASSISTANCE.—None of  
21 the funds appropriated or otherwise made available pur-  
22 suant to this Act to carry out the Foreign Assistance Act  
23 of 1961 (including title IV of chapter 2 of part I, relating  
24 to the Overseas Private Investment Corporation) or the  
25 Arms Export Control Act may be used to provide assist-  
26 ance to any country that is not in compliance with the

1 United Nations Security Council sanctions against Iraq,  
2 Serbia or Montenegro unless the President determines  
3 and so certifies to the Congress that—

4 (1) such assistance is in the national interest of  
5 the United States;

6 (2) such assistance will directly benefit the  
7 needy people in that country; or

8 (3) the assistance to be provided will be human-  
9 itarian assistance for foreign national who have fled  
10 Iraq and Kuwait.

11 (b) IMPORT SANCTIONS.—If the President consid-  
12 ers that the taking of such action would promote the ef-  
13 fectiveness of the economic sanctions of the United Na-  
14 tions and the United States imposed with respect to Iraq,  
15 Serbia, or Montenegro, as the case may be, and is con-  
16 sistent with the national interest, the President may pro-  
17 hibit, for such a period of time as he considers appro-  
18 priate, the importation into the United States of any or  
19 all products of any foreign country that has not prohib-  
20 ited—

21 (1) the importation of products of Iraq, Serbia,  
22 or Montenegro into its customs territory, and

23 (2) the export of its products to Iraq, Serbia,  
24 or Montenegro, as the case may be.



## 1 COMPETITIVE PRICING FOR SALES OF DEFENSE

## 2 ARTICLES

3 SEC. 533A. Direct costs associated with meeting  
4 a foreign customer's additional or unique requirements  
5 will continue to be allowable under contracts under sec-  
6 tion 22(d) of the Arms Export Control Act. Loadings ap-  
7 plicable to such direct costs shall be permitted at the  
8 same rates applicable to procurement of like items pur-  
9 chased by the Department of Defense for its own use.

## 10 POW/MIA MILITARY DRAWDOWN

11 SEC. 534. (a) Notwithstanding any other provi-  
12 sion of law, the President may direct the drawdown,  
13 without reimbursement by the recipient, of defense arti-  
14 cles from the stocks of the Department of Defense, de-  
15 fense services of the Department of Defense, and military  
16 education and training, of an aggregate value not to ex-  
17 ceed \$15,000,000 in fiscal year 1997, as may be nec-  
18 essary to carry out subsection (b).

19 (b) Such defense articles, services and training  
20 may be provided to Vietnam, Cambodia and Laos, under  
21 subsection (a) as the President determines are necessary  
22 to support efforts to locate and repatriate members of the  
23 United States Armed Forces and civilians employed di-  
24 rectly or indirectly by the United States Government who  
25 remain unaccounted for from the Vietnam War, and to  
26 ensure the safety of United States Government personnel

1 engaged in such cooperative efforts and to support Unit-  
2 ed States Department of Defense-sponsored humani-  
3 tarian projects associated with the POW/MIA efforts.  
4 Any aircraft shall be provided under this section only to  
5 Laos and only on a lease or loan basis, but may be pro-  
6 vided at no cost notwithstanding section 61 of the Arms  
7 Export Control Act and may be maintained with defense  
8 articles, services and training provided under this section.

9 (c) The President shall, within sixty days of the  
10 end of any fiscal year in which the authority of sub-  
11 section (a) is exercised, submit a report to the Congress  
12 which identifies the articles, services, and training drawn  
13 down under this section.

14 MEDITERRANEAN EXCESS DEFENSE ARTICLES

15 SEC. 535. For the four-year period beginning on  
16 October 1, 1996, the President shall ensure that excess  
17 defense articles will be made available under section 516  
18 and 519 of the Foreign Assistance Act of 1961 consistent  
19 with the manner in which the President made available  
20 excess defense articles under those sections during the  
21 four-year period that began on October 1, 1992, pursu-  
22 ant to section 573(e) of the Foreign Operations, Export  
23 Financing, Related Programs Appropriations Act, 1990.

24 CASH FLOW FINANCING

25 SEC. 536. For each country that has been ap-  
26 proved for cash flow financing (as defined in section

1 25(d) of the Arms Export Control Act, as added by sec-  
2 tion 112(b) of Public Law 99–83) under the Foreign  
3 Military Financing Program, any Letter of Offer and Ac-  
4 ceptance or other purchase agreement, or any amend-  
5 ment thereto, for a procurement in excess of  
6 \$100,000,000 that is to be financed in whole or in part  
7 with funds made available under this Act shall be submit-  
8 ted through the regular notification procedures to the  
9 Committees on Appropriations.

10 AUTHORITIES FOR THE PEACE CORPS, THE INTER-AMER-  
11 ICAN FOUNDATION AND THE AFRICAN DEVELOP-  
12 MENT FOUNDATION

13 SEC. 537. Unless expressly provided to the con-  
14 trary, provisions of this or any other Act, including provi-  
15 sions contained in prior Acts authorizing or making ap-  
16 propriations for foreign operations, export financing, and  
17 related programs, shall not be construed to prohibit ac-  
18 tivities authorized by or conducted under the Peace Corp  
19 Act, the Inter-American Foundation Act, or the African  
20 Development Foundation Act. The appropriate agency  
21 shall promptly report to the Committees on Appropria-  
22 tions whenever it is conducting activities or is proposing  
23 to conduct activities in a country for which assistance is  
24 prohibited.

1           IMPACT ON JOBS IN THE UNITED STATES

2           SEC. 538. None of the funds appropriated by this  
3 Act may be obligated or expended to provide—

4           (a) any financial incentive to a business enter-  
5 prise currently located in the United States for the  
6 purpose of inducing such an enterprise to relocate  
7 outside the United States if such incentive or in-  
8 ducement is likely to reduce the number of employ-  
9 ees of such business enterprise in the United States  
10 because United States production is being replaced  
11 by such enterprise outside the United States;

12           (b) assistance for the purpose of establishing or  
13 developing in a foreign country any export process-  
14 ing zone or designated area in which the tax, tariff,  
15 labor, environment, and safety laws of that country  
16 do not apply, in part or in whole, to activities car-  
17 ried out within that zone or area, unless the Presi-  
18 dent determines and certifies that such assistance is  
19 not likely to cause a loss of jobs within the United  
20 States; or

21           (c) assistance for any project or activity that  
22 contributes to the violation of internationally recog-  
23 nized workers rights, as defined in section 502(a)(4)  
24 of the Trade Act of 1974, of workers in the recipient  
25 country, including any designated zone or area in

1       that country: *Provided*, That in recognition that the  
2       application of this subsection should be commensu-  
3       rate with the level of development of the recipient  
4       country and sector, the provisions of this subsection  
5       shall not preclude assistance for the informal sector  
6       in such country, micro and small-scale enterprise,  
7       and smallholder agriculture.

8       AUTHORITY TO ASSIST BOSNIA AND HERZEGOVINA

9       SEC. 539. (a) The President is authorized to di-  
10      rect the transfer, subject to prior notification of the Com-  
11      mittees on Appropriations, to the Government of Bosnia  
12      and Herzegovina, without reimbursement of defense arti-  
13      cles from the stocks of the Department of Defense and  
14      defense services of the Department of Defense of an ag-  
15      gregate value of not to exceed \$100,000,000 in fiscal  
16      years 1996 and 1997: *Provided*, That the President cer-  
17      tifies in a timely fashion to the Congress that the trans-  
18      fer of such articles would assist that nation in self-de-  
19      fense and thereby promote the security and stability of  
20      the region.

21       (b) Within 60 days of any transfer under the au-  
22      thority provided in subsection (a), and every 60 days  
23      thereafter, the President shall report in writing to the  
24      Speaker of the House of Representatives and the Presi-  
25      dent pro tempore of the Senate concerning the articles  
26      transferred and the disposition thereof.

1           (c) There are authorized to be appropriated to the  
2 President such sums as may be necessary to reimburse  
3 the applicable appropriation, fund, or account for defense  
4 articles provided under this section.

5       RESTRICTIONS ON THE TERMINATION OF SANCTIONS  
6                   AGAINST SERBIA AND MONTENEGRO

7       SEC. 540. (a) RESTRICTIONS.—Notwithstanding  
8 any other provision of law, no sanction, prohibition, or re-  
9 quirement described in section 1511 of the National De-  
10 fense Authorization Act for Fiscal Year 1994 (Public  
11 Law 103–160), with respect to Serbia or Montenegro,  
12 may cease to be effective, unless—

13           (1) the President first submits to the Congress  
14 a certification described in subsection (b); and

15           (2) the requirements of section 1511 of that  
16 Act are met.

17       (b) CERTIFICATION.—A certification described in  
18 this subsection is a certification that—

19           (1) there is substantial progress toward—

20                   (A) the realization of a separate identity  
21 for Kosova and the right of the people of  
22 Kosova to govern themselves; or

23                   (B) the creation of an international protec-  
24 torate for Kosova;

25           (2) there is substantial improvement in the  
26 human rights situation in Kosova;

1           (3) international human rights observers are al-  
2       lowed to return to Kosova; and

3           (4) the elected government of Kosova is per-  
4       mitted to meet and carry out its legitimate mandate  
5       as elected representatives of the people of Kosova.

6           (c) WAIVER AUTHORITY.—The President may  
7       waive the application in whole or in part, of subsection  
8       (a) if the President certifies to the Congress that the  
9       President has determined that the waiver is necessary to  
10      meet emergency humanitarian needs or to achieve a nego-  
11      tiated settlement of the conflict in Bosnia and  
12      Herzegovina that is acceptable to the parties.

13                               SPECIAL AUTHORITIES

14           SEC. 541. (a) Funds appropriated in title II of  
15      this Act that are made available for Afghanistan, Leb-  
16      anon, and Cambodia, and for victims of war, displaced  
17      children, displaced Burmese, humanitarian assistance for  
18      Romania, and humanitarian assistance for the peoples of  
19      Bosnia and Herzegovina, Croatia, and Kosova, may be  
20      made available notwithstanding any other provision of  
21      law: *Provided*, That any such funds that are made avail-  
22      able for Cambodia shall be subject to the provisions of  
23      section 531(c) of the Foreign Assistance Act of 1961 and  
24      section 906 of the International Security and Develop-  
25      ment Cooperation Act of 1985: *Provided further*, That  
26      none of the funds appropriated by this Act may be made

1 available for assistance for any country or organization  
2 that the Secretary of State determines is cooperating,  
3 tactically or strategically, with the Khmer Rouge in their  
4 military operations, or to the military of any country that  
5 is not acting vigorously to prevent its members from fa-  
6 cilitating the export of timber from Cambodia by the  
7 Khmer Rouge: *Provided further*, That the Secretary of  
8 State shall submit a report to the Committees on Appro-  
9 priations by February 1, 1997, on whether there are any  
10 countries, organizations, or militaries for which assist-  
11 ance is prohibited under the previous proviso, the basis  
12 for such conclusions and, if appropriate, the steps being  
13 taken to terminate assistance: *Provided further*, That the  
14 prohibition on assistance to the military of any country  
15 that is not acting vigorously to prevent its members from  
16 facilitating the export of timber from Cambodia by the  
17 Khmer Rouge may be waived by the President if he de-  
18 termines and reports to the Committees on Appropria-  
19 tions that is is important to the national security interest  
20 of the United States to do so.

21 (b) Funds appropriated by this Act to carry out  
22 the provisions of sections 103 through 106 of the Foreign  
23 Assistance Act of 1961 may be used, notwithstanding any  
24 other provision of law, for the purpose of supporting  
25 tropical forestry and energy programs aimed at reducing



1 emissions of greenhouse gases, and for the purpose of  
2 supporting biodiversity conservation activities: *Provided*,  
3 That such assistance shall be subject to sections 116,  
4 502B, and 620A of the Foreign Assistance Act of 1961.

5 (c) During fiscal year 1997, the President may  
6 use up to \$40,000,000 under the authority of section 451  
7 of the Foreign Assistance Act of 1961, notwithstanding  
8 the funding ceiling contained in subsection (a) of that  
9 section.

10 (d) The Agency for International Development  
11 may employ personal services contractors, notwithstand-  
12 ing any other provision of law, for the purpose of admin-  
13 istering programs for the West Bank and Gaza.

14 POLICY ON TERMINATING THE ARAB LEAGUE BOYCOTT  
15 OF ISRAEL

16 SEC. 542. It is the sense of the Congress that—

17 (1) the Arab League countries should imme-  
18 diately and publicly renounce the primary boycott of  
19 Israel and the secondary and tertiary boycott of  
20 American firms that have commercial ties with Is-  
21 rael; and

22 (2) the President should—

23 (A) take more concrete steps to encourage  
24 vigorously Arab League countries to renounce  
25 publicly the primary boycotts of Israel and the  
26 secondary and tertiary boycotts of American

1 firms that have commercial relations with Israel  
2 as a confidence-building measure;

3 (B) take into consideration the participa-  
4 tion of any recipient country in the primary  
5 boycott of Israel and the secondary and tertiary  
6 boycotts of American firms that have commer-  
7 cial relations with Israel when determining  
8 whether to sell weapons to said county;

9 (C) report to Congress on the specific  
10 steps being taken by the President to bring  
11 about a public renunciation of the Arab primary  
12 boycott of Israel and the secondary and tertiary  
13 boycotts of American firms that have commer-  
14 cial relations with Israel; and

15 (D) encourage the allies and trading part-  
16 ners of the United States to enact laws prohib-  
17 iting businesses from complying with the boy-  
18 cott and penalizing businesses that do comply.

19 ANTI-NARCOTICS ACTIVITIES

20 SEC. 543. (a) Of the funds appropriated or other-  
21 wise made available by this Act for “Economic Support  
22 Fund”, assistance may be provided to strengthen the ad-  
23 ministration of justice in countries in Latin America and  
24 the Caribbean and in other regions consistent with the  
25 provisions of section 534(b) of the Foreign Assistance  
26 Act of 1961, except that programs to enhance protection

1 of participants in judicial cases may be conducted not-  
2 withstanding section 660 of that Act.

3 (b) Funds made available pursuant to this section  
4 may be made available notwithstanding section 534(c)  
5 and the second and third sentences of section 534(e) of  
6 the Foreign Assistance Act of 1961. Funds made avail-  
7 able pursuant to subsection (a) for Bolivia, Colombia and  
8 Peru may be made available notwithstanding section  
9 534(c) and the second sentence of section 534(e) of the  
10 Foreign Assistance Act of 1961.

11 ELIGIBILITY FOR ASSISTANCE

12 SEC. 544. (a) ASSISTANCE THROUGH NON-  
13 GOVERNMENTAL ORGANIZATIONS.—Restrictions con-  
14 tained in this or any other Act with respect to assistance  
15 for a country shall not be construed to restrict assistance  
16 in support of programs of nongovernmental organizations  
17 from funds appropriated by this Act to carry out the pro-  
18 visions of chapters 1 and 10 of part I of the Foreign As-  
19 sistance Act of 1961: *Provided*, That the President shall  
20 take into consideration, in any case in which a restriction  
21 on assistance would be applicable but for this subsection,  
22 whether assistance in support of programs of nongovern-  
23 mental organizations is in the national interest of the  
24 United States: *Provided further*, That before using the  
25 authority of this subsection to furnish assistance in sup-  
26 port of programs of nongovernmental organizations, the

1 President shall notify the Committees on Appropriations  
2 under the regular notification procedures of those com-  
3 mittees, including a description of the program to be as-  
4 sisted, the assistance to be provided, and the reasons for  
5 furnishing such assistance: *Provided further*, That noth-  
6 ing in this subsection shall be construed to alter any ex-  
7 isting statutory prohibitions against abortion or involun-  
8 tary sterilizations contained in this or any other Act.

9 (b) PUBLIC LAW 480.—During fiscal year 1997,  
10 restrictions contained in this or any other Act with re-  
11 spect to assistance for a country shall not be construed  
12 to restrict assistance under the Agricultural Trade Devel-  
13 opment and Assistance Act of 1954: *Provided*, That none  
14 of the funds appropriated to carry out title I of such Act  
15 and made available pursuant to this subsection may be  
16 obligated or expended except as provided through the reg-  
17 ular notification procedures of the Committees on Appro-  
18 priations.

19 (c) EXCEPTION.—This section shall not apply—

20 (1) with respect to section 620A of the Foreign  
21 Assistance Act or any comparable provision of law  
22 prohibiting assistance to countries that support  
23 international terrorism; or

24 (2) with respect to section 116 of the Foreign  
25 Assistance Act of 1961 or any comparable provision

1 of law prohibiting assistance to countries that violate  
2 internationally recognized human rights.

3 EARMARKS

4 SEC. 544A. (a) Funds appropriated by this Act  
5 which are earmarked may be reprogrammed for other  
6 programs within the same account notwithstanding the  
7 earmark if compliance with the earmark is made impos-  
8 sible by operation of any provision of this or any other  
9 Act or, with respect to a country with which the United  
10 States has an agreement providing the United States  
11 with base rights or base access in that country, if the  
12 President determines that the recipient for which funds  
13 are earmarked has significantly reduced its military or  
14 economic cooperation with the United States since enact-  
15 ment of the Foreign Operations, Export Financing, and  
16 Related Programs Appropriations Act, 1991; however,  
17 before exercising the authority of this subsection with re-  
18 gard to a base rights or base access country which has  
19 significantly reduced its military or economic cooperation  
20 with the United States, the President shall consult with,  
21 and shall provide a written policy justification to the  
22 Committees on Appropriations: *Provided*, That any such  
23 reprogramming shall be subject to the regular notifica-  
24 tion procedures of the Committees on Appropriations:  
25 *Provided further*, That assistance that is reprogrammed

1 pursuant to this subsection shall be made available under  
2 the same terms and conditions as originally provided.

3 (b) In addition to the authority contained in sub-  
4 section (a), the original period of availability of funds ap-  
5 propriated by this Act and administered by the Agency  
6 for International Development that are earmarked for  
7 particular programs or activities by this or any other Act  
8 shall be extended for an additional fiscal year if the Ad-  
9 ministrator of such agency determines and reports  
10 promptly to the Committees on Appropriations that the  
11 termination of assistance to a country or a significant  
12 change in circumstances makes it unlikely that such ear-  
13 marked funds can be obligated during the original period  
14 of availability: *Provided*, That such earmarked funds that  
15 are continued available for an additional fiscal year shall  
16 be obligated only for the purpose of such earmark.

17 CEILINGS AND EARMARKS

18 SEC. 545. Ceilings and earmarks contained in this  
19 Act shall not be applicable to funds or authorities appro-  
20 priated or otherwise made available by any subsequent  
21 Act unless such Act specifically so directs.

22 PROHIBITION ON PUBLICITY OR PROPAGANDA

23 SEC. 546. No part of any appropriation contained  
24 in this Act shall be used for publicity or propaganda pur-  
25 poses within the United States not authorized before the  
26 date of enactment of this Act by the Congress: *Provided*,

1 That not to exceed \$750,000 may be made available to  
2 carry out the provisions of section 316 of Public Law 96–  
3 533.

4 USE OF AMERICAN RESOURCES

5 SEC. 547. To the maximum extent possible, as-  
6 sistance provided under this Act should make full use of  
7 American resources, including commodities, products,  
8 and services.

9 PROHIBITION OF PAYMENTS TO UNITED NATIONS

10 MEMBERS

11 SEC. 548. None of the funds appropriated or  
12 made available pursuant to this Act for carrying out the  
13 Foreign Assistance Act of 1961, may be used to pay in  
14 whole or in part any assessments, arrearages, or dues of  
15 any member of the United Nations.

16 CONSULTING SERVICES

17 SEC. 549. The expenditure of any appropriation  
18 under this Act for any consulting service through pro-  
19 curement contract, pursuant to section 3109 of title 5,  
20 United States Code, shall be limited to those contracts  
21 where such expenditures are a matter of public record  
22 and available for public inspection, except where other-  
23 wise provided under existing law, or under existing Exec-  
24 utive order pursuant to existing law.

## 1 PRIVATE VOLUNTARY ORGANIZATIONS—DOCUMENTATION

2 SEC. 550. None of the funds appropriated or  
3 made available pursuant to this Act shall be available to  
4 a private voluntary organization which fails to provide  
5 upon timely request any document, file, or record nec-  
6 essary to the auditing requirements of the Agency for  
7 International Development.

8 PROHIBITION ON ASSISTANCE TO FOREIGN GOVERN-  
9 MENTS THAT EXPORT LETHAL MILITARY EQUIP-  
10 MENT TO COUNTRIES SUPPORTING INTERNATIONAL  
11 TERRORISM

12 SEC. 551. (a) None of the funds appropriated or  
13 otherwise made available by this Act may be available to  
14 any foreign government which provides lethal military  
15 equipment to a country the government of which the Sec-  
16 retary of State has determined is a terrorist government  
17 for purposes of section 40(d) of the Arms Export Control  
18 Act. The prohibition under this section with respect to a  
19 foreign government shall terminate 12 months after that  
20 government ceases to provide such military equipment.  
21 This section applies with respect to lethal military equip-  
22 ment provided under a contract entered into after the  
23 date of enactment of this Act.

24 (b) Assistance restricted by subsection (a) or any  
25 other similar provision of law, may be furnished if the



1 President determines that furnishing such assistance is  
2 important to the national interests of the United States.

3 (c) Whenever the waiver of subsection (b) is exer-  
4 cised, the President shall submit to the appropriate con-  
5 gressional committees a report with respect to the fur-  
6 nishing of such assistance. Any such report shall include  
7 a detailed explanation of the assistance to be provided,  
8 including the estimated dollar amount of such assistance,  
9 and an explanation of how the assistance furthers United  
10 States national interests.

11 WITHHOLDING OF ASSISTANCE FOR PARKING FINES

12 OWED BY FOREIGN COUNTRIES

13 SEC. 552. (a) IN GENERAL.—Of the funds made  
14 available for a foreign country under part I of the For-  
15 eign Assistance Act of 1961, an amount equivalent to  
16 110 percent of the total unpaid fully adjudicated parking  
17 fines and penalties owed to the District of Columbia by  
18 such country as of the date of enactment of this Act shall  
19 be withheld from obligation for such country until the  
20 Secretary of State certifies and reports in writing to the  
21 appropriate congressional committees that such fines and  
22 penalties are fully paid to the government of the District  
23 of Columbia.

24 (b) DEFINITION.—For purposes of this section,  
25 the term “appropriate congressional committees” means  
26 the Committee on Foreign Relations and the Committee

1 on Appropriations of the Senate and the Committee on  
2 International Relations and the Committee on Appropria-  
3 tions of the House of Representatives.

4       LIMITATION ON ASSISTANCE FOR THE PLO FOR THE  
5                               WEST BANK AND GAZA

6           SEC. 553. None of the funds appropriated by this  
7 Act may be obligated for assistance for the Palestine Lib-  
8 eration Organization for the West Bank and Gaza unless  
9 the President has exercised the authority under section  
10 604(a) of the Middle East Peace Facilitation Act of 1995  
11 (title VI of Public Law 104–107) or any other legislation  
12 to suspend or make inapplicable section 307 of the For-  
13 eign Assistance Act of 1961 and that suspension is still  
14 in effect: *Provided*, That if the President fails to make  
15 the certification under section 604(b)(2) of the Middle  
16 East Peace Facilitation Act of 1995 or to suspend the  
17 prohibition under other legislation, funds appropriated by  
18 this Act may not be obligated for assistance for the Pal-  
19 estine Liberation Organization for the West Bank and  
20 Gaza.

21       EXPORT FINANCING TRANSFER AUTHORITIES

22           SEC. 554. Not to exceed 5 percent of any appro-  
23 priation other than for administrative expenses made  
24 available for fiscal year 1997 for programs under title I  
25 of this Act may be transferred between such appropria-  
26 tions for use for any of the purposes, programs and ac-

1 tivities for which the funds in such receiving account may  
2 be used, but no such appropriation, except as otherwise  
3 specifically provided, shall be increased by more than 25  
4 percent by any such transfer: *Provided*, That the exercise  
5 of such authority shall be subject to the regular notifica-  
6 tion procedures of the Committees on Appropriations.

7 WAR CRIMES TRIBUNALS

8 SEC. 555. If the President determines that doing  
9 so will contribute to a just resolution of charges regard-  
10 ing genocide or other violations of international humani-  
11 tarian law, the President may direct a drawdown pursu-  
12 ant to section 552(c) of the Foreign Assistance Act of  
13 1961, as amended, of up to \$25,000,000 of commodities  
14 and services for the United Nations War Crimes Tribunal  
15 established with regard to the former Yugoslavia by the  
16 United Nations Security Council or such other tribunals  
17 or commissions as the Council may establish to deal with  
18 such violations, without regard to the ceiling limitation  
19 contained in paragraph (2) thereof: *Provided*, That the  
20 determination required under this section shall be in lieu  
21 of any determinations otherwise required under section  
22 552(c): *Provided further*, That 60 days after the date of  
23 enactment of this Act, and every 180 days thereafter, the  
24 Secretary of State shall submit a report to the Commit-  
25 tees on Appropriations describing the steps the United  
26 States Government is taking to collect information re-

1 guarding allegations of genocide or other violations of  
2 international law in the former Yugoslavia and to furnish  
3 that information to the United Nations War Crimes Tri-  
4 bunal for the former Yugoslavia.

5 LANDMINES

6 SEC. 556. Notwithstanding any other provision of  
7 law, demining equipment available to the Agency for  
8 International Development and the Department of State  
9 and used in support of the clearing of landmines and  
10 unexploded ordnance for humanitarian purposes may be  
11 disposed of on a grant basis in foreign countries, subject  
12 to such terms and conditions as the President may pre-  
13 scribe: *Provided*, That section 1365(c) of the National  
14 Defense Authorization Act for Fiscal Year 1993 (Public  
15 Law 102-484; 22 U.S.C., 2778 note) is amended by  
16 striking out “During the five-year period beginning on  
17 October 23, 1992” and inserting in lieu thereof “During  
18 the eight-year period beginning on October 23, 1992”.

19 RESTRICTIONS CONCERNING THE PALESTINIAN

20 AUTHORITY

21 SEC. 557. None of the funds appropriated by this  
22 Act may be obligated or expended to create in any part  
23 of Jerusalem a new office of any department or agency  
24 of the United States Government for the purpose of con-  
25 ducting official United States Government business with  
26 the Palestinian Authority over Gaza and Jericho or any

1 successor Palestinian governing entity provided for in the  
2 Israel-PLO Declaration of Principles: *Provided*, That this  
3 restriction shall not apply to the acquisition of additional  
4 space for the existing Consulate General in Jerusalem:  
5 *Provided further*, That meetings between officers and em-  
6 ployees of the United States and officials of the Palestin-  
7 ian Authority, or any successor Palestinian governing en-  
8 tity provided for in the Israel-PLO Declaration of Prin-  
9 ciples, for the purpose of conducting official United  
10 States Government business with such authority should  
11 continue to take place in locations other than Jerusalem.  
12 As has been true in the past, officers and employees of  
13 the United States Government may continue to meet in  
14 Jerusalem on other subjects with Palestinians (including  
15 those who now occupy positions in the Palestinian Au-  
16 thority), have social contacts, and have incidental discus-  
17 sions.

18 PROHIBITION OF PAYMENT OF CERTAIN EXPENSES

19 SEC. 558. None of the funds appropriated or oth-  
20 erwise made available by this Act under the heading  
21 “INTERNATIONAL MILITARY EDUCATION AND TRAINING”  
22 or “FOREIGN MILITARY FINANCING PROGRAM” for Infor-  
23 mational Program activities may be obligated or ex-  
24 pended to pay for—

25 (1) alcoholic beverages;

1           (2) food (other than food provided at a military  
2           installation) not provided in conjunction with Infor-  
3           mational Program trips where students do not stay  
4           at a military installation; or

5           (3) entertainment expenses for activities that  
6           are substantially of a recreational character, includ-  
7           ing entrance fees at sporting events and amusement  
8           parks.

9                           HUMANITARIAN CORRIDORS

10           SEC. 559. The Foreign Assistance Act of 1961 is  
11           amended by adding immediately after section 620H the  
12           following new section:

13           “SEC. 620I. PROHIBITION ON ASSISTANCE TO  
14           COUNTRIES THAT RESTRICT UNITED STATES HUMANI-  
15           TARIAN ASSISTANCE.—

16           “(a) IN GENERAL.—No assistance shall be fur-  
17           nished under this Act or the Arms Export Control  
18           Act to any country when it is made known to the  
19           President that the government of such country pro-  
20           hibits or otherwise restricts, directly or indirectly,  
21           the transport or delivery of United States humani-  
22           tarian assistance.

23           “(b) EXCEPTION.—Assistance may be furnished  
24           without regard to the restriction in subsection (a) if  
25           the President determines that to do so is in the na-  
26           tional security interest of the United States.

1           “(c) NOTICE.—Prior to making any determina-  
2           tion under subsection (b), the President shall notify  
3           the Committee on International Relations, the Com-  
4           mittee on Foreign Relations, and the Committees on  
5           Appropriations of the Senate and House of Rep-  
6           resentatives of his intention to make such a deter-  
7           mination, the effective date of the determination,  
8           and the reasons for making the determination.”.

9                           EQUITABLE ALLOCATION OF FUNDS

10           SEC. 560. Not more than 20 percent of the funds  
11           appropriated by this Act to carry out the provisions of  
12           sections 103 through 106 and chapter 4 of part II of the  
13           Foreign Assistance Act of 1961, that are made available  
14           for Latin America and the Caribbean region may be  
15           made available, through bilateral and Latin America and  
16           the Caribbean regional programs, to provide assistance  
17           for any country in such region.

18                           PURCHASE OF AMERICAN-MADE EQUIPMENT AND  
19   PRODUCTS

20           SEC. 561. (a) SENSE OF CONGRESS.—It is the  
21           sense of the Congress that, to the greatest extent prac-  
22           ticable, all equipment and products purchased with funds  
23           made available in this Act should be American-made.

24           (b) NOTICE REQUIREMENT.—In providing finan-  
25           cial assistance to, or entering into any contract with, any  
26           entity using funds made available in this Act, the head

1 of each Federal agency, to the greatest extent prac-  
2 ticable, shall provide to such entity a notice describing  
3 the statement made in subsection (a) by the Congress.

4           LIMITATION OF FUNDS FOR NORTH AMERICAN  
5                           DEVELOPMENT BANK

6           SEC. 562. None of the Funds appropriated in this  
7 Act under the heading “North American Development  
8 Bank” and made available for the Community Adjust-  
9 ment and Investment Program shall be used for purposes  
10 other than those set out in the binational agreement es-  
11 tablishing the Bank.

12           INTERNATIONAL DEVELOPMENT ASSOCIATION

13           SEC. 563. In order to pay for the United States  
14 contribution to the tenth replenishment of the resources  
15 of the International Development Association authorized  
16 in section 526 of Public Law 103–87, there is authorized  
17 to be appropriated, without fiscal year limitation,  
18 \$700,000,000 for payment by the Secretary of the Treas-  
19 ury.

20           SPECIAL DEBT RELIEF FOR THE POOREST

21           SEC. 564. (a) AUTHORITY TO REDUCE DEBT.—  
22 The President may reduce amounts owed to the United  
23 States (or any agency of the United States) by an eligible  
24 country as a result of—

25                   (1) guarantees issued under sections 221 and  
26           222 of the Foreign Assistance Act of 1961; or



1           (2) credits extended or guarantees issued under  
2       the Arms Export Control Act.

3           (b) LIMITATIONS.—

4           (1) The authority provided by subsection (a)  
5       may be exercised only to implement multilateral offi-  
6       cial debt relief and referendum agreements, com-  
7       monly referred to as “Paris Club Agreed Minutes”.

8           (2) The authority provided by subsection (a)  
9       may be exercised only in such amounts or to such  
10      extent as is provided in advance by appropriations  
11      Acts.

12          (3) The authority provided by subsection (a)  
13      may be exercised only with respect to countries with  
14      heavy debt burdens that are eligible to borrow from  
15      the International Development Association, but not  
16      from the International Bank for Reconstruction and  
17      Development, commonly referred to as “IDA-only”  
18      countries.

19          (c) CONDITIONS.—The authority provided by sub-  
20      section (a) may be exercised only with respect to a coun-  
21      try whose government—

22          (1) does not have an excessive level of military  
23      expenditures;

24          (2) has not repeatedly provided support for acts  
25      of international terrorism;

1           (3) is not failing to cooperate on international  
2       narcotics control matters;

3           (4) (including its military or other security  
4       forces) does not engage in a consistent pattern of  
5       gross violations of internationally recognized human  
6       rights; and

7           (5) is not ineligible for assistance because of the  
8       application of section 527 of the Foreign Relations  
9       Authorization Act, fiscal years 1994 and 1995.

10       (d) AVAILABILITY OF FUNDS.—The authority  
11   provided by subsection (a) may be used only with regard  
12   to funds appropriated by this Act under the heading  
13   “Debt restructuring”.

14       (e) CERTAIN PROHIBITIONS INAPPLICABLE.—A  
15   reduction of debt pursuant to subsection (a) shall not be  
16   considered assistance for purposes of any provision of law  
17   limiting assistance to a country. The authority provided  
18   by subsection (a) may be exercised notwithstanding sec-  
19   tion 620(r) of the Foreign Assistance Act of 1961.

20   AUTHORITY TO ENGAGE IN DEBT BUYBACKS OR SALES

21       SEC. 565. (a) LOANS ELIGIBLE FOR SALE, RE-  
22   DUCTION, OR CANCELLATION.—

23       (1) AUTHORITY TO SELL, REDUCE, OR CANCEL  
24   CERTAIN LOANS.—Notwithstanding any other provi-  
25   sion of law, the President may, in accordance with  
26   this section, sell to any eligible purchaser any

1 concessional loan or portion thereof made before  
2 January 1, 1995, pursuant to the Foreign Assist-  
3 ance Act of 1961, to the government of any eligible  
4 country as define in section 702(6) of that Act or  
5 on receipt of payment from an eligible purchaser, re-  
6 duce or cancel such loan or portion thereof, only for  
7 the purpose of facilitating—

8 (A) debt-for-equity swaps, debt-for-develop-  
9 ment swaps, or debt-for-nature swaps; or

10 (B) a debt buyback by an eligible country  
11 of its own qualified debt, only if the eligible  
12 country uses an additional amount of the local  
13 currency of the eligible country, equal to not  
14 less than 40 percent of the price paid for such  
15 debt by such eligible country, or the difference  
16 between the price paid for such debt and the  
17 face value of such debt, to support activities  
18 that link conservation and sustainable use of  
19 natural resources with local community develop-  
20 ment, and child survival and other child devel-  
21 opment, in a manner consistent with sections  
22 707 through 710 of the Foreign Assistance Act  
23 of 1961, if the sale, reduction, or cancellation  
24 would not contravene any term or condition of  
25 any prior agreement relating to such loan.

1           (2) TERMS AND CONDITIONS.—Notwithstanding  
2           any other provision of law, the President shall, in ac-  
3           cordance with this section, establish the terms and  
4           conditions under which loans may be sold, reduced,  
5           or canceled pursuant to this section.

6           (3) ADMINISTRATION.—The Facility, as defined  
7           in section 702(8) of the Foreign Assistance Act of  
8           1961, shall notify the administrator of the agency  
9           primarily responsible for administering part I of the  
10          Foreign Assistance Act of 1961 of purchasers that  
11          the President has determined to be eligible, and  
12          shall direct such agency to carry out the sale, reduc-  
13          tion, or cancellation of a loan pursuant to this sec-  
14          tion. Such agency shall make an adjustment in its  
15          accounts to reflect the sale, reduction, or cancella-  
16          tion.

17          (4) LIMITATION.—The authorities of this sub-  
18          section shall be available only to the extent that ap-  
19          propriations for the cost of the modification, as de-  
20          fined in section 502 of the Congressional Budget Act  
21          of 1974, are made in advance.

22          (b) DEPOSIT OF PROCEEDS.—The proceeds from  
23          the sale, reduction, or cancellation of any loan sold, re-  
24          duced, or canceled pursuant to this section shall be de-

1 posited in the United States Government account or ac-  
 2 counts established for the repayment of such loan.

3 (c) ELIGIBLE PURCHASERS.—A loan may be sold  
 4 pursuant to subsection (a)(1)(A) only to a purchaser who  
 5 presents plans satisfactory to the President for using the  
 6 loan for the purpose of engaging in debt-for-equity swaps,  
 7 debt-for-development swaps, or debt-for-nature swaps.

8 (d) DEBTOR CONSULTATIONS.—Before the sale to  
 9 any eligible purchaser, or any reduction or cancellation  
 10 pursuant to this section, of any loan made to an eligible  
 11 country, the President should consult with the country  
 12 concerning the amount of loans to be sold, reduced, or  
 13 canceled and their uses for debt-for-equity swaps, debt-  
 14 for-development swaps, or debt-for-nature swaps.

15 (e) AVAILABILITY OF FUNDS.—The authority pro-  
 16 vided by subsection (a) may be used only with regard to  
 17 funds appropriated by this Act under the heading “Debt  
 18 restructuring”.

19 LIBERIA

20 SEC. 566. Funds appropriated by this Act may be  
 21 made available for assistance for Liberia notwithstanding  
 22 section 620(q) of the Foreign Assistance Act of 1961 and  
 23 section 512 of this Act.

24 GUATEMALA

25 SEC. 567. (a) Funds provided in this Act may be  
 26 made available for the Guatemalan military forces, and

1 the restrictions on Guatemala under the headings “Inter-  
2 national Military Education and Training” and “Foreign  
3 Military Financing Program” shall not apply, only if the  
4 President determines and certifies to the Congress that  
5 the Guatemalan military is cooperating fully with efforts  
6 to resolve human rights abuses which elements of the  
7 Guatemalan military forces are alleged to have commit-  
8 ted, ordered or attempted to thwart the investigation of,  
9 and with efforts to negotiate a peace settlement.

10 (b) The prohibition contained in subsection (a)  
11 shall not apply to funds made available to implement a  
12 ceasefire or peace agreement.

13 (c) Any funds made available pursuant to sub-  
14 sections (a) or (b) shall be subject to the regular notifica-  
15 tion procedures of the Committees on Appropriations.

16 (d) Any funds made available pursuant to sub-  
17 sections (a) and (b) for international military education  
18 and training may only be for expanded international mili-  
19 tary education and training.

20 SANCTIONS AGAINST COUNTRIES HARBORING WAR  
21 CRIMINALS

22 SEC. 568. (a) BILATERAL ASSISTANCE.—The  
23 President is authorized to withhold funds appropriated by  
24 this Act under the Foreign Assistance Act of 1961 or the  
25 Arms Export Control Act for any country described in  
26 subsection (c).

1           (b) MULTILATERAL ASSISTANCE.—The Secretary  
2 of the Treasury should instruct the United States execu-  
3 tive directors of the international financial institutions to  
4 work in opposition to, and vote against, any extension by  
5 such institutions of financing or financial or technical as-  
6 sistance to any country described in subsection (c).

7           (c) SANCTIONED COUNTRIES.—A country de-  
8 scribed in this subsection is a country the government of  
9 which knowingly grants sanctuary to persons in its terri-  
10 tory for the purpose of evading prosecution, where such  
11 persons—

12           (1) have been indicted by the International  
13 Criminal Tribunal for the former Yugoslavia, the  
14 International Criminal Tribunal for Rwanda, or any  
15 other international tribunal with similar standing  
16 under international law, or

17           (2) have been indicted for war crimes or crimes  
18 against humanity committed during the period be-  
19 ginning March 23, 1933 and ending on May 8, 1945  
20 under the direction of, or in association with—

21                   (A) the Nazi government of Germany;

22                   (B) any government in any area occupied  
23 by the military forces of the Nazi government  
24 of Germany;

1 (C) any government which was established  
2 with the assistance or cooperation of the Nazi  
3 government; or

4 (D) any government which was an ally of the Nazi  
5 government of Germany.

6 LIMITATION ON ASSISTANCE FOR HAITI

7 SEC. 569. (a) LIMITATION.—None of the funds  
8 appropriated or otherwise made available by this Act,  
9 may be provided to the Government of Haiti until the  
10 President reports to Congress that—

11 (1) the Government is conducting thorough in-  
12 vestigations of extrajudicial and political killings;  
13 and

14 (2) the Government is cooperating with United  
15 States authorities in the investigations of political  
16 and extrajudicial killings.

17 (b) Nothing in this section shall be construed to  
18 restrict the provision of humanitarian, development, or  
19 electoral assistance.

20 (c) The President may waive the requirements of  
21 this section on a semiannual basis if he determines and  
22 certifies to the appropriate committees of Congress that  
23 it is in the national interest of the United States.

24 POLICY TOWARD BURMA

25 SEC. 570. (a) Until such time as the President de-  
26 termines and certifies to Congress that Burma has made



1 measurable and substantial progress in improving human  
2 rights practices and implementing democratic govern-  
3 ment, the following sanctions shall be imposed on Burma:

4 (1) BILATERAL ASSISTANCE.—There shall be  
5 no United States assistance to the Government of  
6 Burma, other than:

7 (A) humanitarian assistance,

8 (B) subject to the regular notification pro-  
9 cedures of the Committees on Appropriations,  
10 counter-narcotics assistance under chapter 8 of  
11 part I of the Foreign Assistance Act of 1961,  
12 or crop substitution assistance, if the Secretary  
13 of State certifies to the appropriate congres-  
14 sional committees that—

15 (i) the Government of Burma is fully  
16 cooperating with United States counter-  
17 narcotics efforts, and

18 (ii) the programs are fully consistent  
19 with United States human rights concerns  
20 in Burma and serve the United States na-  
21 tional interest, and

22 (C) assistance promoting human rights  
23 and democratic values.

24 (2) MULTILATERAL ASSISTANCE.—The Sec-  
25 retary of the Treasury shall instruct the United

1 States executive director of each international finan-  
2 cial institution to vote against any loan or other uti-  
3 lization of funds of the respective bank to or for  
4 Burma.

5 (3) VISAS.—Except as required by treaty obli-  
6 gations or to staff the Burmese mission to the Unit-  
7 ed States, the United States should not grant entry  
8 visas to any Burmese government official.

9 (b) CONDITIONAL SANCTIONS.—The President is  
10 hereby authorized to prohibit, and shall prohibit United  
11 States persons from new investment in Burma, if the  
12 President determines and certifies to Congress that, after  
13 the date of enactment of this Act, the Government of  
14 Burma has physically harmed, rearrested for political  
15 acts, or exiled Daw Aung San Suu Kyi or has committed  
16 large-scale repression of or violence against the Demo-  
17 cratic opposition.

18 (c) MULTILATERAL STRATEGY.—The President  
19 shall seek to develop, in coordination with members of  
20 ASEAN and other countries having major trading and  
21 investment interests in Burma, a comprehensive, multi-  
22 lateral strategy to bring democracy to and improve  
23 human rights practices and the quality of life in Burma,  
24 including the development of a dialogue between the

1 State Law and Order Restoration Council (SLORC) and  
2 democratic opposition groups within Burma.

3 (d) PRESIDENTIAL REPORTS.—Every six months  
4 following the enactment of this Act, the President shall  
5 report to the Chairmen of the Committee on Foreign Re-  
6 lations, the Committee on International Relations and the  
7 House and Senate Appropriations Committees on the fol-  
8 lowing:

9 (1) progress toward democratization in Burma;

10 (2) progress on improving the quality of life of  
11 the Burmese people, including progress on market  
12 reforms, living standards, labor standards, use of  
13 forced labor in the tourism industry, and environ-  
14 mental quality; and

15 (3) progress made in developing the strategy re-  
16 ferred to in subsection (c).

17 (e) WAIVER AUTHORITY.—The President shall  
18 have the authority to waive, temporarily or permanently,  
19 any sanction referred to in subsection (a) or subsection  
20 (b) if he determines and certifies to Congress that the  
21 application of such sanction would be contrary to the na-  
22 tional security interests of the United States.

23 (f) DEFINITIONS.—

24 (1) The term “international financial institu-  
25 tions” shall include the International Bank for Re-

1 construction and Development, the International De-  
2 velopment Association, the International Finance  
3 Corporation, the Multilateral Investment Guarantee  
4 Agency, the Asian Development Bank, and the  
5 International Monetary Fund.

6 (2) The term “new investment” shall mean any  
7 of the following activities if such an activity is un-  
8 dertaken pursuant to an agreement, or pursuant to  
9 the exercise of rights under such an agreement, that  
10 is entered into with the Government of Burma or a  
11 nongovernmental entity in Burma, on or after the  
12 date of the certification under subsection (b):

13 (A) the entry into a contract that includes  
14 the economical development of resources located  
15 in Burma, or the entry into a contract provid-  
16 ing for the general supervision and guarantee of  
17 another person’s performance of such a con-  
18 tract;

19 (B) the purchase of a share of ownership,  
20 including an equity interest, in that develop-  
21 ment;

22 (C) the entry into a contract providing for  
23 the participation in royalties, earnings, or prof-  
24 its in that development, without regard to the  
25 form of the participation:

1       *Provided*, That the term “new investment” does not  
2       include the entry into, performance of, or financing  
3       of a contract to sell or purchase goods, services, or  
4       technology.

5                       REPORT REGARDING HONG KONG

6           SEC. 571. In light of the deficiencies in reports  
7       submitted to the Congress pursuant to section 301 of the  
8       United States-Hong Kong Policy Act (22 U.S.C. 5731),  
9       the Congress directs that the additional report required  
10      to be submitted during 1997 under such section include  
11      detailed information on the status of, and other develop-  
12      ments affecting, implementation of the Sino-British Joint  
13      Declaration on the Question of Hong King, including—

14                   (1) the Basic Law and its consistency with the  
15      Joint Declaration;

16                   (2) Beijing’s plans to replace the elected legisla-  
17      ture with an appointed body;

18                   (3) the openness and fairness of the election of  
19      the chief executive and the executive’s accountability  
20      to the legislature;

21                   (4) the treatment of political parties;

22                   (5) the independence of the Judiciary and its  
23      ability to exercise the power of final judgment over  
24      Hong Kong law; and

25                   (6) the Bill of Rights.

16 CONFLICT IN CHECHNYA

22 EXTENSION OF CERTAIN ADJUDICATION PROVISIONS

26 (1) in section 599D (8 U.S.C. 1157 note)—

1 (A) in subsection (b)(3), by striking “and  
2 1996” and inserting “1996, and 1997”; and

3 (B) in subsection (e), by striking out “Oc-  
4 tober 1, 1996” each place it appears and insert-  
5 ing “October 1, 1997”; and

6 (2) in section 599E (8 U.S.C. 1255 note) in  
7 subsection (b)(2), by striking out “September 30,  
8 1996” and inserting “September 30, 1997”.

9 TRANSPARENCY OF BUDGETS

10 SEC. 576. (a) LIMITATION.—Beginning three  
11 years after the date of the enactment of this Act, the  
12 Secretary of the Treasury shall instruct the United  
13 States Executive Director of each international financial  
14 institution to use the voice and vote of the United States  
15 to oppose any loan or other utilization of the funds of  
16 their respective institution, other than to address basic  
17 human needs, for the government of any country which  
18 the Secretary of the Treasury determines—

19 (1) does not have in place a functioning system  
20 for a civilian audit of all receipts and expenditures  
21 that fund activities of the armed forces and security  
22 forces;

23 (2) has not provided a summary of a current  
24 audit to the institution.

25 (b) DEFINITION.—For purposes of this section,  
26 the term “international financial institution” shall in-

1 clude the institutions identified in section 532(b) of this  
2 Act.

3 GUARANTEES

4 SEC. 577. Section 251(b)(2)(G) of the Balanced  
5 Budget and Emergency Deficit Control Act of 1985 is  
6 amended by striking “fiscal year 1994 and 1995” and in-  
7 serting in lieu thereof “fiscal years 1994, 1995, and  
8 1997” in both places that this appears.

9 INFORMATION ON COOPERATION WITH UNITED STATES  
10 ANTI-TERRORISM EFFORTS IN ANNUAL COUNTRY RE-  
11 PORTS ON TERRORISM

12 SEC. 578. Section 140 of the Foreign Relations  
13 Authorization Act, fiscal years 1988 and 1989 (22  
14 U.S.C. 2656f) is amended—

15 (1) in subsection (a)—

16 (A) by striking “and” at the end of para-  
17 graph (1);

18 (B) by striking the period at the end of  
19 paragraph (2) and inserting a semicolon; and

20 (C) by adding at the end the following:

21 “(3) with respect to each foreign country from  
22 which the United States Government has sought co-  
23 operation during the previous five years in the inves-  
24 tigation or prosecution of an act of international ter-  
25 rorism against United States citizens or interests,  
26 information on—



1           “(A) the extent to which the government of  
2           the foreign country is cooperating with the  
3           United States Government in apprehending,  
4           convicting, and punishing the individual or indi-  
5           viduals responsible for the act; and

6           “(B) the extent to which the government  
7           of the foreign country is cooperating in prevent-  
8           ing further acts of terrorism against United  
9           States citizens in the foreign country; and

10          “(4) with respect to each foreign country from  
11          which the United States Government has sought co-  
12          operation during the previous five years in the pre-  
13          vention of an act of international terrorism against  
14          such citizens or interests, the information described  
15          in paragraph (3)(B).”; and

16          (2) in subsection (c)—

17                 (A) by striking “The report” and inserting  
18                 “(1) Except as provided in paragraph (2), the  
19                 report”;

20                 (B) by indenting the margin of paragraph  
21                 (1) as so designated, 2 ems; and

22                 (C) by adding at the end the following:

23                 “(2) If the Secretary of State determines that  
24                 the transmittal of the information with respect to a  
25                 foreign country under paragraph (3) or (4) of sub-

1 section (a) in classified form would make more likely  
2 the cooperation of the government of the foreign  
3 country as specified in such paragraph, the Sec-  
4 retary may transmit the information under such  
5 paragraph in classified form.”.

6 FEMALE GENITAL MUTILATION

7 SEC. 579. (a) LIMITATION.—Beginning 1 year  
8 after the date of the enactment of this Act, the Secretary  
9 of the Treasury shall instruct the United States Execu-  
10 tive Director of each international financial institution to  
11 use the voice and vote of the United States to oppose any  
12 loan or other utilization of the funds of their respective  
13 institution, other than to address basic human needs, for  
14 the government of any country which the Secretary of the  
15 Treasury determines—

16 (1) has, as a cultural custom, a known history  
17 of the practice of female genital mutilation; and

18 (2) has not taken steps to implement edu-  
19 cational programs designed to prevent the practice  
20 of female genital mutilation.

21 (B) DEFINITION.—For purposes of this section,  
22 the term “international financial institution” shall in-  
23 clude the institutions identified in section 532(b) of this  
24 Act.

1        REQUIREMENT FOR DISCLOSURE OF FOREIGN AID IN  
2                                REPORT OF SECRETARY OF STATE

3                SEC. 580. (a) FOREIGN AID REPORTING RE-  
4        QUIREMENT.—In addition to the voting practices of a  
5        foreign country, the report required to be submitted to  
6        Congress under section 406(a) of the Foreign Relations  
7        Authorization Act fiscal years 1990 and 1991 (22 U.S.C.  
8        2414a), shall include a side-by-side comparison of indi-  
9        vidual countries' overall support for the United States at  
10       the United Nations and the amount of United States as-  
11       sistance provided to such country in fiscal year 1996.

12                (b) UNITED STATES ASSISTANCE.—For purposes  
13       of this section, the term “United States assistance” has  
14       the meaning given the term in section 481(e)(4) of the  
15       Foreign Assistance Act of 1961 (22 U.S.C. 2291(e)(4)).

16        RESTRICTIONS ON VOLUNTARY CONTRIBUTIONS TO  
17                                UNITED NATIONS AGENCIES

18                SEC. 581. (a) PROHIBITION ON VOLUNTARY CON-  
19        TRIBUTIONS FOR THE UNITED NATIONS.—None of the  
20        funds appropriated or otherwise made available by this  
21        Act may be made available to pay any voluntary con-  
22        tribution of the United States to the United Nations (in-  
23        cluding the United Nations Development Program) if the  
24        United Nations implements or imposes any taxation on  
25        any United States persons.

14 (1) a natural person who is a citizen or national  
15 of the United States; or

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1 shall be subject to the regular notification procedures of  
2 the Committees on Appropriations.

3 REFUGEE STATUS FOR ADULT CHILDREN OF FORMER VI-  
4 ETNAMESE REEDUCATION CAMP INTERNEES RESET-  
5 TLED UNDER THE ORDERLY DEPARTURE PROGRAM

6 SEC. 584. (a) ELIGIBILITY FOR ORDERLY DEPAR-  
7 TURE PROGRAM.—For purposes of eligibility for the Or-  
8 derly Departure Program for nationals of Vietnam, dur-  
9 ing fiscal year 1997, an alien described in subsection (b)  
10 shall be considered to be a refugee of special humani-  
11 tarian concern to the United States within the meaning  
12 of section 207 of the Immigration and Nationality Act (8  
13 U.S.C. 1157) and shall be admitted to the United States  
14 for resettlement if the alien would be admissible as an  
15 immigrant under the Immigration and Nationality Act  
16 (except as provided in section 207(c)(3) of that Act).

17 (b) ALIENS COVERED.—An alien described in this  
18 subsection is an alien who—

19 (1) is the son or daughter of a national of Viet-  
20 nam who—

21 (A) was formerly interned in a reeducation  
22 camp in Vietnam by the Government of the So-  
23 cialist Republic of Vietnam; and

24 (B) has been accepted for resettlement as  
25 a refugee under the Orderly Departure Pro-  
26 gram on or after April 1, 1995;

1           (2) is 21 years of age or older; and

2           (3) was unmarried as of the date of acceptance  
3       of the alien's parent for resettlement under the Or-  
4       derly Departure Program.

5           (c) SUPERSEDES EXISTING LAW.—This section  
6       supersedes any other provision of law.

7                               NORTH KOREA

8           SEC. 585. Ninety days after the date of enactment  
9       of this Act, and every 180 days thereafter, the Secretary  
10      of State, in consultation with the Secretary of Defense,  
11      shall provide a report in a classified or unclassified form  
12      to the Committee on Appropriations including the follow-  
13      ing information:

14           (a) a best estimate on fuel used by the military  
15      forces of the Democratic People's Republic of Korea  
16      (DPRK);

17           (b) the deployment position and military train-  
18      ing and activities of the DPRK forces and best esti-  
19      mate of the associated costs of these activities;

20           (c) steps taken to reduce the DPRK level of  
21      forces; and

22           (d) cooperation, training, or exchanges of infor-  
23      mation, technology or personnel between the DPRK  
24      and any other nation supporting the development or  
25      deployment of a ballistic missile capability.

## LIMITATION ON ASSISTANCE TO MEXICO

SEC. 587. Not less than \$2,500,000 of the funds appropriated or otherwise made available by this Act for the Government of Mexico shall be withheld from obligation until the President has determined and reported to Congress that—

(1) the Government of Mexico is taking actions to reduce the amount of illegal drugs entering the United States from Mexico; and

(2) the Government of Mexico—

(A) is taking effective actions to apply vigorously all law enforcement resources to investigate, track, capture, incarcerate, and prosecute individuals controlling, supervising, or managing international narcotics cartels or other similar entities and the accomplices of such individuals, individuals responsible for, or otherwise involved in, corruption, and individuals involved in money-laundering;

(B) is pursuing international anti-drug trafficking initiatives;

(C) is cooperating fully with international efforts at narcotics interdiction; and

(D) is cooperating fully with requests by the United States for assistance in investiga-

1           tions of money-laundering violations and is  
2           making progress toward implementation of ef-  
3           fective laws to prohibit money-laundering.

4           LIMITATION OF ASSISTANCE TO TURKEY

5           SEC. 588. Not more than \$22,000,000 of the  
6 funds appropriated in this Act under the heading “Eco-  
7 nomic Support Fund” may be made available to the Gov-  
8 ernment of Turkey.

9           CIVIL LIABILITY FOR ACTS OF STATE SPONSORED

10                           TERRORISM

11           SEC. 589. (a) an official, employee, or agent of a  
12 foreign state designated as a state sponsor of terrorism  
13 designated under section 6(j) of the Export Administra-  
14 tion Act of 1979 while acting within the scope of his or  
15 her office, employment, or agency shall be liable to a  
16 United States national or the national’s legal representa-  
17 tive for personal injury or death caused by acts of that  
18 official, employee, or agent for which the courts of the  
19 United States may maintain jurisdiction under section  
20 1605(a)(7) of title 28, United States Code, for money  
21 damages which may include economic damages, solatium,  
22 pain, and suffering, and punitive damages if the acts  
23 were among those described in section 1605(a)(7).

24           (b) Provisions related to statute of limitations and  
25 limitations on discovery that would apply to an action  
26 brought under 28 U.S.C. 1605(f) and (g) shall also apply



1 to actions brought under this section. No action shall be  
2 maintained under this action if an official, employee, or  
3 agent of the United States, while acting within the scope  
4 of his or her office, employment, or agency would not be  
5 liable for such acts if carried out within the United  
6 States.

7 Titles I through V of this Act may be cited as the  
8 “Foreign Operations, Export Financing, and Related  
9 Programs Appropriations Act, 1997”.

10 TITLE VI—NATO ENLARGEMENT FACILITATION  
11 ACT OF 1996

12 **SEC. 601. SHORT TITLE.**

13 This title may be cited as the “NATO Enlarge-  
14 ment Facilitation Act of 1996”.

15 **SEC. 602. FINDINGS.**

16 The Congress makes the following findings:

17 (1) Since 1949, the North Atlantic Treaty Or-  
18 ganization (NATO) has played an essential role in  
19 guaranteeing the security, freedom, and prosperity  
20 of the United States and its partners in the Alliance.

21 (2) The NATO Alliance is, and has been since  
22 its inception, purely defensive in character, and it  
23 poses no threat to any nation. The enlargement of  
24 the NATO Alliance to include as full and equal  
25 members emerging democracies in Central and East-

1       ern Europe will serve to reinforce stability and secu-  
2       rity in Europe by fostering their integration into the  
3       structures which have created and sustained peace  
4       in Europe since 1945. Their admission into NATO  
5       will not threaten any nation. America's security,  
6       freedom, and prosperity remain linked to the secu-  
7       rity of the countries of Europe.

8               (3) The sustained commitment of the member  
9       countries of NATO to a mutual defense has made  
10      possible the democratic transformation of Central  
11      and Eastern Europe. Members of the Alliance can  
12      and should play a critical role in addressing the se-  
13      curity challenges of the post-Cold War era and in  
14      creating the stable environment needed for those  
15      emerging democracies in Central and Eastern Eu-  
16      rope to successfully complete political and economic  
17      transformation.

18              (4) The United States continues to regard the  
19      political independence and territorial integrity of all  
20      emerging democracies in Central and Eastern Eu-  
21      rope as vital to European peace and security.

22              (5) The active involvement by the countries of  
23      Central and Eastern Europe has made the Partner-  
24      ship for Peace program an important forum to fos-

1       ter cooperation between NATO and those countries  
2       seeking NATO membership.

3           (6) NATO has enlarged its membership on 3  
4       different occasions since 1949.

5           (7) Congress supports the admission of quali-  
6       fied new members to NATO and the European  
7       Union at an early date and has sought to facilitate  
8       the admission of qualified new members into NATO.

9           (8) Lasting security and stability in Europe re-  
10      quires not only the military integration of emerging  
11      democracies in Central and Eastern Europe into ex-  
12      isting European structures, but also the eventual  
13      economic and political integration of these countries  
14      into existing European structures.

15          (9) As new members of NATO assume the re-  
16      sponsibilities of Alliance membership, the costs of  
17      maintaining stability in Europe should be shared  
18      more widely. Facilitation of the enlargement process  
19      will require current members of NATO, and the  
20      United States in particular, to demonstrate the po-  
21      litical will needed to build on successful ongoing pro-  
22      grams such as the Warsaw Initiative and the Part-  
23      nership for Peace by making available the resources  
24      necessary to supplement efforts prospective new  
25      members are themselves undertaking.

1           (10) New members will be full members of the  
2       Alliance, enjoying all rights and assuming all the ob-  
3       ligations under the North Atlantic Treaty, signed at  
4       Washington on April 4, 1949 (hereafter in this Act  
5       referred to as the “Washington Treaty”).

6           (11) In order to assist emerging democracies in  
7       Central and Eastern Europe that have expressed in-  
8       terest in joining NATO to be prepared to assume  
9       the responsibilities of NATO membership, the Unit-  
10      ed States should encourage and support efforts by  
11      such countries to develop force structures and force  
12      modernization priorities that will enable such coun-  
13      tries to contribute to the full range of NATO mis-  
14      sions, including, most importantly, territorial defense  
15      of the Alliance.

16          (12) Cooperative regional peacekeeping initia-  
17      tives involving emerging democracies in Central and  
18      Eastern Europe that have expressed interest in join-  
19      ing NATO, such as the Baltic Peacekeeping Battal-  
20      ion, the Polish-Lithuanian Joint Peacekeeping  
21      Force, and the Polish-Ukrainian Peacekeeping  
22      Force, can make an important contribution to Euro-  
23      pean peace and security and international peace-  
24      keeping efforts, can assist those countries preparing  
25      to assume the responsibilities of possible NATO

1 membership, and accordingly should receive appro-  
2 priate support from the United States.

3 (13) NATO remains the only multilateral secu-  
4 rity organization capable of conducting effective  
5 military operations and preserving security and sta-  
6 bility of the Euro-Atlantic region.

7 (14) NATO is an important diplomatic forum  
8 and has played a positive role in defusing tensions  
9 between members of the Alliance and, as a result, no  
10 military action has occurred between two Alliance  
11 member states since the inception of NATO in 1949.

12 (15) The admission to NATO of emerging de-  
13 mocracies in Central and Eastern Europe which are  
14 found to be in a position to further the principles of  
15 the Washington Treaty would contribute to inter-  
16 national peace and enhance the security of the re-  
17 gion. Countries which have become democracies and  
18 established market economies, which practice good  
19 neighborly relations, and which have established ef-  
20 fective democratic civilian control over their defense  
21 establishments and attained a degree of interoper-  
22 ability with NATO, should be evaluated for their po-  
23 tential to further the principles of the Washington  
24 Treaty.

1           (16) Democratic civilian control of defense  
2           forces is an essential element in the process of prep-  
3           aration for those states interested in possible NATO  
4           membership.

5           (17) Protection and promotion of fundamental  
6           freedoms and human rights is an integral aspect of  
7           genuine security, and in evaluating requests for  
8           membership in NATO, the human rights records of  
9           the emerging democracies in Central and Eastern  
10          Europe should be evaluated according to their com-  
11          mitments to fulfill in good faith the human rights  
12          obligations of the Charter of the United Nations, the  
13          principles of the Universal Declaration on Human  
14          Rights, and the Helsinki Final Act.

15          (18) A number of Central and Eastern Euro-  
16          pean countries have expressed interest in NATO  
17          membership, and have taken concrete steps to dem-  
18          onstrate this commitment, including their participa-  
19          tion in Partnership for Peace activities.

20          (19) The Caucasus region remains important  
21          geographically and politically to the future security  
22          of Central Europe. As NATO proceeds with the  
23          process of enlargement, the United States and  
24          NATO should continue to examine means to  
25          strengthen the sovereignty and enhance the security

1 of United Nations recognized countries in that re-  
2 gion.

3 (20) In recognition that not all countries which  
4 have requested membership in NATO will nec-  
5 essarily qualify at the same pace, the accession date  
6 for each new member will vary.

7 (21) The provision of additional NATO transi-  
8 tion assistance should include those emerging de-  
9 mocracies most ready for closer ties with NATO and  
10 should be designed to assist other countries meeting  
11 specified criteria of eligibility to move forward to-  
12 ward eventual NATO membership.

13 (22) The Congress of the United States finds in  
14 particular that Poland, Hungary, and the Czech Re-  
15 public have made significant progress toward achiev-  
16 ing the criteria set forth in section 203(d)(3) of the  
17 NATO Participation Act of 1994 and should be eli-  
18 gible for the additional assistance described in this  
19 Act.

20 (23) The evaluation of future membership in  
21 NATO for emerging democracies in Central and  
22 Eastern Europe should be based on the progress of  
23 those nations in meeting criteria for NATO member-  
24 ship, which require enhancement of NATO's security  
25 and the approval of all NATO members.

1           (24) The process of NATO enlargement entails  
2           the consensus agreement of the governments of all  
3           16 NATO members and ratification in accordance  
4           with their constitutional procedures.

5           (25) Some NATO members, such as Spain and  
6           Norway, do not allow the deployment of nuclear  
7           weapons on their territory although they are ac-  
8           corded the full collective security guarantees pro-  
9           vided by Article 5 of the Washington Treaty. There  
10          is no a priori requirement for the stationing of nu-  
11          clear weapons on the territory of new NATO mem-  
12          bers, particularly in the current security climate.  
13          However, NATO retains the right to alter its secu-  
14          rity posture at any time as circumstances warrant.

15 **SEC. 603. UNITED STATES POLICY.**

16           It is the policy of the United States—

17           (1) to join with the NATO allies of the United  
18           States to adapt the role of the NATO Alliance in the  
19           post-Cold War world;

20           (2) to actively assist the emerging democracies  
21           in Central and Eastern Europe in their transition so  
22           that such countries may eventually qualify for  
23           NATO membership;

24           (3) to support the enlargement of NATO in rec-  
25           ognition that enlargement will benefit the interests



1 of the United States and the Alliance and to con-  
2 sider these benefits in any analysis of the costs of  
3 NATO enlargement;

4 (4) to ensure that all countries in Central and  
5 Eastern Europe are fully aware of and capable of  
6 assuming the costs and responsibilities of NATO  
7 membership, including the obligation set forth in Ar-  
8 ticle 10 of the Washington Treaty that new members  
9 be able to contribute to the security of the North At-  
10 lantic area; and

11 (5) to work to define a constructive and cooper-  
12 ative political and security relationship between an  
13 enlarged NATO and the Russian Federation.

14 **SEC. 604. SENSE OF THE CONGRESS REGARDING FURTHER**  
15 **ENLARGEMENT OF NATO.**

16 It is the sense of the Congress that in order to  
17 promote economic stability and security in Slovakia, Es-  
18 tonia, Latvia, Lithuania, Romania, Bulgaria, Albania,  
19 Moldova, and Ukraine—

20 (1) the United States should continue and ex-  
21 pand its support for the full and active participation  
22 of these countries in activities appropriate for quali-  
23 fying for NATO membership;

24 (2) the United States Government should use  
25 all diplomatic means available to press the European

1 Union to admit as soon as possible any country  
2 which qualifies for membership;

3 (3) the United States Government and the  
4 North Atlantic Treaty Organization should continue  
5 and expand their support for military exercises and  
6 peacekeeping initiatives between and among these  
7 nations, nations of the North Atlantic Treaty Orga-  
8 nization, and Russia; and

9 (4) the process of enlarging NATO to include  
10 emerging democracies in Central and Eastern Eu-  
11 rope should not be limited to consideration of admit-  
12 ting Poland, Hungary, the Czech Republic, and Slo-  
13 venia as full members of the NATO Alliance.

14 **SEC. 605. SENSE OF THE CONGRESS REGARDING ESTONIA,**  
15 **LATVIA AND LITHUANIA.**

16 In view of the forcible incorporation of Estonia,  
17 Latvia, Lithuania into the Soviet Union in 1940 under  
18 the Molotov-Ribbentrop Pact and the refusal of the Unit-  
19 ed States and other countries to recognize that incorpora-  
20 tion for over 50 years, it is the sense of the Congress  
21 that—

22 (1) Estonia, Latvia, and Lithuania have valid  
23 historical security concerns that must be taken into  
24 account by the United States; and

1           (2) Estonia, Latvia, and Lithuania should not  
2           be disadvantaged in seeking to join NATO by virtue  
3           of their forcible incorporation into the Soviet Union.

4 **SEC. 606. DESIGNATION OF COUNTRIES ELIGIBLE FOR**  
5 **NATO ENLARGEMENT ASSISTANCE.**

6           (a) IN GENERAL.—The following countries are  
7           designated as eligible to receive assistance under the pro-  
8           gram established under section 203(a) of the NATO Par-  
9           ticipation Act of 1994 and shall be deemed to have been  
10          so designated pursuant to section 203(d)(1) of such Act:  
11          Poland, Hungary, and the Czech Republic.

12          (b) DESIGNATION OF SLOVENIA.—Effective 90  
13          days after the date of enactment of this Act, Slovenia is  
14          designated as eligible to receive assistance under the pro-  
15          gram established under section 203(a) of the NATO Par-  
16          ticipation Act of 1994, and shall be deemed to have been  
17          so designated pursuant to section 203(d) of such Act, un-  
18          less the President certifies to Congress prior to such ef-  
19          fective date that Slovenia fails to meet the criteria under  
20          section 203(d)(3) of such Act.

21          (c) DESIGNATION OF OTHER COUNTRIES.—The  
22          President shall designate other emerging democracies in  
23          Central and Eastern Europe as eligible to receive assist-  
24          ance under the program established under section 203(a)  
25          of such Act if such countries—

- 1 (1) have expressed a clear desire to join NATO;
- 2 (2) have begun an individualized dialogue with
- 3 NATO in preparation for accession;
- 4 (3) are strategically significant to an effective
- 5 NATO defense; and
- 6 (4) meet the other criteria outlined in section
- 7 203(d)(3) of the NATO Participation Act of 1994
- 8 (title II of Public Law 103–447; 22 U.S.C. 1928
- 9 note).

10 (d) **RULE OF CONSTRUCTION.**—Nothing in this  
11 section precludes the designation by the President of Es-  
12 tonia, Latvia, Lithuania, Romania, Slovakia, Bulgaria,  
13 Albania, Moldova, Ukraine, or any other emerging de-  
14 mocracy in Central and Eastern Europe pursuant to sec-  
15 tion 203(d) of the NATO Participation Act of 1994 as  
16 eligible to receive assistance under the program estab-  
17 lished under section 203(a) of such Act.

18 **SEC. 607. AUTHORIZATION OF APPROPRIATIONS FOR NATO**  
19 **ENLARGEMENT ASSISTANCE.**

20 (a) **IN GENERAL.**—There are authorized to be ap-  
21 propriated \$60,000,000 for fiscal year 1997 for the pro-  
22 gram established under section 203(a) of the NATO Par-  
23 ticipation Act of 1994.

24 (b) **AVAILABILITY.**—Of the funds authorized to be  
25 appropriated by subsection (a)—

1           (1) not less than \$20,000,000 shall be available  
2       for the cost, as defined in section 502(5) of the  
3       Credit Reform Act of 1990, of direct loans pursuant  
4       to the authority of section 203(c)(4) of the NATO  
5       Participation Act of 1994 (relating to the “Foreign  
6       Military Financing Program”);

7           (2) not less than \$30,000,000 shall be available  
8       for assistance on a grant basis pursuant to the au-  
9       thority of section 203(c)(4) of the NATO Participa-  
10      tion Act of 1994 (relating to the “Foreign Military  
11      Financing Program”); and

12          (3) not more than \$10,000,000 shall be avail-  
13      able for assistance pursuant to the authority of sec-  
14      tion 203(c)(3) of the NATO Participation Act of  
15      1994 (relating to international military education  
16      and training).

17          (c) RULE OF CONSTRUCTION.—Amounts author-  
18      ized to be appropriated under this section are authorized  
19      to be appropriated in addition to such amounts as other-  
20      wise may be available for such purposes.

21      **SEC. 608. REGIONAL AIRSPACE INITIATIVE AND PARTNER-**  
22                              **SHIP FOR PEACE INFORMATION MANAGE-**  
23                              **MENT SYSTEM.**

24          (a) IN GENERAL.—To the extent provided in ad-  
25      vance in appropriations acts for such purposes, funds de-

1 scribed in subsection (b) are authorized to be made avail-  
2 able to support the implementation of the Regional Air-  
3 space Initiative and the Partnership for Peace Informa-  
4 tion Management System, including—

5 (1) the procurement of items in support of  
6 these programs; and

7 (2) the transfer of such items to countries par-  
8 ticipating in these programs.

9 (b) FUNDS DESCRIBED.—Funds described in this  
10 subsection are funds that are available—

11 (1) during any fiscal year under the NATO  
12 Participation Act of 1994 with respect to countries  
13 eligible for assistance under that Act; or

14 (2) during fiscal year 1997 under any Act to  
15 carry out the Warsaw Initiative.

16 **SEC. 609. EXCESS DEFENSE ARTICLES.**

17 (a) PRIORITY DELIVERY.—Notwithstanding any  
18 other provision of law, the delivery of excess defense arti-  
19 cles under the authority of section 203(c) (1) and (2) of  
20 the NATO Participation Act of 1994 and section 516 of  
21 the Foreign Assistance Act of 1961 shall be given prior-  
22 ity to the maximum extent feasible over the delivery of  
23 such excess defense articles to all other countries except  
24 those countries referred to in section 541 of the Foreign  
25 Operations, Export Financing, and Related Programs

1 Appropriations Act, 1995 (Public Law 103–306; 108  
2 Stat. 1640).

3 (b) COOPERATIVE REGIONAL PEACEKEEPING INI-  
4 TIATIVES.—The Congress encourages the President to  
5 provide excess defense articles and other appropriate as-  
6 sistance to cooperative regional peacekeeping initiatives  
7 involving emerging democracies in Central and Eastern  
8 Europe that have expressed an interest in joining NATO  
9 in order to enhance their ability to contribute to Euro-  
10 pean peace and security and international peacekeeping  
11 efforts.

12 **SEC. 610. MODERNIZATION OF DEFENSE CAPABILITY.**

13 The Congress endorses efforts by the United  
14 States to modernize the defense capability of Poland,  
15 Hungary, the Czech Republic, Slovenia, and any other  
16 countries designated by the President pursuant to section  
17 203(d) of the NATO Participation Act of 1994, by ex-  
18 ploring with such countries options for the sale or lease  
19 to such countries of weapons systems compatible with  
20 those used by NATO members, including air defense sys-  
21 tems, advanced fighter aircraft, and telecommunications  
22 infrastructure.

23 **SEC. 611. TERMINATION OF ELIGIBILITY.**

24 (a) TERMINATION OF ELIGIBILITY.—The eligi-  
25 bility of a country designated pursuant to subsection (a)

1 or (b) of section 606 or pursuant to section 203(d) of the  
2 NATO Participation Act of 1994 may be terminated  
3 upon a determination by the President that such country  
4 does not meet the criteria set forth in section 203(d)(3)  
5 of the NATO Participation Act of 1994.

6 (b) NOTIFICATION.—At least 15 days before ter-  
7 minating the eligibility of any country pursuant to sub-  
8 section (a), the President shall notify the congressional  
9 committees specified in section 634A of the Foreign As-  
10 sistance Act of 1961 in accordance with the procedures  
11 applicable to reprogramming notifications under that sec-  
12 tion.

13 **SEC. 612. CONFORMING AMENDMENTS TO THE NATO PAR-**  
14 **TICIPATION ACT.**

15 The NATO Participation Act of 1994 (title II of  
16 Public Law 103–447; 22 U.S.C. 1928 note) is amended  
17 in sections 203(a), 203(d)(1), and 203(d)(2) by striking  
18 “countries emerging from communist domination” each  
19 place it appears and inserting “emerging democracies in  
20 Central and Eastern Europe”.



This title may be cited as the “Bank for Economic Cooperation and Development in the Middle East and North Africa Act.”.

8           The President is hereby authorized to accept  
9 membership for the United States in the Bank for Eco-  
10 nomic Cooperation and Development in the Middle East  
11 and North Africa (in this title referred to as the “Bank”)  
12 provided for by the agreement establishing the Bank (in  
13 this title referred to as the “Agreement”), signed on May  
14 31, 1996.

(a) APPOINTMENT.—At the inaugural meeting of the Board of Governors of the Bank, the Governor and the alternate for the Governor of the International Bank for Reconstruction and Development, appointed pursuant to section 3 of the Bretton Woods Agreements Act, shall serve ex-officio as a Governor and the alternate for the Governor, respectively, of the Bank. The President, by and with the advice and consent of the Senate, shall appoint a Governor of the Bank and an alternate for the Governor.

1           (b) COMPENSATION.—Any person who serves as a  
2 Governor of the Bank or as an alternate for the Governor  
3 may not receive any salary or other compensation from  
4 the United States by reason of such service.

5 **SEC. 704. APPLICABILITY OF CERTAIN PROVISIONS OF THE**  
6 **BRETTON WOODS AGREEMENTS ACT.**

7           Section 4 of the Bretton Woods Agreements Act  
8 shall apply to the Bank in the same manner in which  
9 such section applies to the International Bank for Recon-  
10 struction and Development and the International Mone-  
11 tary Fund.

12 **SEC. 705. FEDERAL RESERVE BANKS AS DEPOSITORIES.**

13           Any Federal Reserve Bank which is requested to  
14 do so by the Bank may act as its depository, or as its  
15 fiscal agent, and the Board of Governors of the Federal  
16 Reserve System shall exercise general supervision over  
17 the carrying out of these functions.

18 **SEC. 706. SUBSCRIPTION OF STOCK.**

19           (a) SUBSCRIPTION AUTHORITY.—

20           (1) IN GENERAL.—The Secretary of the Treas-  
21 ury may subscribe on behalf of the United States to  
22 not more than 7,011,270 shares of the capital stock  
23 of the Bank.

24           (2) EFFECTIVENESS OF SUBSCRIPTION COM-  
25 MITMENT.—Any commitment to make such subscrip-

1       tion shall be effective only to such extent or in such  
2       amounts as are provided for in advance by appro-  
3       priations Acts.

4       (b) LIMITATIONS ON AUTHORIZATION OF APPRO-  
5       PRIATIONS.—For payment by the Secretary of the Treas-  
6       ury of the subscription of the United States for shares  
7       described in subsection (a), there are authorized to be ap-  
8       propriated \$1,050,007,800 without fiscal year limitation.

9       (c) LIMITATIONS ON OBLIGATION OF APPRO-  
10      PRIATED AMOUNTS FOR SHARES OF CAPITAL STOCK.—

11       (1) PAID-IN CAPITAL STOCK.—

12           (A) IN GENERAL.—Not more than  
13       \$105,000,000 of the amounts appropriated pur-  
14       suant to subsection (b) may be obligated for  
15       subscription to shares of paid-in capital stock.

16           (B) FISCAL YEAR 1997.—Not more than  
17       \$52,500,000 of the amounts appropriated pur-  
18       suant to subsection (b) for fiscal year 1997 may  
19       be obligated for subscription to shares of paid-  
20       in capital stock.

21       (2) CALLABLE CAPITAL STOCK.—Not more  
22       than \$787,505,852 of the amounts appropriated  
23       pursuant to subsection (b) may be obligated for sub-  
24       scription to shares of callable capital stock.

1           (d) DISPOSITION OF NET INCOME DISTRIBUTIONS  
2 BY THE BANK.—Any payment made to the United States  
3 by the Bank as a distribution of net income shall be cov-  
4 ered into the Treasury as a miscellaneous receipt.

5 **SEC. 707. JURISDICTION AND VENUE OF CIVIL ACTIONS BY**  
6 **OR AGAINST THE BANK.**

7           (a) JURISDICTION.—The United States district  
8 courts shall have original and exclusive jurisdiction of any  
9 civil action brought in the United States by or against  
10 the Bank.

11           (b) VENUE.—For purposes of section 1391(b) of  
12 title 28, United States Code, the Bank shall be deemed  
13 to be a resident of the judicial district in which the prin-  
14 cipal office of the Bank in the United States, or its agent  
15 appointed for the purpose of accepting service or notice  
16 of service, is located.

17 **SEC. 708. EFFECTIVENESS OF AGREEMENT.**

18           The Agreement shall have full force and effect in  
19 the United States, its territories and possessions, and the  
20 Commonwealth of Puerto Rico, upon acceptance of mem-  
21 bership by the United States in the Bank and the entry  
22 into force of the Agreement.

1 **SEC. 709. EXEMPTION FROM SECURITIES LAWS FOR CER-**  
2 **TAIN SECURITIES ISSUED BY THE BANK; RE-**  
3 **PORTS REQUIRED.**

4 (a) EXEMPTION FROM SECURITIES LAWS; RE-  
5 PORTS TO SECURITIES AND EXCHANGE COMMISSION.—  
6 Any securities issued by the Bank (including any guar-  
7 anty by the Bank, whether or not limited in scope) in  
8 connection with borrowing of funds, or the guarantee of  
9 securities as to both principal and interest, shall be  
10 deemed to be exempted securities within the meaning of  
11 section 3(a)(2) of the Securities Act of 1933 and section  
12 3(a)(12) of the Securities Exchange Act of 1934. The  
13 Bank shall file with the Securities and Exchange Com-  
14 mission such annual and other reports with regard to  
15 such securities as the Commission shall determine to be  
16 appropriate in view of the special character of the Bank  
17 and its operations and necessary in the public interest or  
18 for the protection of investors.

19 (b) AUTHORITY OF SECURITIES AND EXCHANGE  
20 COMMISSION TO SUSPEND EXEMPTION; REPORTS TO  
21 THE CONGRESS.—The Securities and Exchange Com-  
22 mission, acting in consultation with such agency or offi-  
23 cer as the President shall designate, may suspend the  
24 provisions of subsection (a) at any time as to any or all  
25 securities issued or guaranteed by the Bank during the  
26 period of such suspension. The Commission shall include

1 in its annual reports to the Congress such information  
2 as it shall deem advisable with regard to the operations  
3 and effect of this section.

4 **SEC. 710. TECHNICAL AMENDMENTS.**

5 (a) ANNUAL REPORT REQUIRED ON PARTICIPA-  
6 TION OF THE UNITED STATES IN THE BANK.—Section  
7 1701(c)(2) of the International Financial Institutions Act  
8 (22 U.S.C. 262r(c)(2)) is amended by inserting “Bank  
9 for Economic Cooperation and Development in the Mid-  
10 dle East and North Africa,” after “Inter-American De-  
11 velopment Bank”.

12 (b) EXEMPTION FROM LIMITATIONS AND RE-  
13 STRICTIONS ON POWER OF NATIONAL, BANKING ASSO-  
14 CIATIONS TO DEAL IN AND UNDERWRITE INVESTMENT  
15 SECURITIES OF THE BANK.—The seventh sentence of  
16 paragraph 7 of section 5136 of the Revised Statutes of  
17 the United States (12 U.S.C. 24) is amended by insert-  
18 ing “Bank for Economic Cooperation and Development  
19 in the Middle East and North Africa,” after “the Inter-  
20 American Development Bank”.

21 (c) BENEFITS FOR UNITED STATES CITIZEN-  
22 REPRESENTATIVES TO THE BANK.—Section 51 of Public  
23 Law 91–599 (22 U.S.C. 276c–2) is amended by inserting  
24 “the Bank for Economic Cooperation and Development

1 in the Middle East and North Africa,” after “the Inter-  
2 American Development Bank,”.

3 (d) For programs, projects or activities in the De-  
4 partment of the Interior and Related Agencies Appropria-  
5 tions Act, 1997, provided as follows, to be effective as if  
6 it had been enacted into law as the regular appropria-  
7 tions Act:

8 AN ACT

9 Making appropriations for the Department of the  
10 Interior, and related agencies for the fiscal year ending  
11 September 30, 1997, and for other purposes.

12 TITLE I—DEPARTMENT OF THE INTERIOR

13 BUREAU OF LAND MANAGEMENT

14 MANAGEMENT OF LANDS AND RESOURCES

15 For expenses necessary for protection, use, improve-  
16 ment, development, disposal, cadastral surveying, classi-  
17 fication, acquisition of easements and other interests in  
18 lands, and performance of other functions, including  
19 maintenance of facilities, as authorized by law, in the  
20 management of lands and their resources under the juris-  
21 diction of the Bureau of Land Management, including  
22 the general administration of the Bureau, and assessment  
23 of mineral potential of public lands pursuant to Public  
24 Law 96–487 (16 U.S.C. 3150(a)), \$572,164,000, to re-  
25 main available until expended, of which \$2,010,000 shall

1 be available for assessment of the mineral potential of  
2 public lands in Alaska pursuant to section 1010 of Public  
3 Law 96–487 (16 U.S.C. 3150); and of which \$3,000,000  
4 shall be derived from the special receipt account estab-  
5 lished by the Land and Water Conservation Act of 1965,  
6 as amended (16 U.S.C. 460l–6a(i)); and of which  
7 \$1,000,000 shall be available in fiscal year 1997 subject  
8 to a match by at least an equal amount by the National  
9 Fish and Wildlife Foundation, to such Foundation for  
10 challenge cost share projects supporting fish and wildlife  
11 conservation affecting Bureau land; in addition,  
12 \$27,300,000 for Mining Law Administration program op-  
13 erations, to remain available until expended, to be re-  
14 duced by amounts collected by the Bureau and credited  
15 to this appropriation from annual mining claim fees so as  
16 to result in a final appropriation estimated at not more  
17 than \$572,164,000; and in addition, not to exceed  
18 \$5,000,000, to remain available until expended, from an-  
19 nual mining claim fees; which shall be credited to this ac-  
20 count for the costs of administering the mining claim fee  
21 program, and \$2,000,000 from communication site rental  
22 fees established by the Bureau for the cost of administer-  
23 ing communication site activities: *Provided*, That appro-  
24 priations herein made shall not be available for the de-  
25 struction of healthy, unadopted, wild horses and burros



1 in the care of the Bureau or its contractors: *Provided fur-*  
2 *ther*, That in fiscal year 1997 and thereafter, all fees, ex-  
3 cluding mining claim fees, in excess of the fiscal year  
4 1996 collections established by the Secretary of the Inte-  
5 rior under the authority of 43 U.S.C. 1734 for process-  
6 ing, recording, or documenting authorizations to use pub-  
7 lic lands or public land natural resources (including cul-  
8 tural, historical, and mineral) and for providing specific  
9 services to public land users, and which are not presently  
10 being covered into any Bureau of Land Management ap-  
11 propriation accounts, and not otherwise dedicated by law  
12 for a specific distribution, shall be made immediately  
13 available for program operations in this account and re-  
14 main available until expended.

15 WILDLAND FIRE MANAGEMENT

16 For necessary expenses for fire use and manage-  
17 ment, fire preparedness, suppression operations, and  
18 emergency rehabilitation by the Department of the Inte-  
19 rior, \$252,042,000, to remain available until expended, of  
20 which not to exceed \$5,025,000 shall be for the renova-  
21 tion or construction of fire facilities: *Provided*, That such  
22 funds are also available for repayment of advances to  
23 other appropriation accounts from which funds were pre-  
24 viously transferred for such purposes: *Provided further*,  
25 That persons hired pursuant to 43 U.S.C. 1469 may be

1 furnished subsistence and lodging without costs from  
2 funds available from this appropriation: *Provided further*,  
3 That unobligated balances of amounts previously appro-  
4 priated to the “Fire Protection” and “Emergency De-  
5 partment of the Interior Firefighting Fund” may be  
6 transferred to this appropriation.

7           CENTRAL HAZARDOUS MATERIALS FUND

8           For necessary expenses of the Department of the In-  
9 terior and any of its component offices and bureaus for  
10 the remedial action, including associated activities, of  
11 hazardous waste substances, pollutants, or contaminants  
12 pursuant to the Comprehensive Environmental Response,  
13 Compensation and Liability Act, as amended (42 U.S.C.  
14 9601 et seq.), \$12,000,000, to remain available until ex-  
15 pended: *Provided*, That notwithstanding 31 U.S.C. 3302,  
16 sums recovered from or paid by a party in advance of or  
17 as reimbursement for remedial action or response activi-  
18 ties conducted by the Department pursuant to sections  
19 107 or 113(f) of such Act, shall be credited to this ac-  
20 count to be available until expended without further ap-  
21 propriation: *Provided further*, That such sums recovered  
22 from or paid by any party are not limited to monetary  
23 payments and may include stocks, bonds or other per-  
24 sonal or real property, which may be retained, liquidated,

1 or otherwise disposed of by the Secretary and which shall  
2 be credited to this account.

3 CONSTRUCTION

4 For construction of buildings, recreation facilities,  
5 roads, trails, and appurtenant facilities, \$4,333,000, to  
6 remain available until expended.

7 PAYMENTS IN LIEU OF TAXES

8 For expenses necessary to implement the Act of Oc-  
9 tober 20, 1976, as amended (31 U.S.C. 6901–07),  
10 \$113,500,000, of which not to exceed \$400,000 shall be  
11 available for administrative expenses.

12 LAND ACQUISITION

13 For expenses necessary to carry out sections 205,  
14 206, and 318(d) of Public Law 94–579 including adminis-  
15 trative expenses and acquisition of lands or waters, or in-  
16 terests therein, \$10,410,000, to be derived from the Land  
17 and Water Conservation Fund, to remain available until  
18 expended.

19 OREGON AND CALIFORNIA GRANT LANDS

20 For expenses necessary for management, protection,  
21 and development of resources and for construction, oper-  
22 ation, and maintenance of access roads, reforestation, and  
23 other improvements on the revested Oregon and California  
24 Railroad grant lands, on other Federal lands in the Or-  
25 egon and California land-grant counties of Oregon, and

1 on adjacent rights-of-way; and acquisition of lands or in-  
2 terests therein including existing connecting roads on or  
3 adjacent to such grant lands; \$100,515,000, to remain  
4 available until expended: *Provided*, That 25 per centum  
5 of the aggregate of all receipts during the current fiscal  
6 year from the revested Oregon and California Railroad  
7 grant lands is hereby made a charge against the Oregon  
8 and California land-grant fund and shall be transferred  
9 to the General Fund in the Treasury in accordance with  
10 the second paragraph of subsection (b) of title II of the  
11 Act of August 28, 1937 (50 Stat. 876).

12 RANGE IMPROVEMENTS

13 For rehabilitation, protection, and acquisition of  
14 lands and interests therein, and improvement of Federal  
15 rangelands pursuant to section 401 of the Federal Land  
16 Policy and Management Act of 1976 (43 U.S.C. 1701),  
17 notwithstanding any other Act, sums equal to 50 per cen-  
18 tum of all moneys received during the prior fiscal year  
19 under sections 3 and 15 of the Taylor Grazing Act (43  
20 U.S.C. 315 et seq.) and the amount designated for range  
21 improvements from grazing fees and mineral leasing re-  
22 ceipts from Bankhead-Jones lands transferred to the De-  
23 partment of the Interior pursuant to law, but not less than  
24 \$9,113,000, to remain available until expended: *Provided*,

1 That not to exceed \$600,000 shall be available for admin-  
2 istrative expenses.

3 SERVICE CHARGES, DEPOSITS, AND FORFEITURES

4 For administrative expenses and other costs related  
5 to processing application documents and other authoriza-  
6 tions for use and disposal of public lands and resources,  
7 for costs of providing copies of official public land docu-  
8 ments, for monitoring construction, operation, and termi-  
9 nation of facilities in conjunction with use authorizations,  
10 and for rehabilitation of damaged property, such amounts  
11 as may be collected under Public Law 94–579, as amend-  
12 ed, and Public Law 93–153, to remain available until ex-  
13 pended: *Provided*, That notwithstanding any provision to  
14 the contrary of section 305(a) of Public Law 94–579 (43  
15 U.S.C. 1735(a)), any moneys that have been or will be  
16 received pursuant to that section, whether as a result of  
17 forfeiture, compromise, or settlement, if not appropriate  
18 for refund pursuant to section 305(c) of that Act (43  
19 U.S.C. 1735(c)), shall be available and may be expended  
20 under the authority of this Act by the Secretary to im-  
21 prove, protect, or rehabilitate any public lands adminis-  
22 tered through the Bureau of Land Management which  
23 have been damaged by the action of a resource developer,  
24 purchaser, permittee, or any unauthorized person, without  
25 regard to whether all moneys collected from each such ac-

1 tion are used on the exact lands damaged which led to  
2 the action: *Provided further*, That any such moneys that  
3 are in excess of amounts needed to repair damage to the  
4 exact land for which funds were collected may be used to  
5 repair other damaged public lands.

6 MISCELLANEOUS TRUST FUNDS

7 In addition to amounts authorized to be expended  
8 under existing laws, there is hereby appropriated such  
9 amounts as may be contributed under section 307 of the  
10 Act of October 21, 1976 (43 U.S.C. 1701), and such  
11 amounts as may be advanced for administrative costs, sur-  
12 veys, appraisals, and costs of making conveyances of omit-  
13 ted lands under section 211(b) of that Act, to remain  
14 available until expended.

15 ADMINISTRATIVE PROVISIONS

16 Appropriations for the Bureau of Land Management  
17 shall be available for purchase, erection, and dismantle-  
18 ment of temporary structures, and alteration and mainte-  
19 nance of necessary buildings and appurtenant facilities to  
20 which the United States has title; up to \$100,000 for pay-  
21 ments, at the discretion of the Secretary, for information  
22 or evidence concerning violations of laws administered by  
23 the Bureau; miscellaneous and emergency expenses of en-  
24 forcement activities authorized or approved by the Sec-  
25 retary and to be accounted for solely on his certificate,

1 not to exceed \$10,000: *Provided*, That notwithstanding 44  
2 U.S.C. 501, the Bureau may, under cooperative cost-shar-  
3 ing and partnership arrangements authorized by law, pro-  
4 cure printing services from cooperators in connection with  
5 jointly-produced publications for which the cooperators  
6 share the cost of printing either in cash or in services,  
7 and the Bureau determines the cooperator is capable of  
8 meeting accepted quality standards.

9           The Bureau of Land Management's Visitor Cen-  
10 ter in Rand, Oregon is hereby named the "William B.  
11 Smullin Visitor Center".

12           UNITED STATES FISH AND WILDLIFE SERVICE  
13                           RESOURCE MANAGEMENT

14           For expenses necessary for scientific and economic  
15 studies, conservation, management, investigations, protec-  
16 tion, and utilization of fishery and wildlife resources, ex-  
17 cept whales, seals, and sea lions, and for the performance  
18 of other authorized functions related to such resources; for  
19 the general administration of the United States Fish and  
20 Wildlife Service; for maintenance of the herd of long-  
21 horned cattle on the Wichita Mountains Wildlife Refuge;  
22 and not less than \$1,000,000 for high priority projects  
23 within the scope of the approved budget which shall be  
24 carried out by the Youth Conservation Corps as author-  
25 ized by the Act of August 13, 1970, as amended,

1 \$523,947,000, to remain available until September 30,  
2 1998, of which \$11,557,000 shall remain available until  
3 expended for operation and maintenance of fishery mitiga-  
4 tion facilities constructed by the Corps of Engineers under  
5 the Lower Snake River Compensation Plan, authorized by  
6 the Water Resources Development Act of 1976, to com-  
7 pensate for loss of fishery resources from water develop-  
8 ment projects on the Lower Snake River, and of which  
9 \$2,000,000 shall be provided to local governments in  
10 southern California for planning associated with the Natu-  
11 ral Communities Conservation Planning (NCCP) program  
12 and shall remain available until expended: *Provided*, That  
13 hereafter, pursuant to 31 U.S.C. 9701, the Secretary shall  
14 charge reasonable fees for the full costs of providing train-  
15 ing by the National Education and Training Center, to  
16 be credited to this account, notwithstanding 31 U.S.C.  
17 3302, for the direct costs of providing such training.

18 CONSTRUCTION

19 For construction and acquisition of buildings and  
20 other facilities required in the conservation, management,  
21 investigation, protection, and utilization of fishery and  
22 wildlife resources, and the acquisition of lands and inter-  
23 ests therein; \$43,365,000 to remain available until ex-  
24 pended.



## 1       NATURAL RESOURCE DAMAGE ASSESSMENT FUND

2       To conduct natural resource damage assessment ac-  
3       tivities by the Department of the Interior necessary to  
4       carry out the provisions of the Comprehensive Environ-  
5       mental Response, Compensation, and Liability Act, as  
6       amended (42 U.S.C. 9601, et seq.), Federal Water Pollu-  
7       tion Control Act, as amended (33 U.S.C. 1251, et seq.),  
8       the Oil Pollution Act of 1990 (Public Law 101–380), and  
9       Public Law 101–337; \$4,000,000, to remain available  
10      until expended.

## 11                               LAND ACQUISITION

12      For expenses necessary to carry out the Land and  
13      Water Conservation Fund Act of 1965, as amended (16  
14      U.S.C. 4601–4–11), including administrative expenses,  
15      and for acquisition of land or waters, or interest therein,  
16      in accordance with statutory authority applicable to the  
17      United States Fish and Wildlife Service, \$44,479,000, of  
18      which \$3,000,000 is authorized to be appropriated and  
19      shall be used to establish the Clarks River National Wild-  
20      life Refuge in Kentucky, to be derived from the Land and  
21      Water Conservation Fund, to remain available until ex-  
22      pended.

1 COOPERATIVE ENDANGERED SPECIES CONSERVATION  
2 FUND

3 For expenses necessary to carry out the provisions  
4 of the Endangered Species Act of 1973 (16 U.S.C. 1531–  
5 1543), as amended, \$14,085,000, for grants to States, to  
6 be derived from the Cooperative Endangered Species Con-  
7 servation Fund, and to remain available until expended.

8 NATIONAL WILDLIFE REFUGE FUND

9 For expenses necessary to implement the Act of Octo-  
10 ber 17, 1978 (16 U.S.C. 715s), \$10,779,000.

11 REWARDS AND OPERATIONS

12 For expenses necessary to carry out the provisions  
13 of the African Elephant Conservation Act (16 U.S.C.  
14 4201–4203, 4211–4213, 4221–4225, 4241–4245, and  
15 1538), \$1,000,000, to remain available until expended.

16 NORTH AMERICAN WETLANDS CONSERVATION FUND

17 For expenses necessary to carry out the provisions  
18 of the North American Wetlands Conservation Act, Public  
19 Law 101–233, as amended, \$9,750,000, to remain avail-  
20 able until expended.

21 RHINOCEROS AND TIGER CONSERVATION FUND

22 For deposit to the Rhinoceros and Tiger Conserva-  
23 tion Fund, \$400,000, to remain available until expended,  
24 to carry out the Rhinoceros and Tiger Conservation Act  
25 of 1994 (Public Law 103–391).

## 1 WILDLIFE CONSERVATION AND APPRECIATION FUND

2 For deposit to the Wildlife Conservation and Appre-  
3 ciation Fund, \$800,000, to remain available until ex-  
4 pended.

## 5 ADMINISTRATIVE PROVISIONS

6 Appropriations and funds available to the United  
7 States Fish and Wildlife Service shall be available for pur-  
8 chase of not to exceed 83 passenger motor vehicles of  
9 which 73 are for replacement only (including 43 for police-  
10 type use); not to exceed \$400,000 for payment, at the dis-  
11 cretion of the Secretary, for information, rewards, or evi-  
12 dence concerning violations of laws administered by the  
13 Service, and miscellaneous and emergency expenses of en-  
14 forcement activities, authorized or approved by the Sec-  
15 retary and to be accounted for solely on his certificate;  
16 repair of damage to public roads within and adjacent to  
17 reservation areas caused by operations of the Service; op-  
18 tions for the purchase of land at not to exceed \$1 for each  
19 option; facilities incident to such public recreational uses  
20 on conservation areas as are consistent with their primary  
21 purpose; and the maintenance and improvement of aquar-  
22 ia, buildings, and other facilities under the jurisdiction of  
23 the Service and to which the United States has title, and  
24 which are utilized pursuant to law in connection with man-  
25 agement and investigation of fish and wildlife resources:

1 *Provided*, That notwithstanding 44 U.S.C. 501, the Serv-  
2 ice may, under cooperative cost sharing and partnership  
3 arrangements authorized by law, procure printing services  
4 from cooperators in connection with jointly-produced pub-  
5 lications for which the cooperators share at least one-half  
6 the cost of printing either in cash or services and the Serv-  
7 ice determines the cooperator is capable of meeting accept-  
8 ed quality standards: *Provided further*, That the Service  
9 may accept donated aircraft as replacements for existing  
10 aircraft: *Provided further*, That notwithstanding any other  
11 provision of law, the Secretary of the Interior may not  
12 spend any of the funds appropriated in this Act for the  
13 purchase of lands or interests in lands to be used in the  
14 establishment of any new unit of the National Wildlife  
15 Refuge System unless the purchase is approved in advance  
16 by the House and Senate Committees on Appropriations  
17 in compliance with the reprogramming procedures con-  
18 tained in House Report 103–551: *Provided further*, That  
19 section 101(c) of the Omnibus Consolidated Rescissions  
20 and Appropriations Act of 1996 is amended in section  
21 315(c)(1)(E) (110 Stat. 1321–201; 16 U.S.C. 460l–6a  
22 note) by striking “distributed in accordance with section  
23 201(c) of the Emergency Wetlands Resources Act” and  
24 inserting “available to the Secretary of the Interior until  
25 expended to be used in accordance with clauses (i), (ii),

1 and (iii) of section 201(c)(A) of the Emergency Wetlands  
2 Resources Act of 1986 (16 U.S.C. 3911(c)(A))”.

3 NATIONAL PARK SERVICE

4 OPERATION OF THE NATIONAL PARK SYSTEM

5 For expenses necessary for the management, oper-  
6 ation, and maintenance of areas and facilities adminis-  
7 tered by the National Park Service (including special road  
8 maintenance service to trucking permittees on a reimburs-  
9 able basis), and for the general administration of the Na-  
10 tional Park Service, including not to exceed \$1,593,000  
11 for the Volunteers-in-Parks program, and not less than  
12 \$1,000,000 for high priority projects within the scope of  
13 the approved budget which shall be carried out by the  
14 Youth Conservation Corps as authorized by 16 U.S.C.  
15 1706, \$1,152,311,000, without regard to 16 U.S.C. 451,  
16 of which \$8,000,000 for research, planning and inter-  
17 agency coordination in support of land acquisition for Ev-  
18 erglades restoration shall remain available until expended,  
19 and of which not to exceed \$72,000,000, to remain avail-  
20 able until expended, is to be derived from the special fee  
21 account established pursuant to title V, section 5201, of  
22 Public Law 100–203.

23 NATIONAL RECREATION AND PRESERVATION

24 For expenses necessary to carry out recreation pro-  
25 grams, natural programs, cultural programs, environ-

1 mental compliance and review, international park affairs,  
2 statutory or contractual aid for other activities, and grant  
3 administration, not otherwise provided for, \$37,976,000.

4 HISTORIC PRESERVATION FUND

5 For expenses necessary in carrying out the Historic  
6 Preservation Act of 1966, as amended (16 U.S.C. 470),  
7 \$36,612,000, to be derived from the Historic Preservation  
8 Fund, to remain available until September 30, 1998.

9 CONSTRUCTION

10 For construction, improvements, repair or replace-  
11 ment of physical facilities including the modifications au-  
12 thorized by section 104 of the Everglades National Park  
13 Protection and Expansion Act of 1989, \$163,444,000, to  
14 remain available until expended, of which \$270,000 shall  
15 be used for appropriate fish restoration projects not relat-  
16 ed to dam removal including reimbursement to the State  
17 of Washington for emergency actions taken to protect the  
18 1996 run of fall chinook salmon on the Elwha River: *Pro-*  
19 *vided*, That funds previously provided under this heading  
20 that had been made available to the City of Hot Springs,  
21 Arkansas, to be used for a flood protection feasibility  
22 study, are now made available to the City of Hot Springs  
23 for the rehabilitation of the Federally-constructed Hot  
24 Springs Creek Arch, including the portion within Hot  
25 Springs National Park.

1 LAND AND WATER CONSERVATION FUND  
2 (RESCISSION)

3 The contract authority provided for fiscal year 1997  
4 by 16 U.S.C. 460l–10a is rescinded.

5 LAND ACQUISITION AND STATE ASSISTANCE

6 For expenses necessary to carry out the Land and  
7 Water Conservation Fund Act of 1965, as amended (16  
8 U.S.C. 460l–4–11), including administrative expenses,  
9 and for acquisition of lands or waters, or interest therein,  
10 in accordance with statutory authority applicable to the  
11 National Park Service, \$53,915,000, to be derived from  
12 the Land and Water Conservation Fund, to remain avail-  
13 able until expended, of which \$1,500,000 is to administer  
14 the State assistance program: *Provided*, That any funds  
15 made available for the purpose of acquisition of the Elwha  
16 and Glines dams shall be used solely for acquisition, and  
17 shall not be expended until the full purchase amount has  
18 been appropriated by the Congress: *Provided further*, That  
19 of the funds provided herein, \$9,000,000 is available for  
20 acquisition of the Sterling Forest, subject to authorization.

21 ADMINISTRATIVE PROVISIONS

22 Appropriations for the National Park Service shall be  
23 available for the purchase of not to exceed 404 passenger  
24 motor vehicles, of which 287 shall be for replacement only,  
25 including not to exceed 320 for police-type use, 13 buses,  
26 and 6 ambulances: *Provided*, That none of the funds ap-

1   appropriated to the National Park Service may be used to  
2   process any grant or contract documents which do not in-  
3   clude the text of 18 U.S.C. 1913: *Provided further*, That  
4   none of the funds appropriated to the National Park Serv-  
5   ice may be used to implement an agreement for the rede-  
6   velopment of the southern end of Ellis Island until such  
7   agreement has been submitted to the Congress and shall  
8   not be implemented prior to the expiration of 30 calendar  
9   days (not including any day in which either House of Con-  
10   gress is not in session because of adjournment of more  
11   than three calendar days to a day certain) from the receipt  
12   by the Speaker of the House of Representatives and the  
13   President of the Senate of a full and comprehensive report  
14   on the development of the southern end of Ellis Island,  
15   including the facts and circumstances relied upon in sup-  
16   port of the proposed project.

17       None of the funds in this Act may be spent by the  
18   National Park Service for activities taken in direct re-  
19   sponse to the United Nations Biodiversity Convention.

20       The National Park Service may in fiscal year 1997  
21   and thereafter enter into cooperative agreements that in-  
22   volve the transfer of National Park Service appropriated  
23   funds to State, local and tribal governments, other public  
24   entities, educational institutions, and private nonprofit or-  
25   ganizations for the public purpose of carrying out National



1 Park Service programs pursuant to 31 U.S.C. 6305 to  
2 carry out public purposes of National Park Service pro-  
3 grams.

4       Notwithstanding any other provision of law, re-  
5 maining balances, including interest, from funds granted  
6 to the National Park Foundation pursuant to the Na-  
7 tional Park System Visitor Facilities Fund Act of 1983  
8 (Public Law 97-433, 96 Stat. 2277) shall be available to  
9 the National Park Foundation for expenditure in units of  
10 the National Park System for the purpose of improving  
11 visitor facilities.

12               UNITED STATES GEOLOGICAL SURVEY

13               SURVEYS, INVESTIGATIONS, AND RESEARCH

14       For expenses necessary for the United States Geo-  
15 logical Survey to perform surveys, investigations, and re-  
16 search covering topography, geology, hydrology, and the  
17 mineral and water resources of the United States, its Ter-  
18 ritories and possessions, and other areas as authorized by  
19 43 U.S.C. 31, 1332 and 1340; classify lands as to their  
20 mineral and water resources; give engineering supervision  
21 to power permittees and Federal Energy Regulatory Com-  
22 mission licensees; administer the minerals exploration pro-  
23 gram (30 U.S.C. 641); and publish and disseminate data  
24 relative to the foregoing activities; and to conduct inquiries  
25 into the economic conditions affecting mining and mate-

1 rials processing industries (30 U.S.C. 3, 21a, and 1603;  
2 50 U.S.C. 98g(1)) and related purposes as authorized by  
3 law and to publish and disseminate data; \$738,913,000  
4 of which \$64,559,000 shall be available only for coopera-  
5 tion with States or municipalities for water resources in-  
6 vestigations; and of which \$16,000,000 shall remain avail-  
7 able until expended for conducting inquiries into the eco-  
8 nomic conditions affecting mining and materials process-  
9 ing industries; and of which \$137,500,000 shall be avail-  
10 able until September 30, 1998 for the biological research  
11 activity and the operation of the Cooperative Research  
12 Units: *Provided*, That none of these funds provided for  
13 the biological research activity shall be used to conduct  
14 new surveys on private property, unless specifically au-  
15 thorized in writing by the property owner: *Provided fur-*  
16 *ther*, That beginning in fiscal year 1998 and once every  
17 five years thereafter, the National Academy of Sciences  
18 shall review and report on the biological research activity  
19 of the Survey: *Provided further*, That no part of this ap-  
20 propriation shall be used to pay more than one-half the  
21 cost of topographic mapping or water resources data col-  
22 lection and investigations carried on in cooperation with  
23 States and municipalities.

## 1 ADMINISTRATIVE PROVISIONS

2 The amount appropriated for the United States Geo-  
3 logical Survey shall be available for the purchase of not  
4 to exceed 53 passenger motor vehicles, of which 48 are  
5 for replacement only; reimbursement to the General Serv-  
6 ices Administration for security guard services; contract-  
7 ing for the furnishing of topographic maps and for the  
8 making of geophysical or other specialized surveys when  
9 it is administratively determined that such procedures are  
10 in the public interest; construction and maintenance of  
11 necessary buildings and appurtenant facilities; acquisition  
12 of lands for gauging stations and observation wells; ex-  
13 penses of the United States National Committee on Geol-  
14 ogy; and payment of compensation and expenses of per-  
15 sons on the rolls of the Survey duly appointed to represent  
16 the United States in the negotiation and administration  
17 of interstate compacts: *Provided*, That activities funded by  
18 appropriations herein made may be accomplished through  
19 the use of contracts, grants, or cooperative agreements as  
20 defined in 31 U.S.C. 6302, et seq.

## 21 MINERALS MANAGEMENT SERVICE

## 22 ROYALTY AND OFFSHORE MINERALS MANAGEMENT

23 For expenses necessary for minerals leasing and envi-  
24 ronmental studies, regulation of industry operations, and  
25 collection of royalties, as authorized by law; for enforcing

1 laws and regulations applicable to oil, gas, and other min-  
2 erals leases, permits, licenses and operating contracts; and  
3 for matching grants or cooperative agreements; including  
4 the purchase of not to exceed eight passenger motor vehi-  
5 cles for replacement only; \$156,955,000, of which not less  
6 than \$70,063,000 shall be available for royalty manage-  
7 ment activities; and an amount not to exceed \$41,000,000  
8 for the Technical Information Management System and  
9 activities of the Outer Continental Shelf (OCS) Lands Ac-  
10 tivity, to be credited to this appropriation and to remain  
11 available until expended, from additions to receipts result-  
12 ing from increases to rates in effect on August 5, 1993,  
13 from rate increases to fee collections for OCS administra-  
14 tive activities performed by the Minerals Management  
15 Service over and above the rates in effect on September  
16 30, 1993, and from additional fees for OCS administrative  
17 activities established after September 30, 1993: *Provided*,  
18 That \$1,500,000 for computer acquisitions shall remain  
19 available until September 30, 1998: *Provided further*, That  
20 funds appropriated under this Act shall be available for  
21 the payment of interest in accordance with 30 U.S.C.  
22 1721 (b) and (d): *Provided further*, That not to exceed  
23 \$3,000 shall be available for reasonable expenses related  
24 to promoting volunteer beach and marine cleanup activi-  
25 ties: *Provided further*, That notwithstanding any other

1 provision of law, \$15,000 under this head shall be avail-  
2 able for refunds of overpayments in connection with cer-  
3 tain Indian leases in which the Director of the Minerals  
4 Management Service concurred with the claimed refund  
5 due, to pay amounts owed to Indian allottees or Tribes,  
6 or to correct prior unrecoverable erroneous payments.

7 OIL SPILL RESEARCH

8 For necessary expenses to carry out title I, section  
9 1016, title IV, sections 4202 and 4303, title VII, and title  
10 VIII, section 8201 of the Oil Pollution Act of 1990,  
11 \$6,440,000, which shall be derived from the Oil Spill Li-  
12 ability Trust Fund, to remain available until expended.

13 OFFICE OF SURFACE MINING RECLAMATION AND

14 ENFORCEMENT

15 REGULATION AND TECHNOLOGY

16 For necessary expenses to carry out the provisions  
17 of the Surface Mining Control and Reclamation Act of  
18 1977, Public Law 95–87, as amended, including the pur-  
19 chase of not to exceed 10 passenger motor vehicles, for  
20 replacement only; \$94,172,000, and notwithstanding 31  
21 U.S.C. 3302, an additional amount shall be credited to  
22 this account, to remain available until expended, from per-  
23 formance bond forfeitures in fiscal year 1997: *Provided,*  
24 That the Secretary of the Interior, pursuant to regula-  
25 tions, may utilize directly or through grants to States,

1 moneys collected in fiscal year 1997 for civil penalties as-  
2 sessed under section 518 of the Surface Mining Control  
3 and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim  
4 lands adversely affected by coal mining practices after Au-  
5 gust 3, 1977, to remain available until expended: *Provided*  
6 *further*, That appropriations for the Office of Surface Min-  
7 ing Reclamation and Enforcement may provide for the  
8 travel and per diem expenses of State and tribal personnel  
9 attending Office of Surface Mining Reclamation and En-  
10 forcement sponsored training.

11 ABANDONED MINE RECLAMATION FUND

12 For necessary expenses to carry out title IV of the  
13 Surface Mining Control and Reclamation Act of 1977,  
14 Public Law 95–87, as amended, including the purchase  
15 of not more than 10 passenger motor vehicles for replace-  
16 ment only, \$177,085,000, to be derived from receipts of  
17 the Abandoned Mine Reclamation Fund and to remain  
18 available until expended; of which up to \$4,000,000 shall  
19 be for supplemental grants to States for the reclamation  
20 of abandoned sites with acid mine rock drainage from coal  
21 mines through the Appalachian Clean Streams Initiative:  
22 *Provided*, That grants to minimum program States will  
23 be \$1,500,000 per State in fiscal year 1997: *Provided fur-*  
24 *ther*, That of the funds herein provided up to \$18,000,000  
25 may be used for the emergency program authorized by sec-

tion 410 of Public Law 95–87, as amended, of which no more than 25 per centum shall be used for emergency reclamation projects in any one State and funds for federally-administered emergency reclamation projects under this proviso shall not exceed \$11,000,000: *Provided further*, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 per centum limitation per State and may be used without fiscal year limitation for emergency projects: *Provided further*, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 per centum from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: *Provided further*, That funds made available to States under title IV of Public Law 95–87 may be used, at their discretion, for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: *Provided further*, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: *Provided further*, That the State of Maryland may set aside the greater of \$1,000,000 or 10 percent of the total of the grants made available to the State under title IV

1 of the Surface Mining Control and Reclamation Act of  
2 1977, as amended (30 U.S.C. 1231 et seq.), if the amount  
3 set aside is deposited in an acid mine drainage abatement  
4 and treatment fund established under a State law, pursu-  
5 ant to which law the amount (together with all interest  
6 earned on the amount) is expended by the State to under-  
7 take acid mine drainage abatement and treatment  
8 projects, except that before any amounts greater than 10  
9 percent of its title IV grants are deposited in an acid mine  
10 drainage abatement and treatment fund, the State of  
11 Maryland must first complete all Surface Mining Control  
12 and Reclamation Act priority one projects.

13 BUREAU OF INDIAN AFFAIRS

14 OPERATION OF INDIAN PROGRAMS

15 For operation of Indian programs by direct expendi-  
16 ture, contracts, cooperative agreements, compacts, and  
17 grants including expenses necessary to provide education  
18 and welfare services for Indians, either directly or in co-  
19 operation with States and other organizations, including  
20 payment of care, tuition, assistance, and other expenses  
21 of Indians in boarding homes, or institutions, or schools;  
22 grants and other assistance to needy Indians; maintenance  
23 of law and order; management, development, improve-  
24 ment, and protection of resources and appurtenant facili-  
25 ties under the jurisdiction of the Bureau, including pay-



1 ment of irrigation assessments and charges; acquisition of  
2 water rights; advances for Indian industrial and business  
3 enterprises; operation of Indian arts and crafts shops and  
4 museums; development of Indian arts and crafts, as au-  
5 thorized by law; for the general administration of the Bu-  
6 reau, including such expenses in field offices; maintaining  
7 of Indian reservation roads as defined in 23 U.S.C. 101;  
8 and construction, repair, and improvement of Indian hous-  
9 ing, \$1,436,902,000, of which not to exceed \$86,520,000  
10 shall be for welfare assistance payments and not to exceed  
11 \$90,829,000 shall be for payments to tribes and tribal or-  
12 ganizations for contract support costs associated with on-  
13 going contracts or grants or compacts entered into with  
14 the Bureau prior to fiscal year 1997, as authorized by the  
15 Indian Self-Determination Act of 1975, as amended, and  
16 up to \$5,000,000 shall be for the Indian Self-Determina-  
17 tion Fund, which shall be available for the transitional  
18 cost of initial or expanded tribal contracts, grants, com-  
19 pacts, or cooperative agreements with the Bureau under  
20 such Act; and of which not to exceed \$365,124,000 for  
21 school operations costs of Bureau-funded schools and  
22 other education programs shall become available on July  
23 1, 1997, and shall remain available until September 30,  
24 1998; and of which not to exceed \$53,805,000 for higher  
25 education scholarships, adult vocational training, and as-

1 sistance to public schools under 25 U.S.C. 452 et seq.,  
2 shall remain available until September 30, 1998; and of  
3 which not to exceed \$54,973,000 shall remain available  
4 until expended for housing improvement, road mainte-  
5 nance, attorney fees, litigation support, self-governance  
6 grants, the Indian Self-Determination Fund, and the Nav-  
7 ajo-Hopi Settlement Program: *Provided*, That tribes and  
8 tribal contractors may use their tribal priority allocations  
9 for unmet indirect costs of ongoing contracts, grants or  
10 compact agreements and for unmet welfare assistance  
11 costs: *Provided further*, That funds made available to  
12 tribes and tribal organizations through contracts or grants  
13 obligated during fiscal year 1997, as authorized by the In-  
14 dian Self-Determination Act of 1975, or grants authorized  
15 by the Indian Education Amendments of 1988 (25 U.S.C.  
16 2001 and 2008A) shall remain available until expended  
17 by the contractor or grantee: *Provided further*, That to  
18 provide funding uniformity within a Self-Governance Com-  
19 pact, any funds provided in this Act with availability for  
20 more than one year may be reprogrammed to one year  
21 availability but shall remain available within the Compact  
22 until expended: *Provided further*, That notwithstanding  
23 any other provision of law, Indian tribal governments may,  
24 by appropriate changes in eligibility criteria or by other  
25 means, change eligibility for general assistance or change

1 the amount of general assistance payments for individuals  
2 within the service area of such tribe who are otherwise  
3 deemed eligible for general assistance payments so long  
4 as such changes are applied in a consistent manner to in-  
5 dividuals similarly situated: *Provided further*, That any  
6 savings realized by such changes shall be available for use  
7 in meeting other priorities of the tribes: *Provided further*,  
8 That any net increase in costs to the Federal Government  
9 which result solely from tribally increased payment levels  
10 for general assistance shall be met exclusively from funds  
11 available to the tribe from within its tribal priority alloca-  
12 tion: *Provided further*, That any forestry funds allocated  
13 to a tribe which remain unobligated as of September 30,  
14 1997, may be transferred during fiscal year 1998 to an  
15 Indian forest land assistance account established for the  
16 benefit of such tribe within the tribe's trust fund account:  
17 *Provided further*, That any such unobligated balances not  
18 so transferred shall expire on September 30, 1998: *Pro-*  
19 *vided further*, That notwithstanding any other provision of  
20 law, no funds available to the Bureau, other than the  
21 amounts provided herein for assistance to public schools  
22 under 25 U.S.C. 452 et seq., shall be available to support  
23 the operation of any elementary or secondary school in the  
24 State of Alaska in fiscal year 1997: *Provided further*, That  
25 funds made available in this or any other Act for expendi-

1 ture through September 30, 1998 for schools funded by  
2 the Bureau shall be available only to the schools in the  
3 Bureau school system as of September 1, 1995: *Provided*  
4 *further*, That no funds available to the Bureau shall be  
5 used to support expanded grades for any school or dor-  
6 mitory beyond the grade structure in place or approved  
7 by the Secretary of the Interior at each school in the Bu-  
8 reau school system as of October 1, 1995: *Provided fur-*  
9 *ther*, That in fiscal year 1997 and thereafter, notwith-  
10 standing the provisions of 25 U.S.C. 2012(h)(1) (A) and  
11 (B), upon the recommendation of either (i) a local school  
12 board and school supervisor for an education position in  
13 a Bureau of Indian Affairs operated school, or (ii) an  
14 Agency school board and education line officer for an  
15 Agency education position, the Secretary shall establish  
16 adjustments to the rates of basic compensation or annual  
17 salary rates established under 25 U.S.C. 2012(h)(1) (A)  
18 and (B) for education positions at the school or the Agen-  
19 cy, at a level not less than that for comparable positions  
20 in the nearest public school district, and the adjustment  
21 shall be deemed to be a change to basic pay and shall  
22 not be subject to collective bargaining: *Provided further*,  
23 That any reduction to rates of basic compensation or an-  
24 nual salary rates below the rates established under 25  
25 U.S.C. 2012(h)(1) (A) and (B) shall apply only to edu-

1 cators appointed after June 30, 1997, and shall not affect  
2 the right of an individual employed on June 30, 1997, in  
3 an education position, to receive the compensation at-  
4 tached to such position under 25 U.S.C. 2012(h)(1) (A)  
5 and (B) so long as the individual remains in the same po-  
6 sition at the same school: *Provided further*, That notwith-  
7 standing 25 U.S.C. 2012(h)(1)(B), when the rates of basic  
8 compensation for teachers and counselors at Bureau-oper-  
9 ated schools are established at the rates of basic com-  
10 pensation applicable to comparable positions in overseas  
11 schools under the Defense Department Overseas Teachers  
12 Pay and Personnel Practices Act, such rates shall become  
13 effective with the start of the next academic year following  
14 the issuance of the Department of Defense salary schedule  
15 and shall not be effected retroactively.

16 CONSTRUCTION

17 For construction, major repair, and improvement of  
18 irrigation and power systems, buildings, utilities, and  
19 other facilities, including architectural and engineering  
20 services by contract; acquisition of lands, and interests in  
21 lands; and preparation of lands for farming, and for con-  
22 struction of the Navajo Indian Irrigation Project pursuant  
23 to Public Law 87-483 \$94,531,000, to remain available  
24 until expended: *Provided*, That such amounts as may be  
25 available for the construction of the Navajo Indian Irriga-

1 tion Project may be transferred to the Bureau of Reclama-  
2 tion: *Provided further*, That not to exceed 6 per centum  
3 of contract authority available to the Bureau of Indian  
4 Affairs from the Federal Highway Trust Fund may be  
5 used to cover the road program management costs of the  
6 Bureau: *Provided further*, That any funds provided for the  
7 Safety of Dams program pursuant to 25 U.S.C. 13 shall  
8 be made available on a non-reimbursable basis: *Provided*  
9 *further*, That for fiscal year 1997, in implementing new  
10 construction or facilities improvement and repair project  
11 grants in excess of \$100,000 that are provided to tribally  
12 controlled grant schools under Public Law 100–297, as  
13 amended, the Secretary of the Interior shall use the Ad-  
14 ministrative and Audit Requirements and Cost Principles  
15 for Assistance Programs contained in 43 CFR part 12 as  
16 the regulatory requirements: *Provided further*, That such  
17 grants shall not be subject to section 12.61 of 43 CFR;  
18 the Secretary and the grantee shall negotiate and deter-  
19 mine a schedule of payments for the work to be performed:  
20 *Provided further*, That in considering applications, the  
21 Secretary shall consider whether the Indian tribe or tribal  
22 organization would be deficient in assuring that the con-  
23 struction projects conform to applicable building stand-  
24 ards and codes and Federal, tribal, or State health and  
25 safety standards as required by 25 U.S.C. 2005(a), with

1 respect to organizational and financial management capa-  
2 bilities: *Provided further*, That if the Secretary declines an  
3 application, the Secretary shall follow the requirements  
4 contained in 25 U.S.C. 2505(f): *Provided further*, That  
5 any disputes between the Secretary and any grantee con-  
6 cerning a grant shall be subject to the disputes provision  
7 in 25 U.S.C. 2508(e).

8 INDIAN LAND AND WATER CLAIM SETTLEMENTS AND  
9 MISCELLANEOUS PAYMENTS TO INDIANS

10 For miscellaneous payments to Indian tribes and in-  
11 dividuals and for necessary administrative expenses,  
12 \$69,241,000, to remain available until expended; of which  
13 \$68,400,000 shall be available for implementation of en-  
14 acted Indian land and water claim settlements pursuant  
15 to Public Laws 101–618, 102–374, 102–575, and for im-  
16 plementation of other enacted water rights settlements, in-  
17 cluding not to exceed \$8,000,000, which shall be for the  
18 Federal share of the Catawba Indian Tribe of South Caro-  
19 lina Claims Settlement, as authorized by section 5(a) of  
20 Public Law 103–116; and of which \$841,000 shall be  
21 available pursuant to Public Laws 98–500, 99–264, and  
22 100–580.

23 INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

24 For the cost of guaranteed loans, \$4,500,000, as au-  
25 thorized by the Indian Financing Act of 1974, as amend-

1 ed: *Provided*, That such costs, including the cost of modi-  
2 fying such loans, shall be as defined in section 502 of the  
3 Congressional Budget Act of 1974: *Provided further*, That  
4 these funds are available to subsidize total loan principal,  
5 any part of which is to be guaranteed, not to exceed  
6 \$34,615,000.

7 In addition, for administrative expenses to carry out  
8 the guaranteed loan programs, \$500,000.

9 ADMINISTRATIVE PROVISIONS

10 Appropriations for the Bureau of Indian Affairs (ex-  
11 cept the revolving fund for loans, the Indian loan guaran-  
12 tee and insurance fund, the Technical Assistance of Indian  
13 Enterprises account, the Indian Direct Loan Program ac-  
14 count, and the Indian Guaranteed Loan Program account)  
15 shall be available for expenses of exhibits, and purchase  
16 of not to exceed 229 passenger motor vehicles, of which  
17 not to exceed 187 shall be for replacement only.

18 Notwithstanding any other provision of law, no  
19 funds available to the Bureau of Indian Affairs for  
20 central office operations or pooled overhead general ad-  
21 ministration shall be available for tribal contracts, grants,  
22 compacts, or cooperative agreements with the Bureau of  
23 Indian Affairs under the provisions of the Indian Self-  
24 Determination Act or the Tribal Self-Governance Act of  
25 1994 (Public Law 103–413).



## 1 DEPARTMENTAL OFFICES

## 2 INSULAR AFFAIRS

## 3 ASSISTANCE TO TERRITORIES

4 For expenses necessary for assistance to territories  
5 under the jurisdiction of the Department of the Interior,  
6 \$65,188,000, of which (1) \$61,339,000 shall be available  
7 until expended for technical assistance, including mainte-  
8 nance assistance, disaster assistance, insular management  
9 controls, and brown tree snake control and research;  
10 grants to the judiciary in American Samoa for compensa-  
11 tion and expenses, as authorized by law (48 U.S.C.  
12 1661(c)); grants to the Government of American Samoa,  
13 in addition to current local revenues, for construction and  
14 support of governmental functions; grants to the Govern-  
15 ment of the Virgin Islands as authorized by law; grants  
16 to the Government of Guam, as authorized by law; and  
17 grants to the Government of the Northern Mariana Is-  
18 lands as authorized by law (Public Law 94–241; 90 Stat.  
19 272); and (2) \$3,849,000 shall be available for salaries  
20 and expenses of the Office of Insular Affairs: *Provided*,  
21 That all financial transactions of the territorial and local  
22 governments herein provided for, including such trans-  
23 actions of all agencies or instrumentalities established or  
24 utilized by such governments, may be audited by the Gen-  
25 eral Accounting Office, at its discretion, in accordance

1 with chapter 35 of title 31, United States Code: *Provided*  
2 *further*, That Northern Mariana Islands Covenant grant  
3 funding shall be provided according to those terms of the  
4 Agreement of the Special Representatives on Future Unit-  
5 ed States Financial Assistance for the Northern Mariana  
6 Islands approved by Public Law 99–396, or any subse-  
7 quent legislation related to Commonwealth of the North-  
8 ern Mariana Islands grant funding: *Provided further*, That  
9 section 703(a) of Public Law 94–241, as amended, is  
10 hereby amended by striking “of the Government of the  
11 Northern Mariana Islands”: *Provided further*, That of the  
12 amounts provided for technical assistance, sufficient fund-  
13 ing shall be made available for a grant to the Close Up  
14 Foundation: *Provided further*, That the funds for the pro-  
15 gram of operations and maintenance improvement are ap-  
16 propriated to institutionalize routine operations and main-  
17 tenance improvement of capital infrastructure in Amer-  
18 ican Samoa, Guam, the Virgin Islands, the Commonwealth  
19 of the Northern Mariana Islands, the Republic of Palau,  
20 the Republic of the Marshall Islands, and the Federated  
21 States of Micronesia through assessments of long-range  
22 operations maintenance needs, improved capability of local  
23 operations and maintenance institutions and agencies (in-  
24 cluding management and vocational education training),  
25 and project-specific maintenance (with territorial partici-

1 pation and cost sharing to be determined by the Secretary  
2 based on the individual territory's commitment to timely  
3 maintenance of its capital assets): *Provided further*, That  
4 any appropriation for disaster assistance under this head  
5 in this Act or previous appropriations Acts may be used  
6 as non-Federal matching funds for the purpose of hazard  
7 mitigation grants provided pursuant to section 404 of the  
8 Robert T. Stafford Disaster Relief and Emergency Assist-  
9 ance Act (42 U.S.C. 5170c).

10 COMPACT OF FREE ASSOCIATION

11 For economic assistance and necessary expenses for  
12 the Federated States of Micronesia and the Republic of  
13 the Marshall Islands as provided for in sections 122, 221,  
14 223, 232, and 233 of the Compacts of Free Association,  
15 and for economic assistance and necessary expenses for  
16 the Republic of Palau as provided for in sections 122, 221,  
17 223, 232, and 233 of the Compact of Free Association,  
18 \$23,538,000, to remain available until expended, as au-  
19 thorized by Public Law 99–239 and Public Law 99–658.

20 DEPARTMENTAL MANAGEMENT

21 SALARIES AND EXPENSES

22 For necessary expenses for management of the De-  
23 partment of the Interior, \$58,286,000, of which not to ex-  
24 ceed \$7,500 may be for official reception and representa-  
25 tion expenses, and of which up to \$2,000,000 shall be  
26 available for workers compensation payments and unem-

1 ployment compensation payments associated with the or-  
2 derly closure of the United States Bureau of Mines.

3 OFFICE OF THE SOLICITOR

4 SALARIES AND EXPENSES

5 For necessary expenses of the Office of the Solicitor,  
6 \$35,443,000.

7 OFFICE OF INSPECTOR GENERAL

8 SALARIES AND EXPENSES

9 For necessary expenses of the Office of Inspector  
10 General, \$24,439,000, together with any funds or prop-  
11 erty transferred to the Office of Inspector General through  
12 forfeiture proceedings or from the Department of Justice  
13 Assets Forfeiture Fund or the Department of the Treas-  
14 ury Assets Forfeiture Fund, that represent an equitable  
15 share from the forfeiture of property in investigations in  
16 which the Office of Inspector General participated, with  
17 such transferred funds to remain available until expended.

18 NATIONAL INDIAN GAMING COMMISSION

19 SALARIES AND EXPENSES

20 For necessary expenses of the National Indian Gam-  
21 ing Commission, pursuant to Public Law 100-497,  
22 \$1,000,000.

1 OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS  
2 FEDERAL TRUST PROGRAMS

3 For operation of trust programs for Indians by direct  
4 expenditure, contracts, cooperative agreements, compacts,  
5 and grants, \$32,126,000, to remain available until ex-  
6 pended for trust funds management: *Provided*, That funds  
7 made available to tribes and tribal organizations through  
8 contracts or grants obligated during fiscal year 1997, as  
9 authorized by the Indian Self-Determination Act of 1975  
10 (25 U.S.C. 450 et seq.), shall remain available until ex-  
11 pended by the contractor or grantee: *Provided further*,  
12 That notwithstanding any other provision of law, the stat-  
13 ute of limitations shall not commence to run on any claim,  
14 including any claim in litigation pending on the date of  
15 this Act, concerning losses to or mismanagement of trust  
16 funds, until the affected tribe or individual Indian has  
17 been furnished with an accounting of such funds from  
18 which the beneficiary can determine whether there has  
19 been a loss: *Provided further*, That unobligated balances  
20 previously made available (1) to liquidate obligations owed  
21 tribal and individual Indian payees of any checks canceled  
22 pursuant to section 1003 of the Competitive Equality  
23 Banking Act of 1987 (Public Law 100-86; 31 U.S.C.  
24 3334(b)), (2) to restore Individual Indian Monies trust  
25 funds, Indian Irrigation Systems, and Indian Power Sys-

1 tems accounts amounts invested in credit unions or de-  
2 faulted savings and loan associations and which where not  
3 Federally insured, including any interest on these amounts  
4 that may have been earned, but was not because of the  
5 default, and (3) to reimburse Indian trust fund account  
6 holders for losses to their respective accounts where the  
7 claim for said loss has been reduced to a judgement or  
8 settlement agreement approved by the Department of Jus-  
9 tice, under the heading “Indian Land and Water Claim  
10 Settlements and Miscellaneous Payments to Indians”, Bu-  
11 reau of Indian Affairs in fiscal years 1995 and 1996, are  
12 hereby transferred to and merged with this appropriation  
13 and may only be used for the operation of trust programs,  
14 in accordance with this appropriation.

15 ADMINISTRATIVE PROVISIONS

16 There is hereby authorized for acquisition from avail-  
17 able resources within the Working Capital Fund, 15 air-  
18 craft, 10 of which shall be for replacement and which may  
19 be obtained by donation, purchase or through available ex-  
20 cess surplus property: *Provided*, That notwithstanding any  
21 other provision of law, existing aircraft being replaced may  
22 be sold, with proceeds derived or trade-in value used to  
23 offset the purchase price for the replacement aircraft: *Pro-*  
24 *vided further*, That no programs funded with appropriated  
25 funds in “Departmental Management”, “Office of the So-

1 licitor”, and “Office of Inspector General” may be aug-  
2 mented through the Working Capital Fund or the Consoli-  
3 dated Working Fund.

4 GENERAL PROVISIONS, DEPARTMENT OF THE  
5 INTERIOR

6 SEC. 101. Appropriations made in this title shall be  
7 available for expenditure or transfer (within each bureau  
8 or office), with the approval of the Secretary, for the emer-  
9 gency reconstruction, replacement, or repair of aircraft,  
10 buildings, utilities, or other facilities or equipment dam-  
11 aged or destroyed by fire, flood, storm, or other unavoid-  
12 able causes: *Provided*, That no funds shall be made avail-  
13 able under this authority until funds specifically made  
14 available to the Department of the Interior for emer-  
15 gencies shall have been exhausted: *Provided further*, That  
16 all funds used pursuant to this section are hereby des-  
17 ignated by Congress to be “emergency requirements” pur-  
18 suant to section 251(b)(2)(D) of the Balanced Budget and  
19 Emergency Deficit Control Act of 1985, and must be re-  
20 plenished by a supplemental appropriation which must be  
21 requested as promptly as possible.

22 SEC. 102. The Secretary may authorize the expendi-  
23 ture or transfer of any no year appropriation in this title,  
24 in addition to the amounts included in the budget pro-  
25 grams of the several agencies, for the suppression or emer-

1 gency prevention of forest or range fires on or threatening  
2 lands under the jurisdiction of the Department of the Inte-  
3 rior; for the emergency rehabilitation of burned-over lands  
4 under its jurisdiction; for emergency actions related to po-  
5 tential or actual earthquakes, floods, volcanoes, storms, or  
6 other unavoidable causes; for contingency planning subse-  
7 quent to actual oilspills; response and natural resource  
8 damage assessment activities related to actual oilspills; for  
9 the prevention, suppression, and control of actual or po-  
10 tential grasshopper and Mormon cricket outbreaks on  
11 lands under the jurisdiction of the Secretary, pursuant to  
12 the authority in section 1773(b) of Public Law 99–198  
13 (99 Stat. 1658); for emergency reclamation projects under  
14 section 410 of Public Law 95–87; and shall transfer, from  
15 any no year funds available to the Office of Surface Min-  
16 ing Reclamation and Enforcement, such funds as may be  
17 necessary to permit assumption of regulatory authority in  
18 the event a primacy State is not carrying out the regu-  
19 latory provisions of the Surface Mining Act: *Provided*,  
20 That appropriations made in this title for fire suppression  
21 purposes shall be available for the payment of obligations  
22 incurred during the preceding fiscal year, and for reim-  
23 bursement to other Federal agencies for destruction of ve-  
24 hicles, aircraft, or other equipment in connection with  
25 their use for fire suppression purposes, such reimburse-



1 ment to be credited to appropriations currently available  
2 at the time of receipt thereof: *Provided further*, That for  
3 emergency rehabilitation and wildfire suppression activi-  
4 ties, no funds shall be made available under this authority  
5 until funds appropriated to “Wildland Fire Management”  
6 shall have been exhausted: *Provided further*, That all funds  
7 used pursuant to this section are hereby designated by  
8 Congress to be “emergency requirements” pursuant to  
9 section 251(b)(2)(D) of the Balanced Budget and Emer-  
10 gency Deficit Control Act of 1985, and must be replen-  
11 ished by a supplemental appropriation which must be re-  
12 quested as promptly as possible: *Provided further*, That  
13 such replenishment funds shall be used to reimburse, on  
14 a pro rata basis, accounts from which emergency funds  
15 were transferred.

16 SEC. 103. Appropriations made in this title shall be  
17 available for operation of warehouses, garages, shops, and  
18 similar facilities, wherever consolidation of activities will  
19 contribute to efficiency or economy, and said appropria-  
20 tions shall be reimbursed for services rendered to any  
21 other activity in the same manner as authorized by sec-  
22 tions 1535 and 1536 of title 31, United States Code: *Pro-*  
23 *vided*, That reimbursements for costs and supplies, mate-  
24 rials, equipment, and for services rendered may be cred-

1 ited to the appropriation current at the time such reim-  
2 bursements are received.

3       SEC. 104. Appropriations made to the Department  
4 of the Interior in this title shall be available for services  
5 as authorized by 5 U.S.C. 3109, when authorized by the  
6 Secretary, in total amount not to exceed \$500,000; hire,  
7 maintenance, and operation of aircraft; hire of passenger  
8 motor vehicles; purchase of reprints; payment for tele-  
9 phone service in private residences in the field, when au-  
10 thorized under regulations approved by the Secretary; and  
11 the payment of dues, when authorized by the Secretary,  
12 for library membership in societies or associations which  
13 issue publications to members only or at a price to mem-  
14 bers lower than to subscribers who are not members.

15       SEC. 105. Appropriations available to the Depart-  
16 ment of the Interior for salaries and expenses shall be  
17 available for uniforms or allowances therefor, as author-  
18 ized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).

19       SEC. 106. Appropriations made in this title shall be  
20 available for obligation in connection with contracts issued  
21 for services or rentals for periods not in excess of twelve  
22 months beginning at any time during the fiscal year.

23       SEC. 107. Prior to the transfer of Presidio properties  
24 to the Presidio Trust, when authorized, the Secretary may  
25 not obligate in any calendar month more than  $\frac{1}{12}$  of the

1 fiscal year 1997 appropriation for operation of the Pre-  
2 sidio: *Provided*, That prior to the transfer of any Presidio  
3 property to the Presidio Trust, the Secretary shall trans-  
4 fer such funds as the Trust deems necessary to initiate  
5 leasing and other authorized activities of the Trust: *Pro-*  
6 *vided further*, That this section shall expire on December  
7 31, 1996.

8       SEC. 108. No final rule or regulation of any agency  
9 of the Federal Government pertaining to the recognition,  
10 management, or validity of a right-of-way pursuant to Re-  
11 vised Statute 2477 (43 U.S.C. 932) shall take effect un-  
12 less expressly authorized by an Act of Congress subse-  
13 quent to the date of enactment of this Act.

14       SEC. 109. No funds provided in this title may be ex-  
15 pended by the Department of the Interior for the conduct  
16 of offshore leasing and related activities placed under re-  
17 striction in the President's moratorium statement of June  
18 26, 1990, in the areas of Northern, Central, and Southern  
19 California; the North Atlantic; Washington and Oregon;  
20 and the Eastern Gulf of Mexico south of 26 degrees north  
21 latitude and east of 86 degrees west longitude.

22       SEC. 110. No funds provided in this title may be ex-  
23 pended by the Department of the Interior for the conduct  
24 of leasing, or the approval or permitting of any drilling

1 or other exploration activity, on lands within the North  
2 Aleutian Basin planning area.

3 SEC. 111. No funds provided in this title may be ex-  
4 pended by the Department of the Interior for the conduct  
5 of preleasing and leasing activities in the Eastern Gulf of  
6 Mexico for Outer Continental Shelf Lease Sale 151 in the  
7 Outer Continental Shelf Natural Gas and Oil Resource  
8 Management Comprehensive Program, 1992–1997.

9 SEC. 112. No funds provided in this title may be ex-  
10 pended by the Department of the Interior for the conduct  
11 of preleasing and leasing activities in the Atlantic for  
12 Outer Continental Shelf Lease Sale 164 in the Outer Con-  
13 tinental Shelf Natural Gas and Oil Resource Management  
14 Comprehensive Program, 1992–1997.

15 SEC. 113. There is hereby established in the Treasury  
16 a franchise fund pilot, as authorized by section 403 of  
17 Public Law 103–356, to be available as provided in such  
18 section for costs of capitalizing and operating administra-  
19 tive services as the Secretary determines may be per-  
20 formed more advantageously as central services: *Provided*,  
21 That any inventories, equipment, and other assets pertain-  
22 ing to the services to be provided by such fund, either on  
23 hand or on order, less the related liabilities or unpaid obli-  
24 gations, and any appropriations made prior to the current  
25 year for the purpose of providing capital shall be used to

1 capitalize such fund: *Provided further*, That such fund  
2 shall be paid in advance from funds available to the De-  
3 partment and other Federal agencies for which such cen-  
4 tralized services are performed, at rates which will return  
5 in full all expenses of operation, including accrued leave,  
6 depreciation of fund plant and equipment, amortization of  
7 automatic data processing (ADP) software and systems  
8 (either acquired or donated) and an amount necessary to  
9 maintain a reasonable operating reserve, as determined by  
10 the Secretary: *Provided further*, That such fund shall pro-  
11 vide services on a competitive basis: *Provided further*, That  
12 an amount not to exceed four percent of the total annual  
13 income to such fund may be retained in the fund for fiscal  
14 year 1997 and each fiscal year thereafter, to remain avail-  
15 able until expended, to be used for the acquisition of cap-  
16 ital equipment, and for the improvement and implementa-  
17 tion of Department financial management, ADP, and  
18 other support systems: *Provided further*, That no later  
19 than thirty days after the end of each fiscal year amounts  
20 in excess of this reserve limitation shall be transferred to  
21 the Treasury: *Provided further*, That such franchise fund  
22 pilot shall terminate pursuant to section 403(f) of Public  
23 Law 103–356.

24 SEC. 114. Public Law 102–495 is amended by adding  
25 the following new section:

1 **“SEC. 10. WASHINGTON STATE REMOVAL OPTION.**

2           “(a) Upon appropriation of \$29,500,000 for the  
3 Federal government to acquire the projects in the State  
4 of Washington pursuant to this Act, the State of Wash-  
5 ington may, upon the submission to Congress of a bind-  
6 ing agreement to remove the projects within a reasonable  
7 period of time, purchase the projects from the Federal  
8 government for \$2. Such a binding agreement shall pro-  
9 vide for the full restoration of the Elwha River ecosystem  
10 and native anadromous fisheries, for protection of the ex-  
11 isting quality and availability of water from the Elwha  
12 River for municipal and industrial uses from possible ad-  
13 verse impacts of dam removal, and for fulfillment by the  
14 State of each of the other obligations of the Secretary  
15 under this Act.

16           “(b) Upon receipt of the payment pursuant to  
17 subsection (a), the Federal government shall relinquish  
18 ownership and title of the projects to the State of Wash-  
19 ington.

20           “(c) Upon the purchase of the projects by the  
21 State of Washington, section 3(a), (c), and (d), and sec-  
22 tions 4, 7, and 9 of this Act are hereby repealed, and the  
23 remaining sections renumbered accordingly.”.

24           SEC. 115. Section 7 of Public Law 99–647 (16  
25 U.S.C. 461 note) is amended to read as follows:

1   **“SEC. 7. TERMINATION OF COMMISSION.**

2       “The Commission shall terminate on November 10,  
3 1997.”.

4       SEC. 116. The Congress of the United States hereby  
5 designates and ratifies the assignment to the University  
6 of Utah as successor to, and beneficiary of, all the existing  
7 assets, revenues, funds and rights granted to the State  
8 of Utah under the Miners Hospital Grant (February 20,  
9 1929, 45 Stat. 1252) and the School of Mines Grant (July  
10 26, 1894, 28 Stat. 110). Further, the Secretary of the  
11 Interior is authorized and directed to accept such relin-  
12 quishment of all remaining and unconveyed entitlement  
13 for quantity grants owed the State of Utah for the Miners  
14 Hospital Grant (February 20, 1929, 45 Stat. 1252) and  
15 any unconveyed entitlement that may remain for the Uni-  
16 versity of Utah School of Mines Grant (July 26, 1894,  
17 28 Stat. 110).

18       SEC. 117. Section 402(b)(1) of the Indian Self-Deter-  
19 mination and Education Assistance Act (25 U.S.C. 458bb)  
20 is amended to read as follows: “(1) In addition to those  
21 Indian tribes participating in self-governance under sub-  
22 section (a) of this section, the Secretary, acting through  
23 the Director of the Office of Self-Governance, may select  
24 up to 50 new tribes per year from the applicant pool de-  
25 scribed in subsection (c) of this section to participate in  
26 self-governance.”.

1        SEC. 118. In fiscal year 1997 and thereafter, the In-  
2        dian Arts and Crafts Board may charge admission fees  
3        at its museums; charge rent and/or franchise fees for  
4        shops located in its museums; publish and sell publica-  
5        tions; sell or rent or license use of photographs or other  
6        images in hard copy or other forms; license the use of de-  
7        signs, in whole or in part, by others; charge for consulting  
8        services provided to others; and may accept the services  
9        of volunteers to carry out its mission: *Provided*, That all  
10       revenue derived from such activities is covered into the  
11       special fund established by section 4 of Public Law 74–  
12       355 (25 U.S.C. 305c).

13       SEC. 119. TRANSFER OF CERTAIN BUREAU OF LAND  
14       MANAGEMENT FACILITIES.—

15                (a) BATTLE MOUNTAIN, NEVADA.—Not later  
16        than 30 days after the date of enactment of this  
17        Act, the Secretary of the Interior, acting through  
18        the Director of the Bureau of Land Management,  
19        shall transfer to Lander County, Nevada, without  
20        consideration, title to the former Bureau of Land  
21        Management administrative site and associated  
22        buildings in Battle Mountain, Nevada.

23                (b) WINNEMUCCA, NEVADA.—

24                        (1) TRANSFER.—Not later than 30 days  
25        after the date of enactment of this Act, the Sec-



1           retary of the Interior, acting through the Direc-  
2           tor of the Bureau of Land Management, shall  
3           transfer to the State of Nevada, without consid-  
4           eration, title to the surplus Bureau of Land  
5           Management District Office building in  
6           Winnemucca, Nevada.

7           (2) USE.—The transfer under paragraph  
8           (1) is made with the intent that the building  
9           shall be available to meet the needs of the De-  
10          partment of Conservation and Natural Re-  
11          sources of the State of Nevada.

12       SEC. 120. ALASKA AVIATION HERITAGE.—

13       (a) FINDINGS.—The Congress finds that—

14           (1) the Department of the Interior’s  
15           Grumman Goose G21–A aircraft number N789  
16           is to be retired from several decades of active  
17           service in the State of Alaska in 1996; and

18           (2) the aircraft is of significant historic  
19           value to the people of the State of Alaska.

20       (b) DONATION OF AIRCRAFT.—The Secretary of  
21       the Interior shall transfer the Grumman Goose  
22       G21–A aircraft number N789 to the Alaska Aviation  
23       Heritage Museum in Anchorage, Alaska, at no cost  
24       to the museum, for permanent display.

1        SEC. 121. The Mesquite Lands Act of 1988 is amend-  
2 ed by adding the following at the end of section 3:

3        “(d) FOURTH AREA.—(1) No later than ten years  
4 after the date of enactment of this Act, the City of Mes-  
5 quite shall notify the Secretary as to which if any of the  
6 public lands identified in paragraph (2) of this subsection  
7 the city wishes to purchase.

8        “(2) For a period of twelve years after the date of  
9 enactment of this Act, the city shall have exclusive right  
10 to purchase the following parcels of public lands:

11            “Parcel A—East  $\frac{1}{2}$  Sec. 6, T. 13 S., R. 71 E.,  
12        Mount Diablo Meridian; Sec. 5, T. 13 S., R. 71 E.,  
13        Mount Diablo Meridian; West  $\frac{1}{2}$  Sec. 4, T. 13 S.,  
14        R. 71 E., Mount Diablo Meridian; East  $\frac{1}{2}$ , West  $\frac{1}{2}$   
15        Sec. 4, T. 13 S., R. 71 E., Mount Diablo Meridian.

16            “Parcel B—North  $\frac{1}{2}$  Sec. 7, T. 13 S., R. 71  
17        E., Mount Diablo Meridian; South East  $\frac{1}{4}$  Sec. 12,  
18        T. 13 S., R. 70 E., Mount Diablo Meridian; East  
19         $\frac{1}{2}$ , North East  $\frac{1}{4}$  Sec. 12, T. 13 S., R. 70 E.,  
20        Mount Diablo Meridian; East  $\frac{1}{2}$ , West  $\frac{1}{2}$  North  
21        East  $\frac{1}{4}$  Sec. 12, T. 13 S., R. 70 E., Mount Diablo  
22        Meridian.

23            “Parcel C—West  $\frac{1}{2}$  Sec. 6, T. 13 S., R. 71 E.,  
24        Mount Diablo Meridian; Sec. 1, T. 13 S., R. 70 E.,  
25        Mount Diablo Meridian; West  $\frac{1}{2}$ , West  $\frac{1}{2}$ , North

1 East ¼ Sec. 12, T. 13 S., R. 70 E., Mount Diablo  
 2 Meridian; North West ¼ Sec. 13, S., R. 70 E.,  
 3 Mount Diablo Meridian; West ½ Sec. 12, T. 13 S.,  
 4 R. 70 E., Mount Diablo Meridian; East ½, South  
 5 East ¼, Sec. 11, T. 13 S., R. 70 E., Mount Diablo  
 6 Meridian; East ½ North East ¼, Sec. 14, T. 13 S.,  
 7 R. 70 E., Mount Diablo Meridian.

8 “Parcel D—South ½ Sec. 14, T. 13 S., R. 70  
 9 E., Mount Diablo Meridian; South West ¼, Sec. 13,  
 10 T. 13 S., R. 70 E., Mount Diablo Meridian; Portion  
 11 of section 23, North of Interstate 15, T. 13 S., R.  
 12 70 E., Mount Diablo Meridian; Portion of section  
 13 24, North of Interstate 15, T. 13 S., R. 70 E.,  
 14 Mount Diablo Meridian; Portion of section 26,  
 15 North of Interstate 15, T. 13 S., R. 70 E., Mount  
 16 Diablo Meridian.”

17 SEC. 122. Father Aull Site Transfer.—

18 (a) This section may be cited as the “Father Aull  
 19 Site Transfer Act of 1996”.

20 (b) FINDINGS.—Congress finds that—

21 (1) the buildings and grounds developed by Fa-  
 22 ther Roger Aull located on public domain land near  
 23 Silver City, New Mexico, are historically significant  
 24 to the citizens of the community;

1           (2) vandalism at the site has become increas-  
2           ingly destructive and frequent in recent years;

3           (3) because of the isolated location and the dis-  
4           tance from other significant resources and agency  
5           facilities, the Bureau of Land Management has been  
6           unable to devote sufficient resources to restore and  
7           protect the site from further damage; and

8           (4) St. Vincent DePaul Parish in Silver City,  
9           New Mexico, has indicated an interest in, and devel-  
10          oped a sound proposal for the restoration of the site,  
11          such that the site could be permanently occupied  
12          and used by the community.

13          (c) CONVEYANCE OF PROPERTY.—Subject to valid  
14          existing rights, all right, title and interest of the United  
15          States in and to the land (including improvements on the  
16          land), consisting of approximately 43.06 acres, located ap-  
17          proximately 10 miles east of Silver City, New Mexico, and  
18          described as follows: T. 17 S., R. 12 W., Section 30: Lot  
19          13, and Section 31: Lot 27 (as generally depicted on the  
20          map dated July 1995) is hereby conveyed by operation of  
21          law to St. Vincent DePaul Parish in Silver City, New Mex-  
22          ico, without consideration.

23          (d) RELEASE.—Upon the conveyance of any land or  
24          interest in land identified in this section of St. Vincent  
25          DePaul Parish, St. Vincent DePaul Parish shall assume

1 any liability for any claim relating to the land or interest  
2 in the land arising after the date of the conveyance.

3 (e) MAP.—The map referred to in this section shall  
4 be on file and available for public inspection in—

5 (1) the State of New Mexico Office of the Bu-  
6 reau of Land Management, Santa Fe, New Mexico;  
7 and

8 (2) the Las Cruces District Office of the Bu-  
9 reau of Land Management, Las Cruces, New Mex-  
10 ico.

11 SEC. 123. The second proviso under the heading  
12 “Bureau of Mines, Administrative Provisions” of Public  
13 Law 104–134 is amended by inserting after the word  
14 “authorized” the word “hereafter”.

15 SEC. 124. Watershed Restoration and Enhance-  
16 ment Agreements.

17 (a) IN GENERAL.—For fiscal year 1997 and each  
18 fiscal year thereafter, appropriations made for the Bu-  
19 reau of Land Management may be used by the Secretary  
20 of the Interior for the purpose of entering into coopera-  
21 tive agreements with willing private landowners for res-  
22 toration and enhancement of fish, wildlife, and other bi-  
23 otic resources on public or private land or both that bene-  
24 fit these resources on public lands within the watershed.

1 (b) DIRECT AND INDIRECT WATERSHED AGREE-  
2 MENTS.—The Secretary of the Interior may enter into a  
3 watershed restoration and enhancement agreement—

4 (1) directly with a willing private landowner; or

5 (2) indirectly through an agreement with a  
6 state, local, or tribal government or other public en-  
7 tity, educational institution, or private nonprofit or-  
8 ganization.

9 (c) TERMS AND CONDITIONS.—In order for the  
10 Secretary to enter into a watershed restoration and en-  
11 hancement agreement—

12 (1) the agreement shall—

13 (A) include such terms and conditions mu-  
14 tually agreed to by the Secretary and the land-  
15 owner;

16 (B) improve the viability of and otherwise  
17 benefit the fish, wildlife, and other biotic re-  
18 sources on public land in the watershed;

19 (C) authorize the provision of technical as-  
20 sistance by the Secretary in the planning of  
21 management activities that will further the pur-  
22 poses of the agreement;

23 (D) provide for the sharing of costs of im-  
24 plementing the agreement among the Federal  
25 government, the landowner, and other entities,

1 as mutually agreed on by the affected interests;  
2 and

3 (E) ensure that any expenditure by the  
4 Secretary pursuant to the agreement is deter-  
5 mined by the Secretary to be in the public in-  
6 terest; and

7 (2) the Secretary may require such other terms  
8 and conditions as are necessary to protect the public  
9 investment on private lands, provided such terms  
10 and conditions are mutually agreed to by the Sec-  
11 retary and the landowner.

12 SEC. 125. Visitor Center Designation at Channel  
13 Islands National Park.

14 (a) The visitor center at Channel Islands National  
15 Park, California, is hereby designated as the “Robert J.  
16 Lagomarsino Visitor Center”.

17 (b) Any reference in law, regulation, paper,  
18 record, map, or any other document in the United States  
19 to the visitor center referred to in subsection (a) shall be  
20 deemed to be a reference to the “Robert J. Lagomarsino  
21 Visitor Center”.

## 1 TITLE II—RELATED AGENCIES

## 2 DEPARTMENT OF AGRICULTURE

## 3 FOREST SERVICE

## 4 FOREST AND RANGELAND RESEARCH

5 For necessary expenses of forest and rangeland re-  
6 search as authorized by law, \$179,786,000, to remain  
7 available until expended.

## 8 STATE AND PRIVATE FORESTRY

9 For necessary expenses of cooperating with, and pro-  
10 viding technical and financial assistance to States, Terri-  
11 tories, possessions, and others and for forest pest manage-  
12 ment activities, cooperative forestry and education and  
13 land conservation activities, \$155,461,000, to remain  
14 available until expended, as authorized by law: *Provided*,  
15 That of funds available under this heading for Pacific  
16 Northwest Assistance in this or prior appropriations Acts.  
17 \$750,000 shall be provided to the World Forestry Center  
18 for purposes of continuing scientific research and other  
19 authorized efforts regarding the land exchange efforts in  
20 the Umpqua River Basin region.

## 21 NATIONAL FOREST SYSTEM

22 For necessary expenses of the Forest Service, not  
23 otherwise provided for, for management, protection, im-  
24 provement, and utilization of the National Forest System,  
25 for ecosystem planning, inventory, and monitoring, and for



1 administrative expenses associated with the management  
2 of funds provided under the heads “Forest and Rangeland  
3 Research,” “State and Private Forestry,” “National For-  
4 est System,” “Wildland Fire Management,” “Reconstruc-  
5 tion and Construction,” and “Land Acquisition,”  
6 \$1,274,781,000, to remain available until expended, and  
7 including 50 per centum of all monies received during the  
8 prior fiscal year as fees collected under the Land and  
9 Water Conservation Fund Act of 1965, as amended, in  
10 accordance with section 4 of the Act (16 U.S.C. 460l-  
11 6a(i)): *Provided*, That up to \$5,000,000 of the funds pro-  
12 vided herein for road maintenance shall be available for  
13 the planned obliteration of roads which are no longer need-  
14 ed.

15 WILDLAND FIRE MANAGEMENT

16 For necessary expenses for forest fire presuppression  
17 activities on National Forest System lands, for emergency  
18 fire suppression on or adjacent to such lands or other  
19 lands under fire protection agreement, and for emergency  
20 rehabilitation of burned over National Forest System  
21 lands, \$530,016,000, to remain available until expended:  
22 *Provided*, That unexpended balances of amounts pre-  
23 viously appropriated under any other headings for Forest  
24 Service fire activities are transferred to and merged with  
25 this appropriation and subject to the same terms and con-

ditions: *Provided further*, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes.

#### RECONSTRUCTION AND CONSTRUCTION

For necessary expenses of the Forest Service, not otherwise provided for, \$174,974,000, to remain available until expended for construction, reconstruction and acquisition of buildings and other facilities, and for construction, reconstruction and repair of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: *Provided*, That not to exceed \$50,000,000, to remain available until expended, may be obligated for the construction of forest roads by timber purchasers: *Provided further*, That funds appropriated under this head for the construction of the Wayne National Forest Supervisor’s Office may be granted to the Ohio State Highway Patrol as the federal share of the cost of construction of a new facility to be occupied jointly by the Forest Service and the Ohio State Highway Patrol: *Provided further*, That an agreed upon lease of space in the new facility shall be provided to the Forest Service without charge for the life of the building.

#### LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4–11), including administra-

1 tive expenses, and for acquisition of land or waters, or in-  
2 terest therein, in accordance with statutory authority ap-  
3 plicable to the Forest Service, \$40,575,000, to be derived  
4 from the Land and Water Conservation Fund, to remain  
5 available until expended.

6 ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL

7 ACTS

8 For acquisition of lands within the exterior bound-  
9 aries of the Cache, Uinta, and Wasatch National Forests,  
10 Utah; the Toiyabe National Forest, Nevada; and the An-  
11 geles, San Bernardino, Sequoia, and Cleveland National  
12 Forests, California, as authorized by law, \$1,069,000, to  
13 be derived from forest receipts.

14 ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

15 For acquisition of lands, such sums, to be derived  
16 from funds deposited by State, county, or municipal gov-  
17 ernments, public school districts, or other public school au-  
18 thorities pursuant to the Act of December 4, 1967, as  
19 amended (16 U.S.C. 484a), to remain available until ex-  
20 pended.

21 RANGE BETTERMENT FUND

22 For necessary expenses of range rehabilitation, pro-  
23 tection, and improvement, 50 per centum of all moneys  
24 received during the prior fiscal year, as fees for grazing  
25 domestic livestock on lands in National Forests in the six-

1 teen Western States, pursuant to section 401(b)(1) of  
2 Public Law 94–579, as amended, to remain available until  
3 expended, of which not to exceed 6 per centum shall be  
4 available for administrative expenses associated with on-  
5 the-ground range rehabilitation, protection, and improve-  
6 ments.

7 GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND  
8 RANGELAND RESEARCH

9 For expenses authorized by 16 U.S.C. 1643(b),  
10 \$92,000, to remain available until expended, to be derived  
11 from the fund established pursuant to the above Act.

12 ADMINISTRATIVE PROVISIONS, FOREST SERVICE

13 Appropriations to the Forest Service for the current  
14 fiscal year shall be available for: (a) purchase of not to  
15 exceed 159 passenger motor vehicles of which 14 will be  
16 used primarily for law enforcement purposes and of which  
17 149 shall be for replacement; acquisition of 10 passenger  
18 motor vehicles from excess sources, and hire of such vehi-  
19 cles; operation and maintenance of aircraft, the purchase  
20 of not to exceed two for replacement only, and acquisition  
21 of 20 aircraft from excess sources; notwithstanding other  
22 provisions of law, existing aircraft being replaced may be  
23 sold, with proceeds derived or trade-in value used to offset  
24 the purchase price for the replacement aircraft; (b) serv-  
25 ices pursuant to 7 U.S.C. 2225, and not to exceed

1 \$100,000 for employment under 5 U.S.C. 3109; (c) pur-  
2 chase, erection, and alteration of buildings and other pub-  
3 lic improvements (7 U.S.C. 2250); (d) acquisition of land,  
4 waters, and interests therein, pursuant to 7 U.S.C. 428a;  
5 (e) for expenses pursuant to the Volunteers in the Na-  
6 tional Forest Act of 1972 (16 U.S.C. 558a, 558d, 558a  
7 note); and (f) for debt collection contracts in accordance  
8 with 31 U.S.C. 3718(c).

9       None of the funds made available under this Act shall  
10 be obligated or expended to change the boundaries of any  
11 region, to abolish any region, to move or close any regional  
12 office for research, State and private forestry, or National  
13 Forest System administration of the Forest Service, De-  
14 partment of Agriculture, or to implement any reorganiza-  
15 tion, “reinvention” or other type of organizational restruc-  
16 turing of the Forest Service, other than the relocation of  
17 the Regional Office for Region 5 of the Forest Service  
18 from San Francisco to excess military property at Mare  
19 Island, Vallejo, California, without the consent of the  
20 House and Senate Committees on Appropriations.

21       Any funds available to the Forest Service may be  
22 used for retrofitting Mare Island facilities to accommodate  
23 the relocation: *Provided*, That funds for the move must  
24 come from funds otherwise available to Region 5: *Provided*  
25 *further*, That any funds to be provided for such purposes

1 shall only be available upon approval of the House and  
2 Senate Committees on Appropriations.

3 Any appropriations or funds available to the Forest  
4 Service may be advanced to the Wildland Fire Manage-  
5 ment appropriation and may be used for forest firefighting  
6 and the emergency rehabilitation of burned-over lands  
7 under its jurisdiction.

8 Funds appropriated to the Forest Service shall be  
9 available for assistance to or through the Agency for Inter-  
10 national Development and the Foreign Agricultural Serv-  
11 ice in connection with forest and rangeland research, tech-  
12 nical information, and assistance in foreign countries, and  
13 shall be available to support forestry and related natural  
14 resource activities outside the United States and its terri-  
15 tories and possessions, including technical assistance, edu-  
16 cation and training, and cooperation with United States  
17 and international organizations.

18 None of the funds made available to the Forest Serv-  
19 ice under this Act shall be subject to transfer under the  
20 provisions of section 702(b) of the Department of Agri-  
21 culture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C.  
22 147b unless the proposed transfer is approved in advance  
23 by the House and Senate Committees on Appropriations  
24 in compliance with the reprogramming procedures con-  
25 tained in House Report 103–551.

1       None of the funds available to the Forest Service may  
2 be reprogrammed without the advance approval of the  
3 House and Senate Committees on Appropriations in ac-  
4 cordance with the procedures contained in House Report  
5 103–551.

6       No funds appropriated to the Forest Service shall be  
7 transferred to the Working Capital Fund of the Depart-  
8 ment of Agriculture without the approval of the Chief of  
9 the Forest Service.

10       Notwithstanding any other provision of the law, any  
11 appropriations or funds available to the Forest Service  
12 may be used to disseminate program information to pri-  
13 vate and public individuals and organizations through the  
14 use of nonmonetary items of nominal value and to provide  
15 nonmonetary awards of nominal value and to incur nec-  
16 essary expenses for the nonmonetary recognition of private  
17 individuals and organizations that make contributions to  
18 Forest Service programs.

19       Notwithstanding any other provision of law, money  
20 collected, in advance or otherwise, by the Forest Service  
21 under authority of section 101 of Public Law 93–153 (30  
22 U.S.C. 185(1)) as reimbursement of administrative and  
23 other costs incurred in processing pipeline right-of-way or  
24 permit applications and for costs incurred in monitoring  
25 the construction, operation, maintenance, and termination

1 of any pipeline and related facilities, may be used to reim-  
2 burse the applicable appropriation to which such costs  
3 were originally charged.

4 Funds available to the Forest Service shall be avail-  
5 able to conduct a program of not less than \$1,000,000  
6 for high priority projects within the scope of the approved  
7 budget which shall be carried out by the Youth Conserva-  
8 tion Corps as authorized by the Act of August 13, 1970,  
9 as amended by Public Law 93-408.

10 None of the funds available in this Act shall be used  
11 for timber sale preparation using clearcutting in hardwood  
12 stands in excess of 25 percent of the fiscal year 1989 har-  
13 vested volume in the Wayne National Forest, Ohio: *Pro-*  
14 *vided*, That this limitation shall not apply to hardwood  
15 stands damaged by natural disaster: *Provided further*,  
16 That landscape architects shall be used to maintain a vis-  
17 ually pleasing forest.

18 Any money collected from the States for fire suppres-  
19 sion assistance rendered by the Forest Service on non-  
20 Federal lands not in the vicinity of National Forest Sys-  
21 tem lands shall be used to reimburse the applicable appro-  
22 priation and shall remain available until expended as the  
23 Secretary may direct in conducting activities authorized  
24 by 16 U.S.C. 2101 (note), 2101-2110, 1606, and 2111.



1       Of the funds available to the Forest Service, \$1,500  
2 is available to the Chief of the Forest Service for official  
3 reception and representation expenses.

4       Notwithstanding any other provision of law, the For-  
5 est Service is authorized to employ or otherwise contract  
6 with persons at regular rates of pay, as determined by the  
7 Service, to perform work occasioned by emergencies such  
8 as fires, storms, floods, earthquakes or any other unavoid-  
9 able cause without regard to Sundays, Federal holidays,  
10 and the regular workweek.

11       To the greatest extent possible, and in accordance  
12 with the Final Amendment to the Shawnee National For-  
13 est Plan, none of the funds available in this Act shall be  
14 used for preparation of timber sales using clearcutting or  
15 other forms of even aged management in hardwood stands  
16 in the Shawnee National Forest, Illinois.

17       Pursuant to sections 405(b) and 410(b) of Public  
18 Law 101–593, funds up to \$1,000,000 for matching  
19 funds shall be available for the National Forest Founda-  
20 tion on a one-for-one basis to match private contributions  
21 for projects on or benefitting National Forest System  
22 lands or related to Forest Service programs.

23       Pursuant to section 2(b)(2) of Public Law 98–244,  
24 up to \$1,000,000 of the funds available to the Forest  
25 Service shall be available for matching funds, as author-

1 ized in 16 U.S.C. 3701–3709, on a one-for-one basis to  
2 match private contributions for projects on or benefitting  
3 National Forest System lands or related to Forest Service  
4 programs.

5 Funds appropriated to the Forest Service shall be  
6 available for interactions with and providing technical as-  
7 sistance to rural communities for sustainable rural devel-  
8 opment purposes.

9 Notwithstanding any other provision of law, 80 per-  
10 cent of the funds appropriated to the Forest Service in  
11 the National Forest System and Construction accounts  
12 and planned to be allocated to activities under the “Jobs  
13 in the Woods” program for projects on National Forest  
14 land in the State of Washington may be granted directly  
15 to the Washington State Department of Fish and Wildlife  
16 for accomplishment of planned projects. Twenty percent  
17 of said funds shall be retained by the Forest Service for  
18 planning and administering projects. Project selection and  
19 prioritization shall be accomplished by the Forest Service  
20 with such consultation with the State of Washington as  
21 the Forest Service deems appropriate.

22 Funds appropriated to the Forest Service shall be  
23 available for payments to counties within the Columbia  
24 River Gorge National Scenic Area, pursuant to sections

1 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–  
2 663.

3           The Secretary of Agriculture shall by March 31,  
4 1997 report to the Committees on Appropriations of the  
5 House of Representatives and the Senate on the status  
6 and disposition of all salvage timber sales started under  
7 the authority of Section 2001 of Public Law 104–19 and  
8 subsequently withdrawn or delayed and completed under  
9 different authorities as a consequence of the July 2, 1996  
10 directive on the implementation of Section 2001 issued  
11 by the Secretary.

12           The Pacific Northwest Research Station  
13 Silviculture Laboratory in Bend, Oregon is hereby named  
14 the “Robert W. Chandler Building”.

15           For purposes of the Southeast Alaska Economic  
16 Disaster Fund as set forth in section 101(c) of Public  
17 Law 104–134, the direct grants provided in subsection  
18 (c) shall be considered direct payments for purposes of all  
19 applicable law except that these direct grants may not be  
20 used for lobbying activities.

21           No employee of the Department of Agriculture  
22 may be detailed or assigned from an agency or office  
23 funded by this Act to any other agency or office of the  
24 Department for more than 30 days unless the individ-  
25 ual’s employing agency or office is fully reimbursed by

1 the receiving agency or office for the salary and expenses  
2 of the employee for the period of assignment.

3 DEPARTMENT OF ENERGY

4 CLEAN COAL TECHNOLOGY

5 (RESCISSION)

6 Of the funds made available under this heading for  
7 obligation in fiscal year 1997 or prior years, \$123,000,000  
8 are rescinded: *Provided*, That funds made available in pre-  
9 vious appropriations Acts shall be available for any ongoing  
10 project regardless of the separate request for proposal  
11 under which the project was selected.

12 FOSSIL ENERGY RESEARCH AND DEVELOPMENT

13 For necessary expenses in carrying out fossil energy  
14 research and development activities, under the authority  
15 of the Department of Energy Organization Act (Public  
16 Law 95–91), including the acquisition of interest, including  
17 defeasible and equitable interests in any real property  
18 or any facility or for plant or facility acquisition or expansion,  
19 and for conducting inquiries, technological investigations  
20 and research concerning the extraction, processing,  
21 use, and disposal of mineral substances without objectionable  
22 social and environmental costs (30 U.S.C. 3, 1602,  
23 and 1603), performed under the minerals and materials  
24 science programs at the Albany Research Center in Oregon,  
25 \$364,704,000, to remain available until expended:  
26 *Provided*, That no part of the sum herein made available

1 shall be used for the field testing of nuclear explosives in  
2 the recovery of oil and gas.

3                   ALTERNATIVE FUELS PRODUCTION

4       (INCLUDING TRANSFER AND RESCISSION OF FUNDS)

5       Monies received as investment income on the prin-  
6 cipal amount in the Great Plains Project Trust at the  
7 Norwest Bank of North Dakota, in such sums as are  
8 earned as of October 1, 1996, shall be deposited in this  
9 account and immediately transferred to the General Fund  
10 of the Treasury. Monies received as revenue sharing from  
11 the operation of the Great Plains Gasification Plant shall  
12 be immediately transferred to the General Fund of the  
13 Treasury. Funds are hereby rescinded in the amount of  
14 \$2,500,000 from unobligated balances under this head.

15                  NAVAL PETROLEUM AND OIL SHALE RESERVES

16       For necessary expenses in carrying out naval petro-  
17 leum and oil shale reserve activities, \$143,786,000, to re-  
18 main available until expended: *Provided*, That the require-  
19 ments of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal  
20 year 1997.

21                  ENERGY CONSERVATION

22       For necessary expenses in carrying out energy con-  
23 servation activities, \$569,762,000, to remain available  
24 until expended, including, notwithstanding any other pro-  
25 vision of law, the excess amount for fiscal year 1997 deter-

1 mined under the provisions of section 3003(d) of Public  
2 Law 99–509 (15 U.S.C. 4502): *Provided*, That  
3 \$149,845,000 shall be for use in energy conservation pro-  
4 grams as defined in section 3008(3) of Public Law 99–  
5 509 (15 U.S.C. 4507) and shall not be available until ex-  
6 cess amounts are determined under the provisions of sec-  
7 tion 3003(d) of Public Law 99–509 (15 U.S.C. 4502):  
8 *Provided further*, That notwithstanding section 3003(d)(2)  
9 of Public Law 99–509 such sums shall be allocated to the  
10 eligible programs as follows: \$120,845,000 for weatheriza-  
11 tion assistance grants and \$29,000,000 for State energy  
12 conservation grants.

13 ECONOMIC REGULATION

14 For necessary expenses in carrying out the activities  
15 of the Office of Hearings and Appeals, \$2,725,000, to re-  
16 main available until expended.

17 STRATEGIC PETROLEUM RESERVE

18 (INCLUDING TRANSFER OF FUNDS)

19 For necessary expenses for Strategic Petroleum Re-  
20 serve facility development and operations and program  
21 management activities pursuant to the Energy Policy and  
22 Conservation Act of 1975, as amended (42 U.S.C. 6201  
23 et seq.), \$220,000,000, to remain available until expended,  
24 of which \$220,000,000 shall be repaid from the “SPR Op-  
25 erating Fund” from amounts made available from the sale

1 of oil from the Reserve: *Provided*, That notwithstanding  
 2 section 161 of the Energy Policy and Conservation Act,  
 3 the Secretary shall draw down and sell in fiscal year 1997  
 4 \$220,000,000 worth of oil from the Strategic Petroleum  
 5 Reserve: *Provided further*, That the proceeds from the sale  
 6 shall be deposited into a special account in the Treasury,  
 7 to be established and known as the “SPR Operating  
 8 Fund”, and shall, upon receipt, be transferred to the Stra-  
 9 tegic Petroleum Reserve account for operations of the  
 10 Strategic Petroleum Reserve.

11 SPR PETROLEUM ACCOUNT

12 Notwithstanding 42 U.S.C. 6240(d) the United  
 13 States share of crude oil in Naval Petroleum Reserve  
 14 Numbered 1 (Elk Hills) may be sold or otherwise disposed  
 15 of to other than the Strategic Petroleum Reserve: *Pro-*  
 16 *vided*, That outlays in fiscal year 1997 resulting from the  
 17 use of funds in this account shall not exceed \$5,000,000.

18 ENERGY INFORMATION ADMINISTRATION

19 For necessary expenses in carrying out the activities  
 20 of the Energy Information Administration, \$66,120,000  
 21 to remain available until expended.

22 ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

23 Appropriations under this Act for the current fiscal  
 24 year shall be available for hire of passenger motor vehicles;  
 25 hire, maintenance, and operation of aircraft; purchase, re-

1 pair, and cleaning of uniforms; and reimbursement to the  
2 General Services Administration for security guard serv-  
3 ices.

4 From appropriations under this Act, transfers of  
5 sums may be made to other agencies of the Government  
6 for the performance of work for which the appropriation  
7 is made.

8 None of the funds made available to the Department  
9 of Energy under this Act shall be used to implement or  
10 finance authorized price support or loan guarantee pro-  
11 grams unless specific provision is made for such programs  
12 in an appropriations Act.

13 The Secretary is authorized to accept lands, build-  
14 ings, equipment, and other contributions from public and  
15 private sources and to prosecute projects in cooperation  
16 with other agencies, Federal, State, private or foreign:  
17 *Provided*, That revenues and other moneys received by or  
18 for the account of the Department of Energy or otherwise  
19 generated by sale of products in connection with projects  
20 of the Department appropriated under this Act may be  
21 retained by the Secretary of Energy, to be available until  
22 expended, and used only for plant construction, operation,  
23 costs, and payments to cost-sharing entities as provided  
24 in appropriate cost-sharing contracts or agreements: *Pro-*  
25 *vided further*, That the remainder of revenues after the



1 making of such payments shall be covered into the Treas-  
2 ury as miscellaneous receipts: *Provided further*, That any  
3 contract, agreement, or provision thereof entered into by  
4 the Secretary pursuant to this authority shall not be exe-  
5 cuted prior to the expiration of 30 calendar days (not in-  
6 cluding any day in which either House of Congress is not  
7 in session because of adjournment of more than three cal-  
8 endar days to a day certain) from the receipt by the  
9 Speaker of the House of Representatives and the Presi-  
10 dent of the Senate of a full comprehensive report on such  
11 project, including the facts and circumstances relied upon  
12 in support of the proposed project.

13       No funds provided in this Act may be expended by  
14 the Department of Energy to prepare, issue, or process  
15 procurement documents for programs or projects for  
16 which appropriations have not been made.

17       In addition to other authorities set forth in this Act,  
18 the Secretary may accept fees and contributions from pub-  
19 lic and private sources, to be deposited in a contributed  
20 funds account, and prosecute projects using such fees and  
21 contributions in cooperation with other Federal, State or  
22 private agencies or concerns.

1       DEPARTMENT OF HEALTH AND HUMAN  
2                   SERVICES  
3                   INDIAN HEALTH SERVICE  
4                   INDIAN HEALTH SERVICES

5       For expenses necessary to carry out the Act of Au-  
6 gust 5, 1954 (68 Stat. 674), the Indian Self-Determina-  
7 tion Act, the Indian Health Care Improvement Act, and  
8 titles II and III of the Public Health Service Act with re-  
9 spect to the Indian Health Service, \$1,806,269,000, to-  
10 gether with payments received during the fiscal year pur-  
11 suant to 42 U.S.C. 238(b) for services furnished by the  
12 Indian Health Service: *Provided*, That funds made avail-  
13 able to tribes and tribal organizations through contracts,  
14 grant agreements, or any other agreements or compacts  
15 authorized by the Indian Self-Determination and Edu-  
16 cation Assistance Act of 1975 (25 U.S.C. 450), shall be  
17 deemed to be obligated at the time of the grant or contract  
18 award and thereafter shall remain available to the tribe  
19 or tribal organization without fiscal year limitation: *Pro-*  
20 *vided further*, That \$12,000,000 shall remain available  
21 until expended, for the Indian Catastrophic Health Emer-  
22 gency Fund: *Provided further*, That \$356,325,000 for con-  
23 tract medical care shall remain available for obligation  
24 until September 30, 1998: *Provided further*, That of the  
25 funds provided, not less than \$11,706,000 shall be used

1 to carry out the loan repayment program under section  
2 108 of the Indian Health Care Improvement Act: *Provided*  
3 *further*, That funds provided in this Act may be used for  
4 one-year contracts and grants which are to be performed  
5 in two fiscal years, so long as the total obligation is re-  
6 corded in the year for which the funds are appropriated:  
7 *Provided further*, That the amounts collected by the Sec-  
8 retary of Health and Human Services under the authority  
9 of title IV of the Indian Health Care Improvement Act  
10 shall remain available until expended for the purpose of  
11 achieving compliance with the applicable conditions and  
12 requirements of titles XVIII and XIX of the Social Secu-  
13 rity Act (exclusive of planning, design, or construction of  
14 new facilities) *Provided further*, That of the funds pro-  
15 vided, \$7,500,000 shall remain available until expended,  
16 for the Indian Self-Determination Fund, which shall be  
17 available for the transitional costs of initial or expanded  
18 tribal contracts, compacts, grants or cooperative agree-  
19 ments with the Indian Health Service under the provisions  
20 of the Indian Self-Determination Act: *Provided further*,  
21 That funding contained herein, and in any earlier appro-  
22 priations Acts for scholarship programs under the Indian  
23 Health Care Improvement Act (25 U.S.C. 1613) shall re-  
24 main available for obligation until September 30, 1998:  
25 *Provided further*, That amounts received by tribes and

1 tribal organizations under title IV of the Indian Health  
2 Care Improvement Act shall be reported and accounted  
3 for and available to the receiving tribes and tribal organi-  
4 zations until expended.

5 INDIAN HEALTH FACILITIES

6 For construction, repair, maintenance, improvement,  
7 and equipment of health and related auxiliary facilities,  
8 including quarters for personnel; preparation of plans,  
9 specifications, and drawings; acquisition of sites, purchase  
10 and erection of modular buildings, and purchases of trail-  
11 ers; and for provision of domestic and community sanita-  
12 tion facilities for Indians, as authorized by section 7 of  
13 the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian  
14 Self-Determination Act, and the Indian Health Care Im-  
15 provement Act, and for expenses necessary to carry out  
16 such Acts and titles II and III of the Public Health Serv-  
17 ice Act with respect to environmental health and facilities  
18 support activities of the Indian Health Service,  
19 \$247,731,000, to remain available until expended: *Pro-*  
20 *vided*, That notwithstanding any other provision of law,  
21 funds appropriated for the planning, design, construction  
22 or renovation of health facilities for the benefit of an In-  
23 dian tribe or tribes may be used to purchase land for sites  
24 to construct, improve, or enlarge health or related facili-  
25 ties.

1 ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

2 Appropriations in this Act to the Indian Health Serv-  
3 ice shall be available for services as authorized by 5 U.S.C.  
4 3109 but at rates not to exceed the per diem rate equiva-  
5 lent to the maximum rate payable for senior-level positions  
6 under 5 U.S.C. 5376; hire of passenger motor vehicles and  
7 aircraft; purchase of medical equipment; purchase of re-  
8 prints; purchase, renovation and erection of modular  
9 buildings and renovation of existing facilities; payments  
10 for telephone service in private residences in the field,  
11 when authorized under regulations approved by the Sec-  
12 retary; and for uniforms or allowances therefore as au-  
13 thorized by 5 U.S.C. 5901–5902; and for expenses of at-  
14 tendance at meetings which are concerned with the func-  
15 tions or activities for which the appropriation is made or  
16 which will contribute to improved conduct, supervision, or  
17 management of those functions or activities: *Provided*,  
18 That in accordance with the provisions of the Indian  
19 Health Care Improvement Act, non-Indian patients may  
20 be extended health care at all tribally administered or In-  
21 dian Health Service facilities, subject to charges, and the  
22 proceeds along with funds recovered under the Federal  
23 Medical Care Recovery Act (42 U.S.C. 2651–53) shall be  
24 credited to the account of the facility providing the service  
25 and shall be available without fiscal year limitation: *Pro-*

1 *vided further*, That notwithstanding any other law or regu-  
2 lation, funds transferred from the Department of Housing  
3 and Urban Development to the Indian Health Service  
4 shall be administered under Public Law 86–121 (the In-  
5 dian Sanitation Facilities Act) and Public Law 93–638,  
6 as amended: *Provided further*, That funds appropriated to  
7 the Indian Health Service in this Act, except those used  
8 for administrative and program direction purposes, shall  
9 not be subject to limitations directed at curtailing Federal  
10 travel and transportation: *Provided further*, That notwith-  
11 standing any other provision of law, funds previously or  
12 herein made available to a tribe or tribal organization  
13 through a contract, grant, or agreement authorized by  
14 title I or title III of the Indian Self-Determination and  
15 Education Assistance Act of 1975 (25 U.S.C. 450), may  
16 be deobligated and reobligated to a self-determination con-  
17 tract under title I, or a self-governance agreement under  
18 title III of such Act and thereafter shall remain available  
19 to the tribe or tribal organization without fiscal year limi-  
20 tation: *Provided further*, That none of the funds made  
21 available to the Indian Health Service in this Act shall  
22 be used to implement the final rule published in the Fed-  
23 eral Register on September 16, 1987, by the Department  
24 of Health and Human Services, relating to the eligibility  
25 for the health care services of the Indian Health Service

1 until the Indian Health Service has submitted a budget  
2 request reflecting the increased costs associated with the  
3 proposed final rule, and such request has been included  
4 in an appropriations Act and enacted into law: *Provided*  
5 *further*, That funds made available in this Act are to be  
6 apportioned to the Indian Health Service as appropriated  
7 in this Act, and accounted for in the appropriation struc-  
8 ture set forth in this Act: *Provided further*, That funds  
9 received from any source, including tribal contractors and  
10 compactors for previously transferred functions which  
11 tribal contractors and compactors no longer wish to retain,  
12 for services, goods, or training and technical assistance,  
13 shall be retained by the Indian Health Service and shall  
14 remain available until expended by the Indian Health  
15 Service: *Provided further*, That reimbursements for train-  
16 ing, technical assistance, or services provided by the In-  
17 dian Health Service will contain total costs, including di-  
18 rect, administrative, and overhead associated with the pro-  
19 vision of goods, services, or technical assistance: *Provided*  
20 *further*, That the appropriation structure for the Indian  
21 Health Service may not be altered without advance ap-  
22 proval of the House and Senate Committees on Appropria-  
23 tions.

## 1                   DEPARTMENT OF EDUCATION

## 2   OFFICE OF ELEMENTARY AND SECONDARY EDUCATION

## 3                   INDIAN EDUCATION

4       For necessary expenses to carry out, to the extent  
5 not otherwise provided, title IX, part A of the Elementary  
6 and Secondary Education Act of 1965, as amended, and  
7 section 215 of the Department of Education Organization  
8 Act, \$61,000,000.

## 9                   OTHER RELATED AGENCIES

## 10   OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

## 11                   SALARIES AND EXPENSES

12       For necessary expenses of the Office of Navajo and  
13 Hopi Indian Relocation as authorized by Public Law 93–  
14 531, \$19,345,000, to remain available until expended:  
15 *Provided*, That funds provided in this or any other appro-  
16 priations Act are to be used to relocate eligible individuals  
17 and groups including evictees from District 6, Hopi-parti-  
18 tioned lands residents, those in significantly substandard  
19 housing, and all others certified as eligible and not in-  
20 cluded in the preceding categories: *Provided further*, That  
21 none of the funds contained in this or any other Act may  
22 be used by the Office of Navajo and Hopi Indian Reloca-  
23 tion to evict any single Navajo or Navajo family who, as  
24 of November 30, 1985, was physically domiciled on the  
25 lands partitioned to the Hopi Tribe unless a new or re-



1 placement home is provided for such household: *Provided*  
2 *further*, That no relocatee will be provided with more than  
3 one new or replacement home: *Provided further*, That the  
4 Office shall relocate any certified eligible relocatees who  
5 have selected and received an approved homesite on the  
6 Navajo reservation or selected a replacement residence off  
7 the Navajo reservation or on the land acquired pursuant  
8 to 25 U.S.C. 640d–10.

9 INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE  
10 CULTURE AND ARTS DEVELOPMENT

11 PAYMENT TO THE INSTITUTE

12 For payment to the Institute of American Indian and  
13 Alaska Native Culture and Arts Development, as author-  
14 ized by title XV of Public Law 99–498, as amended (20  
15 U.S.C. 56, part A), \$5,500,000.

16 SMITHSONIAN INSTITUTION

17 SALARIES AND EXPENSES

18 For necessary expenses of the Smithsonian Institu-  
19 tion, as authorized by law, including research in the fields  
20 of art, science, and history; development, preservation, and  
21 documentation of the National Collections; presentation of  
22 public exhibits and performances; collection, preparation,  
23 dissemination, and exchange of information and publica-  
24 tions; conduct of education, training, and museum assist-  
25 ance programs; maintenance, alteration, operation, lease

1 (for terms not to exceed thirty years), and protection of  
2 buildings, facilities, and approaches; not to exceed  
3 \$100,000 for services as authorized by 5 U.S.C. 3109; up  
4 to 5 replacement passenger vehicles; purchase, rental, re-  
5 pair, and cleaning of uniforms for employees;  
6 \$317,557,000, of which not to exceed \$30,665,000 for the  
7 instrumentation program, collections acquisition, Museum  
8 Support Center equipment and move, exhibition reinstalla-  
9 tion, the National Museum of the American Indian, the  
10 repatriation of skeletal remains program, research equip-  
11 ment, information management, and Latino programming  
12 shall remain available until expended, and including such  
13 funds as may be necessary to support American overseas  
14 research centers and a total of \$125,000 for the Council  
15 of American Overseas Research Centers: *Provided*, That  
16 funds appropriated herein are available for advance pay-  
17 ments to independent contractors performing research  
18 services or participating in official Smithsonian presen-  
19 tations.

20 CONSTRUCTION AND IMPROVEMENTS, NATIONAL  
21 ZOOLOGICAL PARK

22 For necessary expenses of planning, construction, re-  
23 modeling, and equipping of buildings and facilities at the  
24 National Zoological Park, by contract or otherwise,  
25 \$3,850,000, to remain available until expended.

## 1 REPAIR AND RESTORATION OF BUILDINGS

2 For necessary expenses of repair and restoration of  
3 buildings owned or occupied by the Smithsonian Institu-  
4 tion, by contract or otherwise, as authorized by section  
5 2 of the Act of August 22, 1949 (63 Stat. 623), including  
6 not to exceed \$10,000 for services as authorized by 5  
7 U.S.C. 3109, \$39,000,000, to remain available until ex-  
8 pended: *Provided*, That contracts awarded for environ-  
9 mental systems, protection systems, and exterior repair or  
10 restoration of buildings of the Smithsonian Institution  
11 may be negotiated with selected contractors and awarded  
12 on the basis of contractor qualifications as well as price.

## 13 CONSTRUCTION

14 For necessary expenses for construction,  
15 \$10,000,000, to remain available until expended.

## 16 NATIONAL GALLERY OF ART

## 17 SALARIES AND EXPENSES

18 For the upkeep and operations of the National Gal-  
19 lery of Art, the protection and care of the works of art  
20 therein, and administrative expenses incident thereto, as  
21 authorized by the Act of March 24, 1937 (50 Stat. 51),  
22 as amended by the public resolution of April 13, 1939  
23 (Public Resolution 9, Seventy-sixth Congress), including  
24 services as authorized by 5 U.S.C. 3109; payment in ad-  
25 vance when authorized by the treasurer of the Gallery for

1 membership in library, museum, and art associations or  
2 societies whose publications or services are available to  
3 members only, or to members at a price lower than to the  
4 general public; purchase, repair, and cleaning of uniforms  
5 for guards, and uniforms, or allowances therefor, for other  
6 employees as authorized by law (5 U.S.C. 5901–5902);  
7 purchase or rental of devices and services for protecting  
8 buildings and contents thereof, and maintenance, alter-  
9 ation, improvement, and repair of buildings, approaches,  
10 and grounds; and purchase of services for restoration and  
11 repair of works of art for the National Gallery of Art by  
12 contracts made, without advertising, with individuals,  
13 firms, or organizations at such rates or prices and under  
14 such terms and conditions as the Gallery may deem prop-  
15 er, \$53,899,000, of which not to exceed \$3,026,000 for  
16 the special exhibition program shall remain available until  
17 expended.

18 REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

19 For necessary expenses of repair, restoration and  
20 renovation of buildings, grounds and facilities owned or  
21 occupied by the National Gallery of Art, by contract or  
22 otherwise, as authorized, \$5,942,000, to remain available  
23 until expended: *Provided*, That contracts awarded for envi-  
24 ronmental systems, protection systems, and exterior repair  
25 or renovation of buildings of the National Gallery of Art

1 may be negotiated with selected contractors and awarded  
2 on the basis of contractor qualifications as well as price.

3 JOHN F. KENNEDY CENTER FOR THE PERFORMING  
4 ARTS

5 OPERATIONS AND MAINTENANCE

6 For necessary expenses for the operation, mainte-  
7 nance and security of the John F. Kennedy Center for  
8 the Performing Arts, \$10,875,000.

9 CONSTRUCTION

10 For necessary expenses of capital repair and rehabili-  
11 tation of the existing features of the building and site of  
12 the John F. Kennedy Center for the Performing Arts,  
13 \$9,000,000, to remain available until expended.

14 WOODROW WILSON INTERNATIONAL CENTER FOR  
15 SCHOLARS

16 SALARIES AND EXPENSES

17 For expenses necessary in carrying out the provisions  
18 of the Woodrow Wilson Memorial Act of 1968 (82 Stat.  
19 1356) including hire of passenger vehicles and services as  
20 authorized by 5 U.S.C. 3109, \$5,840,000.

13 MATCHING GRANTS

•HR 4278 EH

## 1 NATIONAL ENDOWMENT FOR THE HUMANITIES

## 2 GRANTS AND ADMINISTRATION

3 For necessary expenses to carry out the National  
4 Foundation on the Arts and the Humanities Act of 1965,  
5 as amended, \$96,100,000, shall be available to the Na-  
6 tional Endowment for the Humanities for support of ac-  
7 tivities in the humanities, pursuant to section 7(c) of the  
8 Act, and for administering the functions of the Act, to  
9 remain available until expended.

## 10 MATCHING GRANTS

11 To carry out the provisions of section 10(a)(2) of the  
12 National Foundation on the Arts and the Humanities Act  
13 of 1965, as amended, \$13,900,000, to remain available  
14 until expended, of which \$8,000,000 shall be available to  
15 the National Endowment for the Humanities for the pur-  
16 poses of section 7(h): *Provided*, That this appropriation  
17 shall be available for obligation only in such amounts as  
18 may be equal to the total amounts of gifts, bequests, and  
19 devises of money, and other property accepted by the  
20 Chairman or by grantees of the Endowment under the  
21 provisions of subsections 11(a)(2)(B) and 11(a)(3)(B)  
22 during the current and preceding fiscal years for which  
23 equal amounts have not previously been appropriated.

## 1 INSTITUTE OF MUSEUM SERVICES

## 2 GRANTS AND ADMINISTRATION

3 For carrying out title II of the Arts, Humanities, and  
4 Cultural Affairs Act of 1976, as amended, \$22,000,000,  
5 to remain available until expended.

## 6 ADMINISTRATIVE PROVISIONS

7 None of the funds appropriated to the National  
8 Foundation on the Arts and the Humanities may be used  
9 to process any grant or contract documents which do not  
10 include the text of 18 U.S.C. 1913: *Provided*, That none  
11 of the funds appropriated to the National Foundation on  
12 the Arts and the Humanities may be used for official re-  
13 ception and representation expenses.

## 14 COMMISSION OF FINE ARTS

## 15 SALARIES AND EXPENSES

16 For expenses made necessary by the Act establishing  
17 a Commission of Fine Arts (40 U.S.C. 104), \$867,000.

## 18 NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

19 For necessary expenses as authorized by Public Law  
20 99–190 (20 U.S.C. 956(a)), as amended, \$6,000,000.

## 21 ADVISORY COUNCIL ON HISTORIC PRESERVATION

## 22 SALARIES AND EXPENSES

23 For necessary expenses of the Advisory Council on  
24 Historic Preservation (Public Law 89–665, as amended),  
25 \$2,500,000: *Provided*, That none of these funds shall be



1 available for the compensation of Executive Level V or  
2 higher positions.

3 NATIONAL CAPITAL PLANNING COMMISSION

4 SALARIES AND EXPENSES

5 For necessary expenses, as authorized by the Na-  
6 tional Capital Planning Act of 1952 (40 U.S.C. 71–71i),  
7 including services as authorized by 5 U.S.C. 3109,  
8 \$5,390,000: *Provided*, That all appointed members will be  
9 compensated at a rate not to exceed the rate for Executive  
10 Schedule Level IV.

11 FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION

12 SALARIES AND EXPENSES

13 For necessary expenses of the Franklin Delano Roo-  
14 sevelt Memorial Commission, established by the Act of Au-  
15 gust 11, 1955 (69 Stat. 694), as amended by Public Law  
16 92–332 (86 Stat. 401), \$500,000 to remain available until  
17 expended.

18 UNITED STATES HOLOCAUST MEMORIAL COUNCIL

19 HOLOCAUST MEMORIAL COUNCIL

20 For expenses of the Holocaust Memorial Council, as  
21 authorized by Public Law 96–388 (36 U.S.C. 1401), as  
22 amended, \$30,707,000, of which \$1,575,000 for the Muse-  
23 um’s repair and rehabilitation program and \$1,264,000  
24 for the Museum’s exhibitions program shall remain avail-  
25 able until expended.

## 1 TITLE III—GENERAL PROVISIONS

2 SEC. 301. The expenditure of any appropriation  
3 under this Act for any consulting service through procure-  
4 ment contract, pursuant to 5 U.S.C. 3109, shall be limited  
5 to those contracts where such expenditures are a matter  
6 of public record and available for public inspection, except  
7 where otherwise provided under existing law, or under ex-  
8 isting Executive Order issued pursuant to existing law.

9 SEC. 302. No part of any appropriation under this  
10 Act shall be available to the Secretary of the Interior or  
11 the Secretary of Agriculture for the leasing of oil and nat-  
12 ural gas by noncompetitive bidding on publicly owned  
13 lands within the boundaries of the Shawnee National For-  
14 est, Illinois: *Provided*, That nothing herein is intended to  
15 inhibit or otherwise affect the sale, lease, or right to access  
16 to minerals owned by private individuals.

17 SEC. 303. No part of any appropriation contained in  
18 this Act shall be available for any activity or the publica-  
19 tion or distribution of literature that in any way tends to  
20 promote public support or opposition to any legislative  
21 proposal on which congressional action is not complete.

22 SEC. 304. No part of any appropriation contained in  
23 this Act shall remain available for obligation beyond the  
24 current fiscal year unless expressly so provided herein.

1        SEC. 305. None of the funds provided in this Act to  
2 any department or agency shall be obligated or expended  
3 to provide a personal cook, chauffeur, or other personal  
4 servants to any officer or employee of such department  
5 or agency except as otherwise provided by law.

6        SEC. 306. No assessments may be levied against any  
7 program, budget activity, subactivity, or project funded by  
8 this Act unless advance notice of such assessments and  
9 the basis therefor are presented to the Committees on Ap-  
10 propriations and are approved by such Committees.

11       SEC. 307. (a) COMPLIANCE WITH BUY AMERICAN  
12 ACT.—None of the funds made available in this Act may  
13 be expended by an entity unless the entity agrees that in  
14 expending the funds the entity will comply with sections  
15 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a–  
16 10c; popularly known as the “Buy American Act”).

17       (b) SENSE OF CONGRESS; REQUIREMENT REGARD-  
18 ING NOTICE.—

19                (1) PURCHASE OF AMERICAN-MADE EQUIPMENT  
20 AND PRODUCTS.—In the case of any equipment or  
21 product that may be authorized to be purchased  
22 with financial assistance provided using funds made  
23 available in this Act, it is the sense of the Congress  
24 that entities receiving the assistance should, in ex-

1 pending the assistance, purchase only American-  
2 made equipment and products.

3 (2) NOTICE TO RECIPIENTS OF ASSISTANCE.—

4 In providing financial assistance using funds made  
5 available in this Act, the head of each Federal agen-  
6 cy shall provide to each recipient of the assistance  
7 a notice describing the statement made in paragraph  
8 (1) by the Congress.

9 (c) PROHIBITION OF CONTRACTS WITH PERSONS  
10 FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—

11 If it has been finally determined by a court or Federal  
12 agency that any person intentionally affixed a label bear-  
13 ing a “Made in America” inscription, or any inscription  
14 with the same meaning, to any product sold in or shipped  
15 to the United States that is not made in the United  
16 States, the person shall be ineligible to receive any con-  
17 tract or subcontract made with funds made available in  
18 this Act, pursuant to the debarment, suspension, and ineli-  
19 gibility procedures described in sections 9.400 through  
20 9.409 of title 48, Code of Federal Regulations.

21 SEC. 308. None of the funds in this Act may be used  
22 to plan, prepare, or offer for sale timber from trees classi-  
23 fied as giant sequoia (*Sequoiadendron giganteum*) which  
24 are located on National Forest System or Bureau of Land

1 Management lands in a manner different than such sales  
2 were conducted in fiscal year 1995.

3 SEC. 309. None of the funds made available by this  
4 Act may be obligated or expended by the National Park  
5 Service to enter into or implement a concession contract  
6 which permits or requires the removal of the underground  
7 lunchroom at the Carlsbad Caverns National Park.

8 SEC. 310. Where the actual costs of construction  
9 projects under self-determination contracts, compacts, or  
10 grants, pursuant to Public Laws 93–638, 103–413, or  
11 100–297, are less than the estimated costs thereof, use  
12 of the resulting excess funds shall be determined by the  
13 appropriate Secretary after consultation with the tribes.

14 SEC. 311. Notwithstanding Public Law 103–413,  
15 quarterly payments of funds to tribes and tribal organiza-  
16 tions under annual funding agreements pursuant to sec-  
17 tion 108 of Public Law 93–638, as amended, may be made  
18 on the first business day following the first day of a fiscal  
19 quarter.

20 SEC. 312. None of the funds appropriated or other-  
21 wise made available by this Act may be used for the  
22 AmeriCorps program, unless the relevant agencies of the  
23 Department of the Interior and/or Agriculture follow ap-  
24 propriate reprogramming guidelines: *Provided*, That if no  
25 funds are provided for the AmeriCorps program by the

1 VA–HUD and Independent Agencies fiscal year 1997 ap-  
2 propriations bill, then none of the funds appropriated or  
3 otherwise made available by this Act may be used for the  
4 AmeriCorps programs.

5 SEC. 313. None of the funds made available in this  
6 Act may be used (1) to demolish the bridge between Jersey  
7 City, New Jersey, and Ellis Island; or (2) to prevent pe-  
8 destrian use of such bridge, when it is made known to  
9 the Federal official having authority to obligate or expend  
10 such funds that such pedestrian use is consistent with gen-  
11 erally accepted safety standards.

12 SEC. 314. (a) None of the funds appropriated or oth-  
13 erwise made available pursuant to this Act shall be obli-  
14 gated or expended to accept or process applications for  
15 a patent for any mining or mill site claim located under  
16 the general mining laws.

17 (b) The provisions of subsection (a) shall not apply  
18 if the Secretary of the Interior determines that, for the  
19 claim concerned: (1) a patent application was filed with  
20 the Secretary on or before September 30, 1994, and (2)  
21 all requirements established under sections 2325 and 2326  
22 of the Revised Statutes (30 U.S.C. 29 and 30) for vein  
23 or lode claims and sections 2329, 2330, 2331, and 2333  
24 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for  
25 placer claims, and section 2337 of the Revised Statutes

1 (30 U.S.C. 42) for mill site claims, as the case may be,  
2 were fully complied with by the applicant by that date.

3 (c) PROCESSING SCHEDULE.—For those applications  
4 for patents pursuant to subsection (b) which were filed  
5 with the Secretary of the Interior, prior to September 30,  
6 1994, the Secretary of the Interior shall—

7 (1) Within three months of the enactment of  
8 this Act, file with the House and Senate Committees  
9 on Appropriations and the Committee on Resources  
10 of the House of Representatives and the Committee  
11 on Energy and Natural Resources of the United  
12 States Senate a plan which details how the Depart-  
13 ment of the Interior will make a final determination  
14 as to whether or not an applicant is entitled to a  
15 patent under the general mining laws on at least 90  
16 percent of such applications within five years of the  
17 enactment of this Act and file reports annually  
18 thereafter with the same committees detailing ac-  
19 tions taken by the Department of the Interior to  
20 carry out such plan; and

21 (2) Take such actions as may be necessary to  
22 carry out such plan.

23 (d) MINERAL EXAMINATIONS.—In order to process  
24 patent applications in a timely and responsible manner,  
25 upon the request of a patent applicant, the Secretary of  
26 the Interior shall allow the applicant to fund a qualified

1 third-party contractor to be selected by the Bureau of  
2 Land Management to conduct a mineral examination of  
3 the mining claims or mill sites contained in a patent appli-  
4 cation as set forth in subsection (b). The Bureau of Land  
5 Management shall have the sole responsibility to choose  
6 and pay the third-party contractor in accordance with the  
7 standard procedures employed by the Bureau of Land  
8 Management in the retention of third-party contractors.

9       SEC. 315. None of the funds appropriated or other-  
10 wise made available by this Act may be used for the pur-  
11 poses of acquiring lands in the counties of Gallia, Law-  
12 rence, Monroe, or Washington, Ohio, for the Wayne Na-  
13 tional Forest.

14       SEC. 316. Of the funds provided to the National En-  
15 dowment for the Arts:

16           (a) The Chairperson shall only award a grant  
17       to an individual if such grant is awarded to such in-  
18       dividual for a literature fellowship, National Herit-  
19       age Fellowship, or American Jazz Masters Fellow-  
20       ship.

21           (b) The Chairperson shall establish procedures  
22       to ensure that no funding provided through a grant,  
23       except a grant made to a State or local arts agency,  
24       or regional group, may be used to make a grant to  
25       any other organization or individual to conduct ac-



1       tivity independent of the direct grant recipient.  
2       Nothing in this subsection shall prohibit payments  
3       made in exchange for goods and services.

4           (c) No grant shall be used for seasonal support  
5       to a group, unless the application is specific to the  
6       contents of the season, including identified programs  
7       and/or projects.

8       SEC. 317. None of the funds available to the De-  
9       partment of the Interior or the Department of Agri-  
10      culture by this or any other Act may be used to prepare,  
11      promulgate, implement, or enforce any interim or final  
12      rule or regulation pursuant to Title VIII of the Alaska  
13      National Interest Lands Conservation Act to assert juris-  
14      diction, management, or control over any waters (other  
15      than non-navigable waters on Federal lands), non-Fed-  
16      eral lands, or lands selected by, but not conveyed to, the  
17      State of Alaska pursuant to the Submerged Lands Act  
18      of 1953 or the Alaska Statehood Act, or an Alaska Na-  
19      tive Corporation pursuant to the Alaska Native Claims  
20      Settlement Act.

21      SEC. 318. No funds appropriated under this or any  
22      other Act shall be used to review or modify sourcing areas  
23      previously approved under section 490(c)(3) of the Forest  
24      Resources Conservation and Shortage Relief Act of 1990  
25      (Public Law 101–382) or to enforce or implement Federal

1 regulations 36 CFR part 223 promulgated on September  
2 8, 1995. The regulations and interim rules in effect prior  
3 to September 8, 1995 (36 CFR 223.48, 36 CFR 223.87,  
4 36 CFR 223 subpart D, 36 CFR 223 subpart F, and 36  
5 CFR 261.6) shall remain in effect. The Secretary of Agri-  
6 culture or the Secretary of the Interior shall not adopt  
7 any policies concerning Public Law 101–382 or existing  
8 regulations that would restrain domestic transportation or  
9 processing of timber from private lands or impose addi-  
10 tional accountability requirements on any timber. The Sec-  
11 retary of Commerce shall extend until September 30,  
12 1997, the order issued under section 491(b)(2)(A) of Pub-  
13 lic Law 101–382 and shall issue an order under section  
14 491(b)(2)(B) of such law that will be effective October 1,  
15 1997.

16 SEC. 319. Section 101(c) of Public Law 104–134 is  
17 amended as follows: Under the heading “Title III—Gen-  
18 eral Provisions” amend section 315(b) by striking “50,  
19 areas,” and inserting in lieu thereof “100, areas,” and  
20 amend section 315(f) by striking “September 30, 1998”  
21 and inserting in lieu thereof “September 30, 1999” and  
22 by striking “September 30, 2001” and inserting in lieu  
23 thereof “September 30, 2002”.

24 SEC. 320. None of the amounts made available by  
25 this Act may be used for design, planning, implementa-

1 tion, engineering, construction, or any other activity in  
2 connection with a scenic shoreline drive in Pictured Rocks  
3 National Lakeshore.

4 SEC. 321. LAND TRANSFER, BEND SILVICULTURE  
5 LAB, DESCHUTES NATIONAL FOREST, OREGON.—

6 (a) TRANSFER OF REAL PROPERTY AND ALL  
7 IMPROVEMENTS LOCATED THEREON.—Notwith-  
8 standing any other provisions of law, there is hereby  
9 transferred, without consideration and subject to ex-  
10 isting valid rights, all right, title and interest of the  
11 United States in and to approximately 5.73 acres of  
12 land as described by plat dated July 7, 1977, (which  
13 is on file and available for public inspection in the  
14 Office of the Chief, USDA Forest Service, Washing-  
15 ton, D.C.), as well as all improvements, including  
16 the Bend Silviculture Lab located thereon, to the  
17 Central Oregon Community College, Bend, Oregon;  
18 this being a portion of the same tract acquired by  
19 donation from the City of Bend on August 10, 1960,  
20 through a Bargain and Sale deed to the USDA For-  
21 est Service for use as a research lab, and recorded  
22 in volume 125, page 508 of the Deschutes County,  
23 Oregon, Deed Records.

1           (b) CONDITIONS OF TRANSFER.—The transfer  
2       effected by subsection (a) is made subject to no spe-  
3       cial terms or conditions.

4       SEC. 322. No part of any appropriation contained in  
5       this Act or any other Act shall be expended or obligated  
6       to fund the activities of the Office of Forestry and Eco-  
7       nomic Assistance, or any successor office after December  
8       31, 1996.

9       SEC. 323. (a) The Secretary of the Interior is author-  
10      ized to accept title to approximately 84 acres of land lo-  
11      cated in Prince Georges County, Maryland, adjacent to  
12      Oxon Cove Park, and bordered generally by the Potomac  
13      River, Interstate 295 and the Woodrow Wilson Bridge, or  
14      any interest therein, and in exchange therefor may convey  
15      to the Corrections Corporation of America approximately  
16      50 acres of land located in Oxon Cove Park in the District  
17      of Columbia and bordered generally by Oxon Cove, Inter-  
18      state 295 and the District of Columbia Impound Lot, or  
19      any interest therein.

20      (b) Before proceeding with an exchange, the Sec-  
21      retary shall determine if the federal property is suitable  
22      for exchange under the criteria normally used by the Na-  
23      tional Park Service. The exchange shall comply with appli-  
24      cable regulations and National Park Service policies for  
25      land exchanges.

1       (c)(1) The Secretary shall not acquire any lands  
2 under this section if the Secretary determines that the  
3 lands or any portion thereof have become contaminated  
4 with hazardous substances (as defined in the Comprehen-  
5 sive Environmental Response, Compensation, and Liabil-  
6 ity Act (42 U.S.C. 9601)).

7       (2) Notwithstanding any other provision of law, the  
8 United States shall have no responsibility or liability with  
9 respect to any hazardous wastes or other substances  
10 placed on any of the lands covered by this section after  
11 their transfer to the ownership of any party, but nothing  
12 in this section shall be construed as either diminishing or  
13 increasing any responsibility or liability of the United  
14 States based on the condition of such lands on the date  
15 of their transfer to the ownership of another party: *Pro-*  
16 *vided*, That the Corrections Corporation of America shall  
17 indemnify the United States for liabilities arising under  
18 the Comprehensive Environmental Response, Compensa-  
19 tion, and Liability Act (42 U.S.C. 9601) and the Resource  
20 Conservation Recovery Act (42 U.S.C. 6901, et seq.).

21       (d) The properties so exchanged either shall be ap-  
22 proximately equal in fair market value or if they are not  
23 approximately equal, shall be equalized by the payment of  
24 cash to the Corporation or to the Secretary as required  
25 or in the event the value of the Corporation's lands is

1 greater, the acreage may be reduced so that the fair mar-  
2 ket value is approximately equal: *Provided*, That the Sec-  
3 retary shall order appraisals made of the fair market value  
4 for improvements thereon: *Provided further*, That any  
5 such cash payment received by the Secretary shall be de-  
6 posited to “Miscellaneous Trust Funds, National Park  
7 Service” and shall be available without further appropria-  
8 tion until expended for the acquisition of land within the  
9 National Park System.

10 (e) Costs of conducting necessary land surveys, pre-  
11 paring the legal descriptions of the lands to be conveyed,  
12 performing the appraisals, and administrative costs in-  
13 curred in completing the exchange shall be borne by the  
14 Corporation.

15 (f) Following any exchange authorized by this provi-  
16 sion, the boundaries of Oxon Cove Park shall be expanded  
17 to include the land acquired by the United States.

18 SEC. 324. SECTION 1. LAND EXCHANGE.—

19 (a) EXCHANGE.—Subject to subsection (c), the  
20 Secretary of Agriculture (referred to in this section  
21 as the “Secretary”) shall convey all right, title, and  
22 interest of the United States in and to the National  
23 Forest System lands described in subsection (b)(1)  
24 to Public Utility District No. 1 of Chelan County,  
25 Washington (referred to in this section as the “Pub-

1       lic Utility District”), in exchange for the conveyance  
2       to the Department of Agriculture by the Public Util-  
3       ity District of all right, title, and interest of the  
4       Public Utility District in and to the lands described  
5       in subsection (b)(2).

6               (b) DESCRIPTION OF LANDS.—

7                       (1) NATIONAL FOREST SYSTEM LANDS.—

8       The National Forest System lands referred to  
9       in subsection (a) are 122 acres, more or less,  
10      that are partially occupied by a wastewater  
11      treatment facility referred to in subsection  
12      (c)(4)(A) with the following legal description:

13                   (A) The NE<sup>1</sup>/<sub>4</sub> of SW<sup>1</sup>/<sub>4</sub> of section 27  
14                   of township 27 north, range 17 east, Wil-  
15                   lamette Meridian, Chelan County, Wash-  
16                   ington.

17                   (B) The N<sup>1</sup>/<sub>2</sub> of SE<sup>1</sup>/<sub>4</sub> of SW<sup>1</sup>/<sub>4</sub> of  
18                   such section 27.

19                   (C) The W<sup>1</sup>/<sub>2</sub> of NW<sup>1</sup>/<sub>4</sub> of SE<sup>1</sup>/<sub>4</sub> of  
20                   such section 27.

21                   (D) The NW<sup>1</sup>/<sub>4</sub> of SW<sup>1</sup>/<sub>4</sub> of SE<sup>1</sup>/<sub>4</sub> of  
22                   such section 27.

23                   (E) The E<sup>1</sup>/<sub>2</sub> of NW<sup>1</sup>/<sub>4</sub> of the SE<sup>1</sup>/<sub>4</sub> of  
24                   such section 27.

1 (F) That portion of the S<sup>1</sup>/<sub>2</sub> of SE<sup>1</sup>/<sub>4</sub>  
2 of SW<sup>1</sup>/<sub>4</sub> lying north of the northerly edge  
3 of Highway 209 right-of-way of such sec-  
4 tion 27.

5 (2) PUBLIC UTILITY DISTRICT LANDS.—  
6 The lands owned by the Public Utility District  
7 are 109.15 acres, more or less, with the follow-  
8 ing legal description:

9 (A) S<sup>1</sup>/<sub>2</sub> of SW<sup>1</sup>/<sub>4</sub> of section 35 of  
10 township 26 north, range 17 east, Willam-  
11 ette Meridian, Chelan County, Washington.

12 (B) The area specified by Public Util-  
13 ity District No. 1 as Government Lot 5 in  
14 such section 35.

15 (c) REQUIREMENTS FOR EXCHANGE.—

16 (1) TITLE ACCEPTANCE AND CONVEY-  
17 ANCE.—Upon offer by the Public Utility Dis-  
18 trict of all right, title and interest in and to the  
19 lands described in subsection (b)(2), if the title  
20 is found acceptable by the Secretary, the Sec-  
21 retary shall accept title to such lands and inter-  
22 ests therein and shall convey to the Public Util-  
23 ity District all right, title, and interest of the  
24 United States in and to the lands described in  
25 subsection (b)(1).



1           (2) APPRAISALS REQUIRED.—Before mak-  
2           ing an exchange pursuant to subsection (a), the  
3           Secretary shall conduct appraisals of the lands  
4           that are subject to the exchange to determine  
5           the fair market value of the lands. Such ap-  
6           praisals shall not include the value of the  
7           wastewater treatment facility referred to in  
8           paragraph (4)(A).

9           (3) ADDITIONAL CONSIDERATION.—If, on  
10          the basis of the appraisals made under para-  
11          graph (1), the Secretary determines that the  
12          fair market value of the lands to be conveyed by  
13          one party under subsection (a) is less than the  
14          fair market value of the lands to be conveyed by  
15          the other party under subsection (a), then, as  
16          a condition of making the exchange under sub-  
17          section (a), the party conveying the lands with  
18          the lesser value shall pay the other party the  
19          amount by which the fair market value of the  
20          lands of greater value exceeds the fair market  
21          value of the lands of lesser value.

22          (4) CONVEYANCE OF WASTEWATER TREAT-  
23          MENT FACILITY.—(A) As part of an exchange  
24          made under subsection (a), the Secretary shall  
25          convey to the Public Utility District of Chelan

1 County, Washington, all right, title and interest  
2 of the United States in and to the wastewater  
3 treatment facility (including the wastewater  
4 treatment plant and associated lagoons) located  
5 on the lands described in subsection (b)(1) that  
6 is in existence on the date of the exchange.

7 (B) As a condition for the exchange under  
8 subsection (a), the Public Utility District shall  
9 provide for a credit equal to the fair market  
10 value of the wastewater treatment facility con-  
11 veyed pursuant to subparagraph (A) (deter-  
12 mined as of November 4, 1991), that shall be  
13 applied to the United States' share of any new  
14 wastewater treatment facility constructed by  
15 the Public Utility District after such date.

16 (d) ADDITIONAL TERMS AND CONDITIONS.—

17 The Secretary may require such additional terms  
18 and conditions in connection with the exchange  
19 under this section as the Secretary determines ap-  
20 propriate to protect the interests of the United  
21 States.

22 SEC. 325. “Snoqualmie National Forest Boundary  
23 Adjustment Act of 1996.”

24 (a) IN GENERAL.—The Secretary of Agriculture  
25 is hereby directed to modify the boundary of the

1 Snoqualmie National Forest to include and encom-  
2 pass 10,589.47 acres, more or less, as generally de-  
3 picted on a map entitled “Snoqualmie National For-  
4 est Proposed 1996 Boundary Modification” dated  
5 July, 1996. Such map, together with a legal descrip-  
6 tion of all lands included in the boundary adjust-  
7 ment, shall be on file and available for public inspec-  
8 tion in the Office of the Chief of the Forest Service  
9 in Washington, District of Columbia.

10 (b) RULE FOR LAND AND WATER CONSERVA-  
11 TION FUND.—For the purposes of section 7 of the  
12 Land and Water Conservation Fund Act of 1965  
13 (16 U.S.C. 4601–9), the boundary of the Snoqualmie  
14 National Forest, as modified pursuant to subsection  
15 (a), shall be considered to be the boundary of that  
16 National Forest as of January 1, 1965.

17 SEC. 326. Sugarbush Land Exchange Act of 1996.

18 (a) EXCHANGE OR SALE OF LAND.—

19 (1) If Sugarbush Resort Holdings, Inc.  
20 conveys to the United States land acceptable to  
21 the Secretary of Agriculture that is at least  
22 equal in value to the value of the land described  
23 in subsection (a)(2), makes a payment of cash  
24 at least equal to that value, or conveys land and  
25 makes a payment of cash that in combination

1 are at least equal to that value, the Secretary,  
2 subject to valid existing rights, shall, under  
3 such terms and conditions as the Secretary may  
4 prescribe, convey all right, title, and interest of  
5 the United States in and to the land described  
6 in subsection (a)(2).

7 (2) FEDERAL LAND TO BE EXCHANGED.—

8 The Federal land to be exchanged is approxi-  
9 mately 57 acres of federally owned land in the  
10 Green Mountain National Forest depicted on  
11 the map entitled “Green Mountain National  
12 Forest, Sugarbush Exchange,” dated December  
13 1995.

14 (3) Lands acquired from Sugarbush Resort  
15 Holdings, Inc.—Any land conveyed to the Unit-  
16 ed States in an exchange under subsection  
17 (a)(1) shall be subject to such valid existing  
18 rights of record as may be acceptable to the  
19 Secretary, and the title to the parcel shall con-  
20 form with the title approval standards applica-  
21 ble to federal land acquisitions.

22 (b) ADMINISTRATION OF LAND.—

23 (1) ADDITION TO GREEN MOUNTAIN NA-  
24 TIONAL FOREST.—On approval and acceptance  
25 of title by the Secretary, the land acquired by

1 the United States through an exchange or with  
2 proceeds from a sale under subsection (a) shall  
3 become part of the Green Mountain National  
4 Forest, and the boundaries of the National For-  
5 est shall be adjusted to include the land.

6 (2) ADMINISTRATION.—Land acquired  
7 under this Act shall be administered by the Sec-  
8 retary in accordance with the laws (including  
9 regulations) pertaining to the National Forest  
10 System.

11 (3) AUTHORITY OF THE SECRETARY.—  
12 This section does not limit the authority of the  
13 Secretary to adjust the boundaries of the Green  
14 Mountain National Forest pursuant to section  
15 11 of the Act of March 1, 1911 (36 Stat. 963,  
16 chapter 186; 16 U.S.C. 521) (commonly known  
17 as the “Weeks Law”).

18 (4) For the purposes of section 7 of the  
19 Land and Water Conservation Fund Act of  
20 1965 (16 U.S.C. 4601–9), the boundaries of the  
21 Green Mountain National Forest, as adjusted  
22 under this Act, shall be considered to be the  
23 boundaries of the Green Mountain National  
24 Forest as of January 1, 1965.

25 SEC. 327. Snowbird Wilderness Study Area.

1           (a) IN GENERAL.—Section 6(a)(4) of the North  
2 Carolina Wilderness Act of 1984 (Public Law 98–324) is  
3 amended—

4           (1) by striking “eight thousand four hundred  
5 and ninety acres” and inserting “8,390 acres”; and

6           (b) by striking “July 1983” and inserting “July  
7 1996”.

8           (B) MANAGEMENT.—The Secretary of Agriculture  
9 shall manage the area removed from wilderness study  
10 status by the amendments made by subsection (a) in ac-  
11 cordance with the provision of law applicable to adjacent  
12 areas outside the wilderness study area.

13           SEC. 328. Renaming of Wilderness Area.

14           (a) The Columbia Wilderness, created by the Or-  
15 egon Wilderness Act of 1984, Public Law 98–328, lo-  
16 cated in the Mt. Hood National Forest, Oregon, shall be  
17 known and designated as the “Mark O. Hatfield Wilder-  
18 ness”.

19           (b) Any references in a law, map, regulation, doc-  
20 ument, paper, or other record of the United States to the  
21 Columbia Wilderness shall be deemed to be a reference  
22 to the “Mark O. Hatfield Wilderness”.

23           SEC. 329. Notwithstanding any other provision of  
24 law, for fiscal year 1997 the Secretaries of Agriculture  
25 and Interior are authorized to limit competition for wa-

1    tered restoration project contracts as part of the “Jobs  
 2    in the Woods” component of the President’s Forest Plan  
 3    for the Pacific Northwest to individuals and entities in  
 4    historically timber-dependent areas in the States of  
 5    Washington, Oregon, and northern California that have  
 6    been affected by reduced timber harvesting on Federal  
 7    lands.

8           SEC. 330. Section 9 of the Rhode Island Indian  
 9    Claims Settlement Act (25 U.S.C. 1708) is amended—

10           (1) by striking “Sec. 9. Except as”; and insert-  
 11           ing the following:

12           “(a) IN GENERAL.—Except as”;

13           (2) by striking the section heading and insert-  
 14           ing the following:

15    **“SEC. 9. APPLICABILITY OF STATE LAW; TREATMENT OF**  
 16                   **SETTLEMENT LANDS UNDER THE INDIAN**  
 17                   **GAMING REGULATORY ACT.”;**

18           and

19           (3) by adding at the end the following new sub-  
 20           section:

21           “(b) TREATMENT OF SETTLEMENT LANDS  
 22    UNDER THE INDIAN GAMING REGULATORY ACT.—For  
 23    purposes of the Indian Gaming Regulatory Act (25  
 24    U.S.C. 2701 et seq.), settlement lands shall not be treat-  
 25    ed as Indian lands.”.

## 1 TITLE IV—EMERGENCY APPROPRIATIONS

## 2 DEPARTMENT OF THE INTERIOR

## 3 BUREAU OF LAND MANAGEMENT

## 4 MANAGEMENT OF LANDS AND RESOURCES

5 For an additional amount for management of  
6 lands and resources, \$3,500,000, to remain available  
7 until expended, to restore public lands damaged by fire:  
8 *Provided*, That Congress hereby designates this amount  
9 as an emergency requirement pursuant to section  
10 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
11 Deficit Control Act of 1985, as amended: *Provided fur-*  
12 *ther*, That this amount shall be available only to the ex-  
13 tent that an official budget request for a specific dollar  
14 amount, that includes designation of the entire amount  
15 as an emergency requirement as defined in the Balanced  
16 Budget and Emergency Deficit Control Act of 1985, as  
17 amended, is transmitted by the President to the Con-  
18 gress.

## 19 WILDLAND FIRE MANAGEMENT

20 For an additional amount for wildland fire man-  
21 agement, \$100,000,000, to remain available until ex-  
22 pended, for emergency rehabilitation and wildfire sup-  
23 pression activities of the Department of the Interior: *Pro-*  
24 *vided*, That Congress hereby designates this amount as  
25 an emergency requirement pursuant to section  
26 251(b)(2)(D)(i) of the Balanced Budget and Emergency



1 Deficit Control Act of 1985, as amended: *Provided fur-*  
2 *ther*, That this amount shall be available only to the ex-  
3 tent that an official budget request for a specific dollar  
4 amount, that includes designation of the entire amount  
5 as an emergency requirement as defined in the Balanced  
6 Budget and Emergency Deficit Control Act of 1985, as  
7 amended, is transmitted by the President to the Con-  
8 gress.

9 OREGON AND CALIFORNIA GRANT LANDS

10 For an additional amount for Oregon and Califor-  
11 nia grant lands, \$2,500,000, to remain available until ex-  
12 pended, to restore public lands damaged by fire: *Pro-*  
13 *vided*, That Congress hereby designates this amount as  
14 an emergency requirement pursuant to section  
15 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
16 Deficit Control Act of 1985, as amended: *Provided fur-*  
17 *ther*, That this amount shall be available only to the ex-  
18 tent that an official budget request for a specific dollar  
19 amount, that includes designation of the entire amount  
20 as an emergency requirement as defined in the Balanced  
21 Budget and Emergency Deficit Control Act of 1985, as  
22 amended, is transmitted by the President to the Con-  
23 gress.

1 UNITED STATES FISH AND WILDLIFE SERVICE  
2 RESOURCE MANAGEMENT

3 For an additional amount for resource manage-  
4 ment, \$2,100,000, to remain available until expended, of  
5 which \$600,000 is to restore public lands damaged by  
6 fire and \$1,500,000 is to address anti-terrorism require-  
7 ments: *Provided*, That Congress hereby designates this  
8 amount as an emergency requirement pursuant to section  
9 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
10 Deficit Control Act of 1985, as amended: *Provided fur-*  
11 *ther*, That this amount shall be available only to the ex-  
12 tent that an official budget request for a specific dollar  
13 amount, that includes designation of the entire amount  
14 as an emergency requirement as defined in the Balanced  
15 Budget and Emergency Deficit Control Act of 1985, as  
16 amended, is transmitted by the President to the Con-  
17 gress.

18 CONSTRUCTION

19 For an additional amount for construction,  
20 \$15,891,000, to remain available until expended, to re-  
21 pair damage caused by hurricanes, floods and other acts  
22 of nature: *Provided*, That Congress hereby designates  
23 this amount as an emergency requirement pursuant to  
24 section 251(b)(2)(D)(i) of the Balanced Budget and  
25 Emergency Deficit Control Act of 1985, as amended:  
26 *Provided further*, That this amount shall be available only

1 to the extent that an official budget request for a specific  
2 dollar amount, that includes designation of the entire  
3 amount as an emergency requirement as defined in the  
4 Balanced Budget and Emergency Deficit Control Act of  
5 1985, as amended, is transmitted by the President to the  
6 Congress.

7 NATIONAL PARK SERVICE

8 OPERATION OF THE NATIONAL PARK SYSTEM

9 For an additional amount for operation of the Na-  
10 tional park system, \$2,300,000, to remain available until  
11 expended, to address anti-terrorism requirements: *Pro-*  
12 *vided*, That Congress hereby designates this amount as  
13 an emergency requirement pursuant to section  
14 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
15 Deficit Control Act of 1985, as amended: *Provided fur-*  
16 *ther*, That this amount shall be available only to the ex-  
17 tent that an official budget request for a specific dollar  
18 amount, that includes designation of the entire amount  
19 as an emergency requirement as defined in the Balanced  
20 Budget and Emergency Deficit Control Act of 1985, as  
21 amended, is transmitted by the President to the Con-  
22 gress.

23 CONSTRUCTION

24 For an additional amount for construction,  
25 \$9,300,000, to remain available until expended, of which  
26 \$3,000,000 is to repair damage caused by hurricanes and

1 \$6,300,000 is to address anti-terrorism requirements:  
2 *Provided*, That Congress hereby designates this amount  
3 as an emergency requirement pursuant to section  
4 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
5 Deficit Control Act of 1985, as amended: *Provided fur-*  
6 *ther*, That this amount shall be available only to the ex-  
7 tent that an official budget request for a specific dollar  
8 amount, that includes designation of the entire amount  
9 as an emergency requirement as defined in the Balanced  
10 Budget and Emergency Deficit Control Act of 1985, as  
11 amended, is transmitted by the President to the Con-  
12 gress.

13 UNITED STATES GEOLOGICAL SURVEY

14 SURVEYS, INVESTIGATIONS, AND RESEARCH

15 For an additional amount for surveys, investiga-  
16 tions, and research, \$1,138,000, to remain available until  
17 expended, to address damage caused by hurricanes and  
18 floods: *Provided*, That Congress hereby designates this  
19 amount as an emergency requirement pursuant to section  
20 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
21 Deficit Control Act of 1985, as amended: *Provided fur-*  
22 *ther*, That this amount shall be available only to the ex-  
23 tent that an official budget request for a specific dollar  
24 amount, that includes designation of the entire amount  
25 as an emergency requirement as defined in the Balanced

1 Budget and Emergency Deficit Control Act of 1985, as  
2 amended, is transmitted by the President to the Con-  
3 gress.

4 BUREAU OF INDIAN AFFAIRS

5 OPERATION OF INDIAN PROGRAMS

6 For an additional amount for operation of Indian  
7 programs, \$6,600,000, to remain available until ex-  
8 pended, to repair damage caused by floods and to restore  
9 Indian lands damaged by fire: *Provided*, That Congress  
10 hereby designates this amount as an emergency require-  
11 ment pursuant to section 251(b)(2)(D)(i) of the Balanced  
12 Budget and Emergency Deficit Control Act of 1985, as  
13 amended: *Provided further*, That this amount shall be  
14 available only to the extent that an official budget re-  
15 quest for a specific dollar amount, that includes designa-  
16 tion of the entire amount as an emergency requirement  
17 as defined in the Balanced Budget and Emergency Defi-  
18 cit Control Act of 1985, as amended, is transmitted by  
19 the President to the Congress.

20 CONSTRUCTION

21 For an additional amount for construction,  
22 \$6,000,000, to remain available until expended, to repair  
23 damage caused by floods: *Provided*, That Congress here-  
24 by designates this amount as an emergency requirement  
25 pursuant to section 251(b)(2)(D)(i) of the Balanced  
26 Budget and Emergency Deficit Control Act of 1985, as

1 amended: *Provided further*, That this amount shall be  
2 available only to the extent that an official budget re-  
3 quest for a specific dollar amount, that includes designa-  
4 tion of the entire amount as an emergency requirement  
5 as defined in the Balanced Budget and Emergency Defi-  
6 cit Control Act of 1985, as amended, is transmitted by  
7 the President to the Congress.

8 DEPARTMENT OF AGRICULTURE

9 FOREST SERVICE

10 NATIONAL FOREST SYSTEM

11 For an additional amount for the National Forest  
12 System, \$3,395,000 to remain available until expended,  
13 to repair damage caused by hurricanes: *Provided*, That  
14 Congress hereby designates this amount as an emergency  
15 requirement pursuant to section 251(d)(2)(D)(i) of the  
16 Balanced Budget and Emergency Deficit Control Act of  
17 1985, as amended; *Provided further*, That this amount  
18 shall be available only to the extent that an official budg-  
19 et request for a specific dollar amount, that includes des-  
20 ignation of the entire amount as an emergency require-  
21 ment as defined in the Balanced Budget and Emergency  
22 Deficit Control Act of 1985, as amended, is transmitted  
23 by the President to the Congress.

24 WILDLAND FIRE MANAGEMENT

25 For an additional amount for wildland fire man-  
26 agement, \$550,000,000, to remain available until ex-

1    pending, for presuppression due to emergencies, for emer-  
2    gency fire suppression on or adjacent to National Forest  
3    System lands or other lands under fire protection agree-  
4    ment and for emergency rehabilitation of burned over  
5    National Forest System lands: *Provided*, That such funds  
6    are available for repayment of advances from other ap-  
7    propriations accounts previously transferred for such pur-  
8    poses: *Provided further*, That Congress hereby designates  
9    this amount as an emergency requirement pursuant to  
10   section 251(b)(2)(D)(i) of the Balanced Budget and  
11   Emergency Deficit Control Act of 1985, as amended:  
12   *Provided further*, That this amount shall be available only  
13   to the extent that an official budget request for a specific  
14   dollar amount, that includes designation of the entire  
15   amount as an emergency requirement as defined in the  
16   Balanced Budget and Emergency Deficit Control Act of  
17   1985, as amended, is transmitted by the President to the  
18   Congress.

19                   RECONSTRUCTION AND CONSTRUCTION

20           For an additional amount for reconstruction and  
21   construction, \$5,210,000, to remain available until ex-  
22   pending, to repair damage caused by hurricanes: *Provided*,  
23   That Congress hereby designates this amount as an  
24   emergency requirement pursuant to section  
25   251(b)(2)(D)(i) of the Balanced Budget and Emergency  
26   Deficit Control Act of 1985, as amended: *Provided fur-*

1 *ther*, That this amount shall be available only to the ex-  
2 tent that an official budget request for a specific dollar  
3 amount, that includes designation of the entire amount  
4 as an emergency requirement as defined in the Balanced  
5 Budget and Emergency Deficit Control Act of 1985, as  
6 amended, is transmitted by the President to the Con-  
7 gress.

## 8 OTHER RELATED AGENCIES

### 9 SMITHSONIAN INSTITUTION

#### 10 SALARIES AND EXPENSES

11 For an additional amount for salaries and ex-  
12 penses, \$935,000, to remain available until expended, to  
13 address anti-terrorism requirements: *Provided*, That Con-  
14 gress hereby designates this amount as an emergency re-  
15 quirement pursuant to section 251(b)(2)(D)(i) of the  
16 Balanced Budget and Emergency Deficit Control Act of  
17 1985, as amended: *Provided further*, That this amount  
18 shall be available only to the extent that an official budg-  
19 et request for a specific dollar amount, that includes des-  
20 ignation of the entire amount as an emergency require-  
21 ment as defined in the Balanced Budget and Emergency  
22 Deficit Control Act of 1985, as amended, is transmitted  
23 by the President to the Congress.



18 CONSTRUCTION

•HR 4278 EH

1 et request for a specific dollar amount, that includes des-  
2 ignation of the entire amount as an emergency require-  
3 ment as defined in the Balanced Budget and Emergency  
4 Deficit Control Act of 1985, as amended, is transmitted  
5 by the President to the Congress.

6 NATIONAL GALLERY OF ART

7 SALARIES AND EXPENSES

8 For an additional amount for salaries and ex-  
9 penses, \$382,000, to remain available until expended, to  
10 address anti-terrorism requirements: *Provided*, That Con-  
11 gress hereby designates this amount as an emergency re-  
12 quirement pursuant to section 251(b)(2)(D)(i) of the  
13 Balanced Budget and Emergency Deficit Control Act of  
14 1985, as amended: *Provided further*, That this amount  
15 shall be available only to the extent that an official budg-  
16 et request for a specific dollar amount, that includes des-  
17 ignation of the entire amount as an emergency require-  
18 ment as defined in the Balanced Budget and Emergency  
19 Deficit Control Act of 1985, as amended, is transmitted  
20 by the President to the Congress.

21 UNITED STATES HOLOCAUST MEMORIAL COUNCIL

22 HOLOCAUST MEMORIAL COUNCIL

23 For an additional amount for the Holocaust Me-  
24 morial Council, \$1,000,000, to remain available until ex-  
25 pended, to address anti-terrorism requirements: *Provided*,

1 That Congress hereby designates this amount as an  
2 emergency requirement pursuant to section  
3 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
4 Deficit Control Act of 1985, as amended: *Provided fur-*  
5 *ther*, That this amount shall be available only to the ex-  
6 tent that an official budget request for a specific dollar  
7 amount, that includes designation of the entire amount  
8 as an emergency requirement as defined in the Balanced  
9 Budget and Emergency Deficit Control Act of 1985, as  
10 amended, is transmitted by the President to the Con-  
11 gress.

12 This Act may be cited as the “Department of the  
13 Interior and Related Agencies Appropriations Act,  
14 1997”.

15 (e) For programs, projects or activities in the De-  
16 partments of Labor, Health and Human Services, and  
17 Education, and Related Agencies Appropriations Act,  
18 1997, provided as follows, to be effective as if it had been  
19 enacted into law as the regular appropriations Act:

20 AN ACT

21 Making appropriations for the Departments of  
22 Labor, Health and Human Services, and Education, and  
23 related agencies for the fiscal year ending September 30,  
24 1997, and for other purposes.

## 1 TITLE I—DEPARTMENT OF LABOR

## 2 EMPLOYMENT AND TRAINING ADMINISTRATION

## 3 TRAINING AND EMPLOYMENT SERVICES

4 For expenses necessary to carry into effect the  
5 Job Training Partnership Act, as amended, including the  
6 purchase and hire of passenger motor vehicles, the con-  
7 struction, alteration, and repair of buildings and other fa-  
8 cilities, and the purchase of real property for training  
9 centers as authorized by the Job Training Partnership  
10 Act; the Women in Apprenticeship and Nontraditional  
11 Occupations Act; the National Skill Standards Act of  
12 1994; and the School-to-Work Opportunities Act;  
13 \$4,719,703,000 plus reimbursements, of which  
14 \$3,559,408,000 is available for obligation for the period  
15 July 1, 1997 through June 30, 1998; of which  
16 \$88,685,000 is available for the period July 1, 1997  
17 through June 30, 2000 for necessary expenses of con-  
18 struction, rehabilitation, and acquisition of Job Corps  
19 centers; and of which \$200,000,000 shall be available  
20 from July 1, 1997 through September 30, 1998, for car-  
21 rying out activities of the School-to-Work Opportunities  
22 Act: *Provided*, That \$52,502,000 shall be for carrying  
23 out section 401 of the Job Training Partnership Act,  
24 \$69,285,000 shall be for carrying out section 402 of such  
25 Act, \$7,300,000 shall be for carrying out section 441 of

1 such Act, \$8,000,000 shall be for all activities conducted  
2 by and through the National Occupational Information  
3 Coordinating Committee under such Act, \$895,000,000  
4 shall be for carrying out title II, part A of such Act, and  
5 \$126,672,000 shall be for carrying out title II, part C of  
6 such Act: *Provided further*, That no funds from any other  
7 appropriation shall be used to provide meal services at or  
8 for Job Corps centers: *Provided further*, That funds pro-  
9 vided to carry out title III of the Job Training Partner-  
10 ship Act shall not be subject to the limitation contained  
11 in subsection (b) of section 315 of such Act; that the  
12 waiver allowing a reduction in the cost limitation relating  
13 to retraining services described in subsection (a)(2) of  
14 such section 315 may be granted with respect to funds  
15 from this Act if a substate grantee demonstrates to the  
16 Governor that such waiver is appropriate due to the  
17 availability of low-cost retraining services, is necessary to  
18 facilitate the provision of needs-related payments to ac-  
19 company long-term training, or is necessary to facilitate  
20 the provision of appropriate basic readjustment services;  
21 and that funds provided to carry out the Secretary's dis-  
22 cretionary grants under part B of such title III may be  
23 used to provide needs-related payments to participants  
24 who, in lieu of meeting the requirements relating to en-  
25 rollment in training under section 314(e) of such Act, are

1 enrolled in training by the end of the sixth week after  
2 grant funds have been awarded: *Provided further*, That  
3 service delivery areas may transfer funding provided  
4 herein under authority of titles II–B and II–C of the Job  
5 Training Partnership Act between the programs author-  
6 ized by those titles of that Act, if such transfer is ap-  
7 proved by the Governor: *Provided further*, That service  
8 delivery areas and substate areas may transfer up to 20  
9 percent of the funding provided herein under authority of  
10 title II–A and title III of the Job Training Partnership  
11 Act between the programs authorized by those titles of  
12 the Act, if such transfer is approved by the Governor:  
13 *Provided further*, That, notwithstanding any other provi-  
14 sion of law, any proceeds from the sale of Job Corps cen-  
15 ter facilities shall be retained by the Secretary of Labor  
16 to carry out the Job Corps program: *Provided further*,  
17 That notwithstanding any other provision of law, the Sec-  
18 retary of Labor may waive any of the statutory or regu-  
19 latory requirements of titles I–III of the Job Training  
20 Partnership Act (except for requirements relating to  
21 wage and labor standards, worker rights, participation  
22 and protection, grievance procedures and judicial review,  
23 nondiscrimination, allocation of funds to local areas, eligi-  
24 bility, review and approval of plans, the establishment  
25 and functions of service delivery areas and private indus-

1 try councils, and the basic purposes of the Act), and any  
2 of the statutory or regulatory requirements of sections 8–  
3 10 of the Wagner-Peyser Act (except for requirements re-  
4 lating to the provision of services to unemployment insur-  
5 ance claimants and veterans, and to universal access to  
6 basic labor exchange services without cost to job seekers),  
7 only for funds available for expenditure in program year  
8 1997, pursuant to a request submitted by a State which  
9 identifies the statutory or regulatory requirements that  
10 are requested to be waived and the goals which the State  
11 or local service delivery areas intend to achieve, describes  
12 the actions that the State or local service delivery areas  
13 have undertaken to remove State or local statutory or  
14 regulatory barriers, describes the goals of the waiver and  
15 the expected programmatic outcomes if the request is  
16 granted, describes the individuals impacted by the waiver,  
17 and describes the process used to monitor the progress  
18 in implementing a waiver, and for which notice and an  
19 opportunity to comment on such request has been pro-  
20 vided to the organizations identified in section 105(a)(1)  
21 of the Job Training Partnership Act, if and only to the  
22 extent that the Secretary determines that such require-  
23 ments impede the ability of the State to implement a  
24 plan to improve the workforce development system and  
25 the State has executed a Memorandum of Understanding

1 with the Secretary requiring such State to meet agreed  
2 upon outcomes and implement other appropriate meas-  
3 ures to ensure accountability: *Provided further*, That the  
4 Secretary of Labor shall establish a workforce flexibility  
5 (work-flex) partnership demonstration program under  
6 which the Secretary shall authorize not more than six  
7 States, of which at least three States shall each have pop-  
8 ulations not in excess of 3,500,000, with a preference  
9 given to those States that have been designated Ed-Flex  
10 Partnership States under section 311(e) of Public Law  
11 103–227, to waive any statutory or regulatory require-  
12 ment applicable to service delivery areas or substate  
13 areas within the State under titles I–III of the Job  
14 Training Partnership Act (except for requirements relat-  
15 ing to wage and labor standards, grievance procedures  
16 and judicial review, nondiscrimination, allotment of  
17 funds, and eligibility), and any of the statutory or regu-  
18 latory requirements of sections 8–10 of the Wagner-  
19 Peyser Act (except for requirements relating to the provi-  
20 sion of services to unemployment insurance claimants  
21 and veterans, and to universal access to basic labor ex-  
22 change services without cost to job seekers), for a dura-  
23 tion not to exceed the waiver period authorized under sec-  
24 tion 311(e) of Public Law 103–227, pursuant to a plan  
25 submitted by such States and approved by the Secretary



1 for the provision of workforce employment and training  
2 activities in the States, which includes a description of  
3 the process by which service delivery areas and substate  
4 areas may apply for and have waivers approved by the  
5 State, the requirements of the Wagner-Peyser Act to be  
6 waived, the outcomes to be achieved and other measures  
7 to be taken to ensure appropriate accountability for fed-  
8 eral funds.

9       COMMUNITY SERVICE EMPLOYMENT FOR OLDER  
10                                   AMERICANS  
11                                   (TRANSFER OF FUNDS)

12       To carry out the activities for national grants or  
13 contracts with public agencies and public or private non-  
14 profit organizations under paragraph (1)(A) of section  
15 506(a) of title V of the Older Americans Act of 1965, as  
16 amended, or to carry out older worker activities as subse-  
17 quently authorized, \$361,140,000, including \$21,840,000  
18 which shall be available for the period ending June 30,  
19 1997.

20       To carry out the activities for grants to States  
21 under paragraph (3) of section 506(a) of title V of the  
22 Older Americans Act of 1965, as amended, or to carry  
23 out older worker activities as subsequently authorized,  
24 \$101,860,000, including \$6,160,000 which shall be avail-  
25 able for the period ending June 30, 1997.

1           The funds appropriated under this heading shall  
2 be transferred to the Department of Health and Human  
3 Services, “Aging Services Programs” following the enact-  
4 ment of legislation authorizing the administration of the  
5 program by that Department.

6       FEDERAL UNEMPLOYMENT BENEFITS AND ALLOWANCES

7           For payments during the current fiscal year of  
8 trade adjustment benefit payments and allowances under  
9 part I, and for training, for allowances for job search and  
10 relocation, and for related State administrative expenses  
11 under part II, subchapters B and D, chapter 2, title II  
12 of the Trade Act of 1974, as amended, \$324,500,000, to-  
13 gether with such amounts as may be necessary to be  
14 charged to the subsequent appropriation for payments for  
15 any period subsequent to September 15 of the current  
16 year.

17       STATE UNEMPLOYMENT INSURANCE AND EMPLOYMENT  
18                               SERVICE OPERATIONS

19           For authorized administrative expenses,  
20 \$173,452,000, together with not to exceed  
21 \$3,146,826,000 (including not to exceed \$1,653,000  
22 which may be used for amortization payments to States  
23 which had independent retirement plans in their State  
24 employment service agencies prior to 1980, and including  
25 not to exceed \$2,000,000 which may be obligated in con-  
26 tracts with non-State entities for activities such as occu-

1 pational and test research activities which benefit the  
2 Federal-State Employment Service System), which may  
3 be expended from the Employment Security Administra-  
4 tion account in the Unemployment Trust Fund including  
5 the cost of administering section 1201 of the Small Busi-  
6 ness Job Protection Act of 1996, section 7(d) of the  
7 Wagner-Peyser Act, as amended, the Trade Act of 1974,  
8 as amended, the Immigration Act of 1990, and the Immi-  
9 gration and Nationality Act, as amended, and of which  
10 the sums available in the allocation for activities author-  
11 ized by title III of the Social Security Act, as amended  
12 (42 U.S.C. 502–504), and the sums available in the allo-  
13 cation for necessary administrative expenses for carrying  
14 out 5 U.S.C. 8501–8523, shall be available for obligation  
15 by the States through December 31, 1997, except that  
16 funds used for automation acquisitions shall be available  
17 for obligation by States through September 30, 1999;  
18 and of which \$23,452,000, together with not to exceed  
19 \$738,283,000 of the amount which may be expended  
20 from said trust fund, shall be available for obligation for  
21 the period July 1, 1997 through June 30, 1998, to fund  
22 activities under the Act of June 6, 1933, as amended, in-  
23 cluding the cost of penalty mail authorized under 39  
24 U.S.C. 3202(a)(1)(E) made available to States in lieu of  
25 allotments for such purpose, and of which \$216,333,000

1 shall be available only to the extent necessary for addi-  
2 tional State allocations to administer unemployment com-  
3 pensation laws to finance increases in the number of un-  
4 employment insurance claims filed and claims paid or  
5 changes in a State law: *Provided*, That to the extent that  
6 the Average Weekly Insured Unemployment (AWIU) for  
7 fiscal year 1997 is projected by the Department of Labor  
8 to exceed 2,828,000 an additional \$28,600,000 shall be  
9 available for obligation for every 100,000 increase in the  
10 AWIU level (including a pro rata amount for any incre-  
11 ment less than 100,000) from the Employment Security  
12 Administration Account of the Unemployment Trust  
13 Fund: *Provided further*, That funds appropriated in this  
14 Act which are used to establish a national one-stop career  
15 center network may be obligated in contracts, grants or  
16 agreements with non-State entities: *Provided further*,  
17 That funds appropriated under this Act for activities au-  
18 thorized under the Wagner-Peyser Act, as amended, and  
19 title III of the Social Security Act, may be used by the  
20 States to fund integrated Employment Service and Un-  
21 employment Insurance automation efforts, notwithstand-  
22 ing cost allocation principles prescribed under Office of  
23 Management and Budget Circular A-87.

1     ADVANCES TO THE UNEMPLOYMENT TRUST FUND AND  
2                                     OTHER FUNDS

3             For repayable advances to the Unemployment  
4 Trust Fund as authorized by sections 905(d) and 1203  
5 of the Social Security Act, as amended, and to the Black  
6 Lung Disability Trust Fund as authorized by section  
7 9501(c)(1) of the Internal Revenue Code of 1954, as  
8 amended; and for nonrepayable advances to the Unem-  
9 ployment Trust Fund as authorized by section 8509 of  
10 title 5, United States Code, section 104(d) of Public Law  
11 102–164, and section 5 of Public Law 103–6, and to the  
12 “Federal unemployment benefits and allowances” ac-  
13 count, to remain available until September 30, 1998,  
14 \$373,000,000.

15             In addition, for making repayable advances to the  
16 Black Lung Disability Trust Fund in the current fiscal  
17 year after September 15, 1997, for costs incurred by the  
18 Black Lung Disability Trust Fund in the current fiscal  
19 year, such sums as may be necessary.

20                                     PROGRAM ADMINISTRATION

21             For expenses of administering employment and  
22 training programs and for carrying out section 908 of the  
23 Social Security Act, \$81,393,000, together with not to  
24 exceed \$39,977,000, which may be expended from the  
25 Employment Security Administration account in the Un-  
26 employment Trust Fund.

## 1 PENSION AND WELFARE BENEFITS ADMINISTRATION

## 2 SALARIES AND EXPENSES

3 For necessary expenses for Pension and Welfare  
4 Benefits Administration, \$77,083,000, of which  
5 \$6,000,000 shall remain available through September 30,  
6 1998 for expenses of revising the processing of employee  
7 benefit plan returns.

## 8 PENSION BENEFIT GUARANTY CORPORATION

## 9 PENSION BENEFIT GUARANTY CORPORATION FUND

10 The Pension Benefit Guaranty Corporation is au-  
11 thorized to make such expenditures, including financial  
12 assistance authorized by section 104 of Public Law 96-  
13 364, within limits of funds and borrowing authority avail-  
14 able to such Corporation, and in accord with law, and to  
15 make such contracts and commitments without regard to  
16 fiscal year limitations as provided by section 104 of the  
17 Government Corporation Control Act, as amended (31  
18 U.S.C. 9104), as may be necessary in carrying out the  
19 program through September 30, 1997, for such Corpora-  
20 tion: *Provided*, That not to exceed \$10,345,000 shall be  
21 available for administrative expenses of the Corporation:  
22 *Provided further*, That expenses of such Corporation in  
23 connection with the termination of pension plans, for the  
24 acquisition, protection or management, and investment of  
25 trust assets, and for benefits administration services shall

1 be considered as non-administrative expenses for the pur-  
2 poses hereof, and excluded from the above limitation.

3 EMPLOYMENT STANDARDS ADMINISTRATION

4 SALARIES AND EXPENSES

5 For necessary expenses for the Employment Stand-  
6 ards Administration, including reimbursement to State,  
7 Federal, and local agencies and their employees for in-  
8 spection services rendered, \$290,422,000, together with  
9 \$983,000 which may be expended from the Special Fund  
10 in accordance with section 39(c) and 44 (j) of the  
11 Longshore and Harbor Workers' Compensation Act: *Pro-*  
12 *vided*, That the Secretary of Labor is authorized to ac-  
13 cept, retain, and spend, until expended, in the name of  
14 the Department of Labor, all sums of money ordered to  
15 be paid to the Secretary of Labor, in accordance with the  
16 terms of the Consent Judgment in Civil Action No. 91-  
17 0027 of the United States District Court for the District  
18 of the Northern Mariana Islands (May 21, 1992): *Pro-*  
19 *vided further*, That the Secretary of Labor is authorized  
20 to establish and, in accordance with 31 U.S.C. 3302, col-  
21 lect and deposit in the Treasury fees for processing appli-  
22 cations and issuing certificates under sections 11(d) and  
23 14 of the Fair Labor Standards Act of 1938, as amended  
24 (29 U.S.C. 2119d) and 214) and for processing applica-  
25 tions and issuing registrations under Title I of the Mi-

1 grant and Seasonal Agricultural Worker Protection Act,  
2 29 U.S.C. 1801 et seq.

3 SPECIAL BENEFITS

4 (INCLUDING TRANSFER OF FUNDS)

5 For the payment of compensation, benefits, and ex-  
6 penses (except administrative expenses) accruing during  
7 the current or any prior fiscal year authorized by title 5,  
8 chapter 81 of the United States Code; continuation of  
9 benefits as provided for under the head “Civilian War  
10 Benefits” in the Federal Security Agency Appropriation  
11 Act, 1947; the Employees’ Compensation Commission  
12 Appropriation Act, 1944; and sections 4(c) and 5(f) of  
13 the War Claims Act of 1948 (50 U.S.C. App. 2012); and  
14 50 per centum of the addition compensation and benefits  
15 required by section 10(h) of the Longshore and Harbor  
16 Workers’ Compensation Act, as amended, \$213,000,000  
17 together with such amounts as may be necessary to be  
18 charged to the subsequent year appropriation for the pay-  
19 ment of compensation and other benefits for any period  
20 subsequent to August 15 of the current year: *Provided*,  
21 That such sums as are necessary may be used under sec-  
22 tion 8104 of title 5, United States Code, by the Secretary  
23 to reimburse an employer, who is not the employer at the  
24 time of injury, for portions of the salary of a reemployed,  
25 disabled beneficiary: *Provided further*, That balances of  
26 reimbursements unobligated on September 30, 1996,



1 shall remain available until expended for the payment of  
2 compensation, benefits, and expenses: *Provided further*,  
3 That in addition there shall be transferred to this appro-  
4 priation from the Postal Service and from any other cor-  
5 poration or instrumentality required under section  
6 8147(c) of title 5, United States Code, to pay an amount  
7 for its fair share of the cost of administration, such sums  
8 as the Secretary of Labor determines to be the cost of  
9 administration for employees of such fair share entities  
10 through September 30, 1997: *Provided further*, That of  
11 those funds transferred to this account from the fair  
12 share entities to pay the cost of administration,  
13 \$11,390,000 shall be made available to the Secretary of  
14 Labor for expenditures relating to capital improvements  
15 in support of Federal Employees' Compensation Act ad-  
16 ministration, and the balance of such funds shall be paid  
17 into the Treasury as miscellaneous receipts: *Provided fur-*  
18 *ther*, That the Secretary may require that any person fil-  
19 ing a notice of injury or a claim for benefits under sub-  
20 chapter 5, U.S.C., chapter 81, or under subchapter 33,  
21 U.S.C. 901, et seq. (the Longshore and Harbor Workers'  
22 Compensation Act, as amended), provide as part of such  
23 notice and claim, such identifying information (including  
24 Social Security account number) as such regulations may  
25 prescribe.

## 1 BLACK LUNG DISABILITY TRUST FUND

## 2 (INCLUDING TRANSFER OF FUNDS)

3 For payments from the Black Lung Disability  
4 Trust Fund, \$1,007,644,000, of which \$961,665,000  
5 shall be available until September 30, 1998, for payment  
6 of all benefits as authorized by section 9501(d) (1), (2),  
7 (4), and (7) of the Internal Revenue Code of 1954, as  
8 amended, and interest on advances as authorized by sec-  
9 tion 9501(c)(2) of that Act, and of which \$26,071,000  
10 shall be available for transfer to Employment Standards  
11 Administration, Salaries and Expenses, \$19,621,000 for  
12 transfer to Departmental Management, Salaries and Ex-  
13 penses, and \$287,000 for transfer to Departmental Man-  
14 agement, Office of Inspector General, for expenses of op-  
15 eration and administration of the Black Lung Benefits  
16 program as authorized by section 9501(d)(5)(A) of that  
17 Act: *Provided*, That, in addition, such amounts as may  
18 be necessary may be charged to the subsequent year ap-  
19 propriation for the payment of compensation, interest, or  
20 other benefits for any period subsequent to August 15 of  
21 the current year: *Provided further*, That in addition such  
22 amounts shall be paid from this fund into miscellaneous  
23 receipts as the Secretary of the Treasury determines to  
24 be the administrative expenses of the Department of the  
25 Treasury for administering the fund during the current

1 fiscal year, as authorized by section 9501(d)(5)(B) of  
2 that Act.

3 OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION  
4 SALARIES AND EXPENSES

5 For necessary expenses for the Occupational Safe-  
6 ty and Health Administration, \$325,734,000, including  
7 not to exceed \$77,354,000 which shall be the maximum  
8 amount available for grants to States under section 23(g)  
9 of the Occupational Safety and Health Act, which grants  
10 shall be no less than fifty percent of the costs of State  
11 occupational safety and health programs required to be  
12 incurred under plans approved by the Secretary under  
13 section 18 of the Occupational Safety and Health Act of  
14 1970; and, in addition, notwithstanding 31 U.S.C. 3302,  
15 the Occupational Safety and Health Administration may  
16 retain up to \$750,000 per fiscal year of training institute  
17 course tuition fees, otherwise authorized by law to be col-  
18 lected, and may utilize such sums for occupational safety  
19 and health training and education grants: *Provided,*  
20 That, notwithstanding 31 U.S.C. 3302, the Secretary of  
21 Labor is authorized, during the fiscal year ending Sep-  
22 tember 30, 1997, to collect and retain fees for services  
23 provided to Nationally Recognized Testing Laboratories,  
24 and may utilize such sums, in accordance with the provi-  
25 sions of 29 U.S.C. 9a, to administer national and inter-

1 national laboratory recognition programs that ensure the  
2 safety of equipment and products used by workers in the  
3 workplace: *Provided further*, That none of the funds ap-  
4 propriated under this paragraph shall be obligated or ex-  
5 pended to prescribe, issue, administer, or enforce any  
6 standard, rule, regulation, or order under the Occupa-  
7 tional Safety and Health Act of 1970 which is applicable  
8 to any person who is engaged in a farming operation  
9 which does not maintain a temporary labor camp and  
10 employs ten or fewer employees: *Provided further*, That  
11 no funds appropriated under this paragraph shall be obli-  
12 gated or expended to administer or enforce any standard,  
13 rule, regulation, or order under the Occupational Safety  
14 and Health Act of 1970 with respect to any employer of  
15 ten or fewer employees who is included within a category  
16 having an occupational injury lost workday case rate, at  
17 the most precise Standard Industrial Classification Code  
18 for which such data are published, less than the national  
19 average rate as such rates are most recently published by  
20 the Secretary, acting through the Bureau of Labor Sta-  
21 tistics, in accordance with section 24 of that Act (29  
22 U.S.C. 673), except—  
23           (1) to provide, as authorized by such Act, con-  
24           sultation, technical assistance, educational and train-  
25           ing services, and to conduct surveys and studies;

1           (2) to conduct an inspection or investigation in  
2       response to an employee complaint, to issue a cita-  
3       tion for violations found during such inspection, and  
4       to assess a penalty for violations which are not cor-  
5       rected within a reasonable abatement period and for  
6       any willful violations found;

7           (3) to take any action authorized by such Act  
8       with respect to imminent dangers;

9           (4) to take any action authorized by such Act  
10      with respect to health hazards;

11          (5) to take any action authorized by such Act  
12      with respect to a report of an employment accident  
13      which is fatal to one or more employees or which re-  
14      sults in hospitalization of two or more employees,  
15      and to take any action pursuant to such investiga-  
16      tion authorized by such Act; and

17          (6) to take any action authorized by such Act  
18      with respect to complaints of discrimination against  
19      employees for exercising rights under such Act: *Pro-*  
20      *vided further,* That the foregoing proviso shall not  
21      apply to any person who is engaged in a farming op-  
22      eration which does not maintain a temporary labor  
23      camp and employs ten or fewer employees.

## 1 MINE SAFETY AND HEALTH ADMINISTRATION

## 2 SALARIES AND EXPENSES

3 For necessary expenses for the Mine Safety and  
4 Health Administration, \$197,810,000, including purchase  
5 and bestowal of certificates and trophies in connection  
6 with mine rescue and first-aid work, and the hire of pas-  
7 senger motor vehicles; the Secretary is authorized to ac-  
8 cept lands, buildings, equipment, and other contributions  
9 from public and private sources and to prosecute projects  
10 in cooperation with other agencies, Federal, State, or pri-  
11 vate; the Mine Safety and Health Administration is au-  
12 thorized to promote health and safety education and  
13 training in the mining community through cooperative  
14 programs with States, industry, and safety associations;  
15 and any funds available to the Department may be used,  
16 with the approval of the Secretary, to provide for the  
17 costs of mine rescue and survival operations in the event  
18 of a major disaster: *Provided*, That none of the funds ap-  
19 propriated under this paragraph shall be obligated or ex-  
20 pended to carry out section 115 of the Federal Mine  
21 Safety and Health Act of 1977 or to carry out that por-  
22 tion of section 104(g)(1) of such Act relating to the en-  
23 forcement of any training requirements, with respect to  
24 shall dredging, or with respect to any sand, gravel, sur-

1 face stone, surface clay, colloidal phosphate, or surface  
2 limestone mine.

3 BUREAU OF LABOR STATISTICS

4 SALARIES AND EXPENSES

5 For necessary expenses for the Bureau of Labor  
6 Statistics, including advances or reimbursements to  
7 State, Federal, and local agencies and their employees for  
8 services rendered, \$309,647,000, of which \$16,145,000  
9 shall be for expenses of revising the Consumer Price  
10 Index and shall remain available until September 30,  
11 1998, together with not to exceed \$52,053,000, which  
12 may be expended from the Employment Security Admin-  
13 istration account in the Unemployment Trust Fund.

14 DEPARTMENTAL MANAGEMENT

15 SALARIES AND EXPENSES

16 For necessary expenses for Departmental Man-  
17 agement, including the hire of three sedans, and includ-  
18 ing up to \$4,358,000 for the President's Committee on  
19 Employment of People With Disabilities, \$144,211,000;  
20 together with not to exceed \$297,000, which may be ex-  
21 pended from the Employment Security Administration  
22 account in the Unemployment Trust Fund: *Provided*,  
23 That no funds made available by this Act may be used  
24 by the Solicitor of Labor to participate in a review in any  
25 United States court of appeals of any decision made by

1 the Benefits Review Board under section 21 of the  
2 Longshore and Harbor Workers' Compensation Act (33  
3 U.S.C. 921) where such participation is precluded by the  
4 decision of the United States Supreme Court in Director,  
5 Office of Workers' Compensation Programs v. Newport  
6 News Shipbuilding, 115 S. Ct. 1278 (1995): *Provided*  
7 *further*, That no funds made available by this Act may  
8 be used by the Secretary of Labor to review a decision  
9 under the Longshore and Harbor Workers' Compensation  
10 Act (33 U.S.C. 901 et seq.) that has been appealed and  
11 that has been pending before the Benefits Review Board  
12 for more than 12 months: *Provided further*, That any  
13 such decision pending a review by the Benefits Review  
14 Board for more than one year shall be considered af-  
15 firmed by the Benefits Review Board on that date, and  
16 shall be considered the final order of the Board for pur-  
17 poses of obtaining a review in the United States courts  
18 of appeals: *Provided further*, That these provisions shall  
19 not be applicable to the review of any decision issued  
20 under the Black Lung Benefits Act (30 U.S.C. 901 et  
21 seq.).

22 ASSISTANT SECRETARY FOR VETERANS EMPLOYMENT

23 AND TRAINING

24 Not to exceed \$181,949,000 may be derived from  
25 the Employment Security Administration account in the  
26 Unemployment Trust Fund to carry out the provisions of



1 38 U.S.C. 4100–4110A and 4321–4327, and Public Law  
2 103–353, and which shall be available for obligation by  
3 the States through December 31, 1997.

4 OFFICE OF INSPECTOR GENERAL

5 For salaries and expenses of the Office of Inspec-  
6 tor General in carrying out the provisions of the Inspec-  
7 tor General Act of 1978, as amended, \$42,938,000, to-  
8 gether with not to exceed \$3,543,000, which may be ex-  
9 pended from the Employment Security Administration  
10 account in the Unemployment Trust Fund.

11 GENERAL PROVISIONS

12 SEC. 101. None of the funds appropriated in this  
13 title for the Job Corps shall be used to pay the com-  
14 pensation of an individual, either as direct costs or any  
15 proration as an indirect cost, at a rate in excess of  
16 \$125,000.

17 (TRANSFER OF FUNDS)

18 SEC. 102. Not to exceed 1 percent of any discre-  
19 tionary funds (pursuant to the Balanced Budget and  
20 Emergency Deficit Control Act, as amended) which are  
21 appropriated for the current fiscal year for the Depart-  
22 ment of Labor in this Act may be transferred between  
23 appropriations, but no such appropriation shall be in-  
24 creased by more than 3 percent by any such transfer:  
25 *Provided*, That the Appropriations Committees of both

1 Houses of Congress are notified at least fifteen days in  
2 advance of any transfer.

3       SEC. 103. Funds shall be available for carrying  
4 out title IV–B of the Job Training Partnership Act, not-  
5 withstanding section 427(c) of that Act, if a Job Corps  
6 center fails to meet national performance standards es-  
7 tablished by the Secretary.

8       SEC. 104. Effective January 1, 1997, no funds  
9 appropriated or otherwise made available to the Depart-  
10 ment of Labor in this title shall be disbursed without the  
11 approval of the Department’s Chief Financial Officer or  
12 his delegatee.

13       SEC. 105. Notwithstanding any other provision of  
14 law, the Secretary of Labor may waive any of the re-  
15 quirements contained in sections 4, 104, 105, 107, 108,  
16 121, 164, 204, 253, 254, 264, 301, 311, 313, 314, and  
17 315 of the Job Training Partnership Act in order to as-  
18 sist States in improving State workforce development sys-  
19 tems, pursuant to a request submitted by a State that  
20 has prior to the date of enactment of this Act executed  
21 a Memorandum of Understanding with the United States  
22 requiring such State to meet agreed upon outcomes.

23       This title may be cited as the “Department of  
24 Labor Appropriations Act, 1997”.

1       TITLE II—DEPARTMENT OF HEALTH AND  
2                                   HUMAN SERVICES

3       HEALTH RESOURCES AND SERVICES ADMINISTRATION

4                                   HEALTH RESOURCES AND SERVICES

5               For carrying out titles II, III, VII, VIII, X, XII,  
6 XVI, XIX, and XXVI of the Public Health Service Act,  
7 section 427(a) of the Federal Coal Mine Health and  
8 Safety Act, title V of the Social Security Act, the Health  
9 Care Quality Improvement Act of 1986, as amended, and  
10 the Native Hawaiian Health Care Act of 1988, as  
11 amended, \$3,405,019,000, of which \$297,000 shall re-  
12 main available until expended for interest subsidies on  
13 loan guarantees made prior to fiscal year 1981 under  
14 part B of title VII of the Public Health Service Act: *Pro-*  
15 *vided*, That the Division of Federal Occupational Health  
16 may utilize personal services contracting to employ pro-  
17 fessional management/administrative and occupational  
18 health professionals: *Provided further*, That of the funds  
19 made available under this heading, \$828,000 shall be  
20 available until expended for facilities renovations at the  
21 Gillis W. Long Hansen's Disease Center: *Provided fur-*  
22 *ther*, That in addition to fees authorized by section  
23 427(b) of the Health Care Quality Improvement Act of  
24 1986, fees shall be collected for the full disclosure of in-  
25 formation under the Act sufficient to recover the full

1 costs of operating the National Practitioner Data Bank,  
2 and shall remain available until expended to carry out  
3 that Act: *Provided further*, That no more than  
4 \$5,000,000 is available for carrying out the provisions of  
5 Public Law 104–73: *Provided further*, That of the funds  
6 made available under this heading, \$198,452,000 shall be  
7 for the program under title X of the Public Health Serv-  
8 ice Act to provide for voluntary family planning projects:  
9 *Provided further*, That amounts provided to said projects  
10 under such title shall not be expended for abortions, that  
11 all pregnancy counseling shall be nondirective, and that  
12 such amounts shall not be expended for any activity (in-  
13 cluding the publication or distribution of literature) that  
14 in any way tends to promote public support or opposition  
15 to any legislative proposal or candidate for public office:  
16 *Provided further*, That \$167,000,000 shall be for State  
17 AIDS Drug Assistance Programs authorized by section  
18 2616 of the Public Health Service Act and shall be dis-  
19 tributed to States as authorized by section 2618(b)(2) of  
20 such Act: *Provided further*, That notwithstanding any  
21 other provision of law, funds made available under this  
22 heading may be used to continue operating the Council  
23 on Graduate Medical Education established by section  
24 301 of Public law 102–408: *Provided further*, That, of  
25 the funds made available under this heading, not more

1 than \$8,000,000 shall be made available and shall remain  
2 available until expended for loan guarantees for loans  
3 made by non-Federal lenders for the construction, ren-  
4 ovation, and modernization of medical facilities that are  
5 owned and operated by health centers funded under part  
6 A of title XVI of the Public Health Service Act as  
7 amended, and, subject to authorization, for loans made to  
8 health centers for the costs of developing and operating  
9 managed care networks or plans, and that such funds be  
10 available to subsidize guarantees of total loan principal in  
11 an amount not to exceed \$80,000,000: *Provided further,*  
12 That notwithstanding section 502(a)(1) of the Social Se-  
13 curity Act, not to exceed \$103,609,000 is available for  
14 carrying out special projects of regional and national sig-  
15 nificance pursuant to section 501(a)(2) of such Act.

16 MEDICAL FACILITIES GUARANTEE AND LOAN FUND  
17 FEDERAL INTEREST SUBSIDIES FOR MEDICAL FACILITIES

18 For carrying out subsections (d) and (e) of section  
19 1602 of the Public Health Service Act, \$7,000,000, to-  
20 gether with any amounts received by the Secretary in  
21 connection with loans and loan guarantees under title VI  
22 of the Public Health Service Act, to be available without  
23 fiscal year limitation for the payment of interest sub-  
24 sidies. During the fiscal year, no commitments for direct  
25 loans or loan guarantees shall be made.

## 1 HEALTH EDUCATION ASSISTANCE LOANS PROGRAM

2 For the cost of guaranteed loans, such sums as  
3 may be necessary to carry out the purpose of the pro-  
4 gram, as authorized by title VII of the Public Health  
5 Service Act, as amended: *Provided*, That such costs, in-  
6 cluding the cost of modifying such loans, shall be as de-  
7 fined in section 502 of the Congressional Budget Act of  
8 1974: *Provided further*, That these funds are available to  
9 subsidize gross obligations for the total loan principal any  
10 part of which is to be guaranteed at not to exceed  
11 \$140,000,000. In addition, for administrative expenses to  
12 carry out the guaranteed loan program, \$2,688,000.

## 13 VACCINE INJURY COMPENSATION PROGRAM TRUST FUND

14 For payments from the Vaccine Injury Compensa-  
15 tion Program Trust Fund, such sums as may be nec-  
16 essary for claims associated with vaccine-related injury or  
17 death with respect to vaccines administered after Septem-  
18 ber 30, 1988, pursuant to subtitle 2 of title XXI of the  
19 Public Health Service Act, to remain available until ex-  
20 pended: *Provided*, That for necessary administrative ex-  
21 penses, not to exceed \$3,000,000 shall be available from  
22 the Trust Fund to the Secretary of Health and Human  
23 Services.

## 24 VACCINE INJURY COMPENSATION

25 For payment of claims resolved by the United  
26 States Court of Federal Claims related to the administra-

tion of vaccines before October 1, 1988, \$110,000,000 to remain available until expended.

CENTERS FOR DISEASE CONTROL AND PREVENTION

DISEASE CONTROL, RESEARCH, AND TRAINING

To carry out titles II, III, VII, XI, XV, XVII, and XIX of the Public Health Service Act, sections 101, 102, 103, 201, 202, 203, 301, and 501 of the Federal Mine Safety and Health Act of 1977, and sections 20, 21 and 22 of the Occupational Safety and Health Act of 1970, title IV of the Immigration and Nationality Act and section 501 of the Refugee Education Assistance Act of 1980; including insurance of official motor vehicles in foreign countries; and hire, maintenance, and operation of aircraft, \$2,262,698,000, of which \$30,553,000 shall remain available until expended for equipment and construction and renovation of facilities, and of which \$32,000,000 shall remain available until September 30, 1998 for mine safety and health activities, and in addition, such sums as may be derived from authorized user fees, which shall be credited to this account: *Provided*, That in addition to amounts provided herein, up to \$48,400,000 shall be available from amounts available under section 241 of the Public Health Service Act, to carry out the National Center for Health Statistics surveys: *Provided further*, That none of the funds made

1 available for injury prevention and control at the Centers  
2 for Disease Control and Prevention may be used to advo-  
3 cate or promote gun control: *Provided further*, That the  
4 Director may redirect the total amount made available  
5 under authority of Public Law 101–502, section 3, dated  
6 November 3, 1990, to activities the Director may so des-  
7 ignate: *Provided further*, That the Congress is to be noti-  
8 fied promptly of any such transfer: *Provided further*,  
9 That the functions described in clause (1) of the first  
10 proviso under the subheading “mines and minerals”  
11 under the heading “Bureau of Mines” in the text of title  
12 I of the Department of the Interior and Related Agencies  
13 Appropriations Act, 1996, as enacted by section 101 (c)  
14 of the Omnibus Consolidated Rescissions and Appropria-  
15 tions Act of 1996 (Public Law 104–134), are hereby  
16 transferred to, and vested in, the Secretary of Health and  
17 Human Services, subject to section 1531 of title 31,  
18 United States Code: *Provided further*, That of the  
19 amount provided, \$23,000,000 is designated by Congress  
20 as an emergency requirement pursuant to section  
21 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
22 Deficit Control Act of 1985, as amended.

23       In addition, \$41,000,000, to be derived from the  
24 Violent Crime Reduction Trust Fund, for carrying out  
25 sections 40151 and 40261 of Public Law 103–322.



## 1 NATIONAL INSTITUTES OF HEALTH

## 2 NATIONAL CANCER INSTITUTE

3 For carrying out section 301 and title IV of the  
4 Public Health Service Act with respect to cancer,  
5 \$2,382,532,000.

## 6 NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

7 For carrying out section 301 and title IV of the  
8 Public Health Service Act with respect to cardiovascular,  
9 lung, and blood diseases, and blood and blood products,  
10 \$1,433,001,000.

## 11 NATIONAL INSTITUTE OF DENTAL RESEARCH

12 For carrying out section 301 and title IV of the  
13 Public Health Service Act with respect to dental disease,  
14 \$195,997,000.

15 NATIONAL INSTITUTE OF DIABETES AND DIGESTIVE AND  
16 KIDNEY DISEASES

17 For carrying out section 301 and title IV of the  
18 Public Health Service Act with respect to diabetes and  
19 digestive and kidney disease, \$815,982,000.

20 NATIONAL INSTITUTE OF NEUROLOGICAL DISORDERS  
21 AND STROKE

22 For carrying out section 301 and title IV of the  
23 Public Health Service Act with respect to neurological  
24 disorders and stroke, \$726,746,000.

6 NATIONAL INSTITUTE OF GENERAL MEDICAL SCIENCES

10 NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN  
11 DEVELOPMENT

15 NATIONAL EYE INSTITUTE

19 NATIONAL INSTITUTE OF ENVIRONMENTAL HEALTH  
20 SCIENCES

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1 NATIONAL INSTITUTE ON AGING

2 For carrying out section 301 and title IV of the  
3 Public Health Service Act with respect to aging,  
4 \$486,047,000.

5 NATIONAL INSTITUTE OF ARTHRITIS AND  
6 MUSCULOSKELETAL AND SKIN DISEASES

7 For carrying out section 301 and title IV of the  
8 Public Health Service Act with respect to arthritis and  
9 musculoskeletal and skin diseases, \$257,111,000.

10 NATIONAL INSTITUTE ON DEAFNESS AND OTHER  
11 COMMUNICATION DISORDERS

12 For carrying out section 301 and title IV of the  
13 Public Health Service Act with respect to deafness and  
14 other communication disorders, \$188,422,000.

15 NATIONAL INSTITUTE OF NURSING RESEARCH

16 For carrying out section 301 and title IV of the  
17 Public Health Service Act with respect to nursing re-  
18 search, \$59,743,000.

19 NATIONAL INSTITUTE ON ALCOHOL ABUSE AND  
20 ALCOHOLISM

21 For carrying out section 301 and title IV of the  
22 Public Health Service Act with respect to alcohol abuse  
23 and alcoholism, \$212,004,000.

## 1 NATIONAL INSTITUTE ON DRUG ABUSE

2 For carrying out section 301 and title IV of the  
3 Public Health Service Act with respect to drug abuse,  
4 \$489,375,000.

## 5 NATIONAL INSTITUTE OF MENTAL HEALTH

6 For carrying out section 301 and title IV of the  
7 Public Health Service Act with respect to mental health,  
8 \$701,585,000.

## 9 NATIONAL CENTER FOR RESEARCH RESOURCES

10 For carrying out section 301 and title IV of the  
11 Public Health Service Act with respect to research re-  
12 sources and general research support grants,  
13 \$415,145,000: *Provided*, That none of these funds shall  
14 be used to pay recipients of the general research support  
15 grants program any amount for indirect expenses in con-  
16 nection with such grants: *Provided further*, That  
17 \$20,000,000 shall be for extramural facilities construc-  
18 tion grants.

## 19 NATIONAL CENTER FOR HUMAN GENOME RESEARCH

20 For carrying out section 301 and title IV of the  
21 Public Health Service Act with respect to human genome  
22 research, \$189,657,000.

## 23 JOHN E. FOGARTY INTERNATIONAL CENTER

24 For carrying out the activities at the John E.  
25 Fogarty International Center, \$26,586,000.

## 1 NATIONAL LIBRARY OF MEDICINE

2 For carrying out section 301 and title IV of the  
3 Public Health Service Act with respect to health informa-  
4 tion communications, \$151,103,000, of which \$4,000,000  
5 shall be available until expended for improvement of in-  
6 formation systems: *Provided*, That in fiscal year 1997,  
7 the Library may enter into personal services contracts for  
8 the provision of services in facilities owned, operated, or  
9 constructed under the jurisdiction of the National Insti-  
10 tutes of Health.

## 11 OFFICE OF THE DIRECTOR

## 12 (INCLUDING TRANSFER OF FUNDS)

13 For carrying out the responsibilities of the Office  
14 of the Director, National Institutes of Health,  
15 \$287,206,000, of which \$35,589,000 shall be for the Of-  
16 fice of AIDS Research: *Provided*, That funding shall be  
17 available for the purchase of not to exceed five passenger  
18 motor vehicles for replacement only: *Provided further*,  
19 That the Director may direct up to 1 percent of the total  
20 amount made available in this Act to all National Insti-  
21 tutes of Health appropriations to activities the Director  
22 may so designate: *Provided further*, That no such appro-  
23 priation shall be increased or decreased by more than 1  
24 percent by any such transfers and that the Congress is  
25 promptly notified of the transfer: *Provided further*, That  
26 NIH is authorized to collect third party payments for the

1 cost of clinical services that are incurred in National In-  
2 stitutes of Health research facilities and that such pay-  
3 ments shall be credited to the National Institutes of  
4 Health Management Fund: *Provided further*, That all  
5 funds credited to the NIH Management Fund shall re-  
6 main available for one fiscal year after the fiscal year in  
7 which they are deposited: *Provided further*, That up to  
8 \$200,000 shall be available to carry out section 499 of  
9 the Public Health Service Act.

10 BUILDINGS AND FACILITIES

11 For the study of, construction of, and acquisition  
12 of equipment for, facilities of or used by the National In-  
13 stitutes of Health, including the acquisition of real prop-  
14 erty, \$200,000,000, to remain available until expended,  
15 of which \$90,000,000 shall be for the clinical research  
16 center: *Provided*, That, notwithstanding any other provi-  
17 sion of law, a single contract or related contracts for the  
18 development and construction of the clinical research cen-  
19 ter may be employed which collectively include the full  
20 scope of the project: *Provided further*, That the solicita-  
21 tion and contract shall contain the clause “availability of  
22 funds” found at 48 CFR 52.232–18.

## 1     SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

## 2                                     ADMINISTRATION

## 3     SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES

4             For carrying out titles V and XIX of the Public  
5 Health Service Act with respect to substance abuse and  
6 mental health services, the Protection and Advocacy for  
7 Mentally Ill Individuals Act of 1986, section 30401 of  
8 Public Law 103–322 and section 301 of the Public  
9 Health Service Act with respect to program management,  
10 \$2,134,743,000, of which \$5,000,000 shall be for grants  
11 to rural and Native American projects and \$12,800,000  
12 shall be for activities authorized by section 30401 of Pub-  
13 lic Law 103–322.

## 14             RETIREMENT PAY AND MEDICAL BENEFITS FOR

## 15                                     COMMISSIONED OFFICERS

16             For retirement pay and medical benefits of Public  
17 Health Service Commissioned Officers as authorized by  
18 law, and for payments under the Retired Serviceman's  
19 Family Protection Plan and Survivor Benefit Plan and  
20 for medical care of dependents and retired personnel  
21 under the Dependents' Medical Care Act (10 U.S.C. ch.  
22 55), and for payments pursuant to section 229(b) of the  
23 Social Security Act (42 U.S.C. 429(b)), such amounts as  
24 may be required during the current fiscal year.

## 1 AGENCY FOR HEALTH CARE POLICY AND RESEARCH

## 2 HEALTH CARE POLICY AND RESEARCH

3 For carrying out titles III and IX of the Public  
4 Health Service Act, and part A of title XI of the Social  
5 Security Act, \$96,175,000; in addition, amounts received  
6 from Freedom of Information Act fees, reimbursable and  
7 interagency agreements, and the sale of data tapes shall  
8 be credited to this appropriation and shall remain avail-  
9 able until expended: *Provided*, That the amount made  
10 available pursuant to section 926(b) of the Public Health  
11 Service Act shall not exceed \$47,412,000.

## 12 HEALTH CARE FINANCING ADMINISTRATION

## 13 GRANTS TO STATES FOR MEDICAID

14 For carrying out, except as otherwise provided, ti-  
15 tles XI and XIX of the Social Security Act,  
16 \$75,056,618,000, to remain available until expended.

17 For making, after May 31, 1997, payments to  
18 States under title XIX of the Social Security Act for the  
19 last quarter of fiscal year 1997 for unanticipated costs,  
20 incurred for the current fiscal year, such sums as may be  
21 necessary.

22 For making payments to States under title XIX  
23 of the Social Security Act for the first quarter of fiscal  
24 year 1998, \$27,988,993,000, to remain available until ex-  
25 pended.



1           Payment under title XIX may be made for any  
2 quarter with respect to a State plan or plan amendment  
3 in effect during such quarter, if submitted in or prior to  
4 such quarter and approved in that or any subsequent  
5 quarter.

6           PAYMENTS TO HEALTH CARE TRUST FUNDS

7           For payment to the Federal Hospital Insurance  
8 and the Federal Supplementary Medical Insurance Trust  
9 Funds, as provided under sections 217(g) and 1844 of  
10 the Social Security Act, sections 103(c) and 111(d) of  
11 the Social Security Amendments of 1965, section 278(d)  
12 of Public Law 97–248, and for administrative expenses  
13 incurred pursuant to section 201(g) of the Social Secu-  
14 rity Act, \$60,079,000,000.

15           PROGRAM MANAGEMENT

16           For carrying out, except as otherwise provided, ti-  
17 tles XI, XVIII, and XIX of the Social Security Act, title  
18 XIII of the Public Health Service Act, and the Clinical  
19 Laboratory Improvement Amendments of 1988, not to  
20 exceed \$1,735,125,000 to be transferred from the Fed-  
21 eral Hospital Insurance and the Federal Supplementary  
22 Medical Insurance Trust Funds, as authorized by section  
23 201(g) of the Social Security Act; together with all funds  
24 collected in accordance with section 353 of the Public  
25 Health Service Act, the latter funds to remain available  
26 until expended, together with such sums as may be col-

1 lected from authorized user fees and the sale of data,  
 2 which shall remain available until expended: *Provided*,  
 3 That all funds derived in accordance with 31 U.S.C.  
 4 9701 from organizations established under title XIII of  
 5 the Public Health Service Act are to be credited to and  
 6 available for carrying out the purposes of this appropria-  
 7 tion.

8 HEALTH MAINTENANCE ORGANIZATION LOAN AND LOAN  
 9 GUARANTEE FUND

10 For carrying out subsections (d) and (e) of section  
 11 1308 of the Public Health Service Act, any amounts re-  
 12 ceived by the Secretary in connection with loans and loan  
 13 guarantees under title XIII of the Public Health Service  
 14 Act, to be available without fiscal year limitation for the  
 15 payment of outstanding obligations. During fiscal year  
 16 1997, no commitments for direct loans or loan guaran-  
 17 tees shall be made.

18 ADMINISTRATION FOR CHILDREN AND FAMILIES

19 FAMILY SUPPORT PAYMENTS TO STATES

20 For making payments of such sums as necessary  
 21 to each State for carrying out the program of Aid to  
 22 Families with Dependent Children under title IV–A of  
 23 the Social Security Act in fiscal year 1997 before the ef-  
 24 fective date of the program of Temporary Assistance to  
 25 Needy Families (TANF) with respect to such State: *Pro-*  
 26 *vided*, That the sum of the amounts available to a State

1 with respect to expenditures under such title IV–A in fis-  
2 cal year 1997 under this appropriation and under such  
3 title IV–A as amended by the Personal Responsibility and  
4 Work Opportunity Reconciliation Act of 1996 shall not  
5 exceed the limitations under section 116(b) of such Act.

6 For making payments to States for carrying out  
7 title IV–A (other than section 402(g)(6)) of the Social  
8 Security Act in calendar quarters prior to October 1,  
9 1996, such sums as may be necessary.

10 For making payments to States or other non-Fed-  
11 eral entities under titles I, IV–D, X, XI, XIV, and XVI  
12 of the Social Security Act and the Act of July 5, 1960  
13 (24 U.S.C. ch. 9), \$2,158,000,000 to remain available  
14 until expended.

15 For making, after May 31 of the current fiscal  
16 year, payments to States or other non-Federal entities  
17 under titles I, IV–D, X, XI, XIV, and XVI of the Social  
18 Security Act, for the last three months of the current  
19 year for unanticipated costs, incurred for the current fis-  
20 cal year, such sums as may be necessary.

21 For making payments to States or other non-Fed-  
22 eral entities under titles I, IV–D, X, XI, XIV, and XVI  
23 of the Social Security Act and the Act of July 5, 1960  
24 (24 U.S.C. ch. 9) for the first quarter of fiscal year  
25 1998, \$607,000,000, to remain available until expended.

## 1           JOB OPPORTUNITIES AND BASIC SKILLS

2           For carrying out aid to families with dependent  
3 children work programs, as authorized by part F of title  
4 IV of the Social Security Act, \$1,000,000,000.

## 5           LOW INCOME HOME ENERGY ASSISTANCE

6           For making payments under title XXVI of the  
7 Omnibus Budget Reconciliation Act of 1981,  
8 \$1,000,000,000.

9           For making payments under title XXVI of the  
10 Omnibus Budget Reconciliation Act of 1981,  
11 \$1,000,000,000, to be available for obligation in the pe-  
12 riod October 1, 1997 through September 30, 1998.

## 13           REFUGEE AND ENTRANT ASSISTANCE

14           For making payments for refugee and entrant as-  
15 sistance activities authorized by title IV of the Immigra-  
16 tion and Nationality Act and section 501 of the Refugee  
17 Education Assistance Act of 1980 (Public Law 96–422),  
18 \$412,076,000: *Provided*, That funds appropriated pursu-  
19 ant to section 414(a) of the Immigration and Nationality  
20 Act under Public Law 103–333 for fiscal year 1995 shall  
21 be available for the costs of assistance provided and other  
22 activities conducted in such year and in fiscal years 1996  
23 and 1997.

## 1 CHILD CARE AND DEVELOPMENT BLOCK GRANT

2 (INCLUDING TRANSFER OF FUNDS)

3 For carrying out sections 658A through 658R of  
4 the Omnibus Budget Reconciliation Act of 1981 (The  
5 Child Care and Development Block Grant Act of 1990),  
6 \$956,120,000, of which \$937,000,000 shall become avail-  
7 able on October 1, 1997 and shall remain available  
8 through September 30, 1998: *Provided*, That  
9 \$19,120,000 shall become available for obligation on Oc-  
10 tober 1, 1996 for child care resource and referral and  
11 school-aged child care activities, of which \$6,120,000  
12 shall be derived from an amount that shall be transferred  
13 from the amount appropriated under section 452(j) of  
14 the Social Security Act (42 U.S.C. 652(j)) for fiscal year  
15 1996 and remaining available for expenditure.

## 16 SOCIAL SERVICES BLOCK GRANT

17 For making grants to States pursuant to section  
18 2002 of the Social Security Act, \$2,500,000,000: *Pro-*  
19 *vided*, That notwithstanding section 2003(c) of such Act,  
20 as amended, the amount specified for allocation under  
21 such section for fiscal year 1997 shall be \$2,500,000,000.

## 22 CHILDREN AND FAMILIES SERVICES PROGRAMS

23 (INCLUDING RESCISSIONS)

24 For carrying out, except as otherwise provided,  
25 the Runaway and Homeless Youth Act, the Developmen-  
26 tal Disabilities Assistance and Bill of Rights Act, the

1 Head Start Act, the Child Abuse Prevention and Treat-  
 2 ment Act, the Temporary Child Care for Children with  
 3 Disabilities and Crisis Nurseries Act of 1986, section  
 4 429A, part B of title IV of the Social Security Act, sec-  
 5 tion 413 of the Social Security Act, the Family Violence  
 6 Prevention and Services Act, the Native American Pro-  
 7 grams Act of 1974, title II of Public Law 95–266 (adop-  
 8 tion opportunities), the Abandoned Infants Assistance  
 9 Act of 1988, and part B(1) of title IV of the Social Secu-  
 10 rity Act; for making payments under the Community  
 11 Services Block Grant Act; and for necessary administra-  
 12 tive expenses to carry out said Acts and titles I, IV, X,  
 13 XI, XIV, XVI, and XX of the Social Security Act, the  
 14 Act of July 5, 1960 (24 U.S.C. ch. 9), the Omnibus  
 15 Budget Reconciliation Act of 1981, title IV of the Immi-  
 16 gration and Nationality Act, section 501 of the Refugee  
 17 Education Assistance Act of 1980, and section 126 and  
 18 titles IV and V of Public Law 100–485, \$5,363,569,000,  
 19 of which \$536,432,000 shall be for making payments  
 20 under the Community Services Block Grant Act: *Pro-*  
 21 *vided*, That to the extent Community Services Block  
 22 Grant funds are distributed as grant funds by a State to  
 23 an eligible entity as provided under the Act, and have not  
 24 been expended by such entity, they shall remain with  
 25 such entity for carryover into the next fiscal year for ex-

1 penditure by such entity consistent with program pur-  
2 poses: *Provided further*, That of the amount appropriated  
3 for fiscal year 1997 under section 672(a) of the Commu-  
4 nity Services Block Grant Act, the Secretary shall use up  
5 to one percent of the funds available to correct allocation  
6 errors that occurred in fiscal year 1995 and fiscal year  
7 1996 to ensure that the minimum allotment to each  
8 State for each of fiscal years 1995 and 1996 would be  
9 \$2,222,460: *Provided further*, That no more than one-half  
10 of one percent of the funds available under section 672(a)  
11 shall be used for the purposes of section 674(a) of the  
12 Community Services Block Grant Act.

13         In addition, \$20,000,000, to be derived from the  
14 Violent Crime Reduction Trust Fund, for carrying out  
15 sections 40155, 40211 and 40241 of Public Law 103–  
16 322.

17         Funds appropriated for fiscal year 1996 and fiscal  
18 year 1997 under section 429A(e), part B of title IV of  
19 the Social Security Act shall be reduced by \$6,000,000  
20 in each such year.

21         Funds appropriated for fiscal year 1997 under  
22 section 413(h)(1) of the Social Security Act shall be re-  
23 duced by \$15,000,000.

24                 FAMILY PRESERVATION AND SUPPORT

25         For carrying out section 430 of the Social Secu-  
26 rity Act, \$240,000,000.

1 PAYMENTS TO STATES FOR FOSTER CARE AND ADOPTION  
2 ASSISTANCE

3 For making payments to States or other non-Fed-  
4 eral entities, under title IV–E of the Social Security Act,  
5 \$4,445,031,000.

6 For making payments to States or other non-Fed-  
7 eral entities, under title IV–E of the Social Security Act,  
8 for the first quarter of fiscal year 1998, \$1,111,000,000.

9 ADMINISTRATION ON AGING

10 AGING SERVICES PROGRAMS

11 For carrying out, to the extent not otherwise pro-  
12 vided, the Older Americans Act of 1965, as amended,  
13 \$830,168,000: *Provided*, That notwithstanding section  
14 308(b)(1) of such Act, the amounts available to each  
15 State for administration of the State plan under title III  
16 of such Act shall be reduced not more than 5 percent  
17 below the amount that was available to such State for  
18 such purpose for fiscal year 1995: *Provided further*, That  
19 in considering grant applications for nutrition services for  
20 elder Indian recipients, the Assistant Secretary shall pro-  
21 vide maximum flexibility to applicants who seek to take  
22 into account subsistence, local customs and other charac-  
23 teristics that are appropriate to the unique cultural, re-  
24 gional and geographic needs of the American Indian,  
25 Alaskan and Hawaiian native communities to be served.



## OFFICE OF THE SECRETARY

## GENERAL DEPARTMENTAL MANAGEMENT

For necessary expenses, not otherwise provided, for general departmental management, including hire of six sedans, and for carrying out titles III, XVII, and XX of the Public Health Service Act, \$174,523,000, together with \$5,851,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Hospital Insurance Trust Fund and the Supplemental Medical Insurance Trust Fund: *Provided*, That of the funds made available under this heading for carrying out title XVII of the Public Health Service Act, \$11,500,000 shall be available until expended for extramural construction: *Provided further*, That notwithstanding section 2010 (b) and (c) under title XX of the Public Health Service Act, as amended, of the funds made available under this heading, \$10,879,000 shall be for activities specified under section 2003(b)(2) of title XX of the Public Health Service Act, as amended, and of which \$9,011,000 shall be for prevention grants under section 510(b)(2) of title V of the Social Security Act, as amended: *Provided further*, That of the amount provided, \$5,775,000 is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the

1 Balanced Budget and Emergency Deficit Control Act of  
2 1985, as amended.

3 OFFICE OF INSPECTOR GENERAL

4 For expenses necessary for the Office of Inspector  
5 General in carrying out the provisions of the Inspector  
6 General Act of 1978, as amended, \$32,999,000, together  
7 with any funds, to remain available until expended, that  
8 represent the equitable share from the forfeiture of prop-  
9 erty in investigations in which the Office of Inspector  
10 General participated, and which are transferred to the  
11 Office of Inspector General by the Department of Jus-  
12 tice, the Department of the Treasury, or the United  
13 States Postal Service.

14 OFFICE FOR CIVIL RIGHTS

15 For expenses necessary for the Office for Civil  
16 Rights, \$16,216,000, together with not to exceed  
17 \$3,314,000, to be transferred and expended as author-  
18 ized by section 201(g)(1) of the Social Security Act from  
19 the Hospital Insurance Trust Fund and the Supple-  
20 mental Medical Insurance Trust Fund.

21 POLICY RESEARCH

22 For carrying out, to the extent not otherwise pro-  
23 vided, research studies under section 1110 of the Social  
24 Security Act and section 301(l) of Public Law 104–191,  
25 \$18,500,000: *Provided*, That \$9,500,000, to remain

1 available until September 30, 1998, shall be for carrying  
2 out section 301(l) of Public Law 104–191.

3 GENERAL PROVISIONS

4 SEC. 201. Funds appropriated in this title shall be  
5 available for not to exceed \$37,000 for official reception  
6 and representation expenses when specifically approved  
7 by the Secretary.

8 SEC. 202. The Secretary shall make available  
9 through assignment not more than 60 employees of the  
10 Public Health Service to assist in child survival activities  
11 and to work in AIDS programs through and with funds  
12 provided by the Agency for International Development,  
13 the United Nations International Children’s Emergency  
14 Fund or the World Health Organization.

15 SEC. 203. None of the funds appropriated under  
16 this Act may be used to implement section 399L(b) of  
17 the Public Health Service Act or section 1503 of the Na-  
18 tional Institutes of Health Revitalization Act of 1993,  
19 Public Law 103–43.

20 SEC. 204. None of the funds made available by  
21 this Act may be used to withhold payment to any State  
22 under the Child Abuse Prevention and Treatment Act by  
23 reason of a determination that the State is not in compli-  
24 ance with section 1340.2(d)(2)(ii) of title 45 of the Code  
25 of Federal Regulations. This provision expires upon the

1 date of enactment of the reauthorization of the Child  
2 Abuse Prevention and Treatment Act.

3       SEC. 205. None of the funds appropriated in this  
4 Act for the National Institutes of Health and the Sub-  
5 stance Abuse and Mental Health Services Administration  
6 shall be used to pay the salary of an individual, through  
7 a grant or other extramural mechanism, at a rate in ex-  
8 cess of \$125,000 per year.

9       SEC. 206. None of the funds appropriated in this  
10 Act may be expended pursuant to section 241 of the Pub-  
11 lic Health Service Act, except for funds specifically pro-  
12 vided for in this Act, or for other taps and assessments  
13 made by any office located in the Department of Health  
14 and Human Services, prior to the Secretary's preparation  
15 and submission of a report to the Committee on Appro-  
16 priations of the Senate and of the House detailing the  
17 planned uses of such funds.

18                               (TRANSFER OF FUNDS)

19       SEC. 207. Of the funds appropriated or otherwise  
20 made available for the Department of Health and Human  
21 Services, General Departmental Management, for fiscal  
22 year 1997, the Secretary of Health and Human Services  
23 shall transfer to the Office of the Inspector General such  
24 sums as may be necessary for any expenses with respect  
25 to the provision of security protection for the Secretary  
26 of Health and Human Services.

1           SEC. 208. None of the funds appropriated in this  
2 Act may be obligated or expended for the Federal Council  
3 on Aging under the Older Americans Act or the Advisory  
4 Board on Child Abuse and Neglect under the Child  
5 Abuse Prevention and Treatment Act.

6                               (TRANSFER OF FUNDS)

7           SEC. 209. Not to exceed 1 percent of any discre-  
8 tionary funds (pursuant to the Balanced Budget and  
9 Emergency Deficit Control Act, as amended) which are  
10 appropriated for the current fiscal year for the Depart-  
11 ment of Health and Human Services in this Act may be  
12 transferred between appropriations, but no such appro-  
13 priation shall be increased by more than 3 percent by any  
14 such transfer: *Provided*, That the Appropriations Com-  
15 mittees of both House of Congress are notified at least  
16 fifteen days in advance of any transfer.

17                               (TRANSFER OF FUNDS)

18           SEC. 210. The Director of the National Institutes  
19 of Health, jointly with the Director of the Office of AIDS  
20 Research, may transfer up to 3 percent among institutes,  
21 centers, and divisions from the total amounts identified  
22 by these two Directors as funding for research pertaining  
23 to the human immunodeficiency virus: *Provided*, That the  
24 Congress is promptly notified of the transfer.

## (TRANSFER OF FUNDS)

SEC. 211. Of the amounts made available in this Act for the National Institutes of Health, the amount for research related to the human immunodeficiency virus, as jointly determined by the Director of NIH and the Director of the Office of AIDS Research, shall be made available to the “Office of AIDS Research” account. The Director of the Office of AIDS Research shall transfer from such account amounts necessary to carry out section 2353(d)(3) of the Public Health Service Act.

SEC. 212. Not later than January 1, 1997, the Administrator of the Health Care Financing Administration, with the advice and technical assistance of the Agency for Health Care Policy and Research, shall transmit to the appropriate committees of the Congress a report including—

- (1) a review of all available studies and research data on the treatment of end-stage emphysema and chronic obstructive pulmonary disease by both unilateral and bilateral lung volume reduction surgery, involving both invasive and noninvasive surgery and supplemental surgical methods, including laser applications; and
- (2) a recommendation, based on such review, as to the appropriateness of Medicare coverage of such procedures and the conditions, if necessary, that facilities and

1 physicians should be required to meet, to ensure the effi-  
2 cacy of such procedures, as more detailed clinical studies  
3 are conducted.

4 SEC. 213. Section 304(a)(1) of the Family Vio-  
5 lence Prevention and Services Act (42 U.S.C.  
6 10403(a)(1)) is amended by striking “\$200,000” and in-  
7 serting “\$400,000”.

8 SEC. 214. The new clinical research center at the  
9 National Institutes of Health is hereby named the Mark  
10 O. Hatfield Clinical Research Center.

11 SEC. 215. Section 345 of Public Law 104–193 is  
12 amended by replacing “section 457(a)” wherever it ap-  
13 pears with “a plan approved under this part”. Amounts  
14 available under such section shall be calculated as though  
15 such section were effective October 1, 1995.

16 This title may be cited as the “Department of  
17 Health and Human Services Appropriations Act, 1997”.

## 18 TITLE III—DEPARTMENT OF EDUCATION

### 19 EDUCATION REFORM

20 For carrying out activities authorized by titles III  
21 and IV of the Goals 2000: Educate America Act and the  
22 School-to-Work Opportunities Act, \$691,000,000, of  
23 which \$476,000,000 for the Goals 2000: Educate Amer-  
24 ica Act and \$200,000,000 for the School-to-Work Oppor-  
25 tunities Act shall become available on July 1, 1997, and

1 remain available through September 30, 1998: *Provided*,  
 2 That none of the funds appropriated under this heading  
 3 shall be obligated or expended to carry out section  
 4 304(a)(2)(A) of the Goals 2000: Educate America Act.

5 EDUCATION FOR THE DISADVANTAGED

6 For carrying out title I of the Elementary and  
 7 Secondary Education Act of 1965, and section 418A of  
 8 the Higher Education Act, \$7,698,469,000, of which  
 9 \$6,380,114,000 shall become available on July 1, 1997,  
 10 and shall remain available through September 30, 1998,  
 11 and of which \$1,298,386,000 shall become available on  
 12 October 1, 1997 and shall remain available through Sep-  
 13 tember 30, 1998, for academic year 1997–1998: *Pro-*  
 14 *vided*, That \$6,194,850,000 shall be available for basic  
 15 grants under section 1124: *Provided further*, That up to  
 16 \$3,500,000 of these funds shall be available to the Sec-  
 17 retary on October 1, 1996, to obtain updated local-edu-  
 18 cational-agency-level census poverty data from the Bu-  
 19 reau of the Census: *Provided further*, That \$999,249,000  
 20 shall be available for concentration grants under section  
 21 1124(A) and \$7,000,000 shall be available for evalua-  
 22 tions under section 1501.

23 IMPACT AID

24 For carrying out programs of financial assistance  
 25 to federally affected schools authorized by title VIII of  
 26 the Elementary and Secondary Education Act of 1965,



1 \$730,000,000, of which \$615,500,000 shall be for basic  
 2 support payments under section 8003(b), \$40,000,000  
 3 shall be for payments for children with disabilities under  
 4 section 8003(d), \$52,000,000, to remain available until  
 5 expended, shall be for payments under section 8003(f),  
 6 \$5,000,000 shall be for construction under section 8007,  
 7 and \$17,500,000 shall be for Federal property payments  
 8 under section 8002.

9 SCHOOL IMPROVEMENT PROGRAMS

10 For carrying out school improvement activities au-  
 11 thorized by titles II, IV–A–1, V–A and B, VI, IX, X and  
 12 XIII of the Elementary and Secondary Education Act of  
 13 1965; the Stewart B. McKinney Homeless Assistance  
 14 Act; and the Civil Rights Act of 1964; \$1,425,631,000,  
 15 of which \$1,202,478,000 shall become available on July  
 16 1, 1997, and remain available through September 30,  
 17 1998: *Provided*, That of the amount appropriated,  
 18 \$310,000,000 shall be for Eisenhower professional devel-  
 19 opment State grants under title II–B and \$310,000,000  
 20 shall be for innovative education program strategies State  
 21 grants under title VI–A.

22 BILINGUAL AND IMMIGRANT EDUCATION

23 For carrying out, to the extent not otherwise pro-  
 24 vided, bilingual, foreign language and immigrant edu-  
 25 cation activities authorized by parts A and C and section  
 26 7203 of title VII of the Elementary and Secondary Edu-

1 cation Act, without regard to section 7103(b),  
2 \$261,700,000, of which \$100,000,000 shall be for immi-  
3 grant education programs authorized by part C: *Pro-*  
4 *vided*, That State educational agencies may use all, or  
5 any part of, their part C allocation for competitive grants  
6 to local educational agencies: *Provided further*, That the  
7 Department of Education should only support instruc-  
8 tional programs which ensure that students completely  
9 master English in a timely fashion (a period of three to  
10 five years) while meeting rigorous achievement standards  
11 in the academic content areas.

12 SPECIAL EDUCATION

13 For carrying out parts B, C, D, E, F, G, and H  
14 and section 610(j)(2)(C) of the Individuals with Disabil-  
15 ities Education Act, \$4,036,000,000, of which  
16 \$3,783,685,000 shall become available for obligation on  
17 July 1, 1997, and shall remain available through Septem-  
18 ber 30, 1998: *Provided*, That the Republic of the Mar-  
19 shall Islands, the Federated States of Micronesia, and  
20 the Republic of Palau shall continue to be eligible to re-  
21 ceive funds under the Individuals with Disabilities Edu-  
22 cation Act consistent with the provisions of Public Law  
23 104–134: *Provided further*, That the entities that received  
24 competitive awards for direct services to children under  
25 section 611 of the Individuals with Disabilities Education  
26 Act in accordance with the competition required in Public

1 Law 104–134 shall continue to be funded, without com-  
2 petition, in the same amounts as under Public Law 104–  
3 134.

4 REHABILITATION SERVICES AND DISABILITY RESEARCH

5 For carrying out, to the extent not otherwise pro-  
6 vided, the Rehabilitation Act of 1973, the Technology-Re-  
7 lated Assistance for Individuals with Disabilities Act, and  
8 the Helen Keller National Center Act, as amended,  
9 \$2,509,447,000.

10 SPECIAL INSTITUTIONS FOR PERSONS WITH  
11 DISABILITIES

12 AMERICAN PRINTING HOUSE FOR THE BLIND

13 For carrying out the Act of March 3, 1879, as  
14 amended (20 U.S.C. 101 et seq.), \$6,680,000.

15 NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

16 For the National Technical Institute for the Deaf  
17 under titles I and II of the Education of the Deaf Act  
18 of 1986 (20 U.S.C. 4301 et seq.), \$43,041,000: *Provided*,  
19 That from the amount available, the Institute may at its  
20 discretion use funds for the endowment program as au-  
21 thorized under section 207.

22 GALLAUDET UNIVERSITY

23 For the Kendall Demonstration Elementary  
24 School, the Model Secondary School for the Deaf, and  
25 the partial support of Gallaudet University under titles I  
26 and II of the Education of the Deaf Act of 1986 (20

1 U.S.C. 4301 et seq.), \$79,182,000: *Provided*, That from  
2 the amount available, the University may at its discretion  
3 use funds for the endowment program as authorized  
4 under section 207.

5 VOCATIONAL AND ADULT EDUCATION

6 For carrying out, to the extent not otherwise pro-  
7 vided, the Carl D. Perkins Vocational and Applied Tech-  
8 nology Education Act, the Adult Education Act, and the  
9 National Literacy Act of 1991, \$1,486,531,000, of which  
10 \$4,500,000 shall be for the National Institute for Lit-  
11 eracy; and of which \$1,483,612,000 shall become avail-  
12 able on July 1, 1997 and shall remain available through  
13 September 30, 1998: *Provided*, That, of the amounts  
14 made available for title II of the Carl D. Perkins Voca-  
15 tional and Applied Technology Education Act,  
16 \$4,500,000 shall be used by the Secretary for national  
17 programs under title IV, without regard to section 451:  
18 *Provided further*, That, in addition, the Secretary may re-  
19 serve up to \$9,000,000 under section 101(a)(1)(A) of the  
20 Carl D. Perkins Vocational and Applied Technology Edu-  
21 cation Act, without regard to section 451: *Provided fur-*  
22 *ther*, That the Secretary may reserve up to \$5,000,000  
23 under section 313(d) of the Adult Education Act for ac-  
24 tivities carried out under section 383 of that Act: *Pro-*  
25 *vided further*, That no funds shall be awarded to a State  
26 Council under section 112(f) of the Carl D. Perkins Vo-

1 cational and Applied Technology Education Act, and no  
2 State shall be required to operate such a Council.

3 STUDENT FINANCIAL ASSISTANCE

4 For carrying out subparts 1, 3, and 4, of part A,  
5 part C and part E of title IV of the Higher Education  
6 Act of 1965, as amended, \$7,560,407,000, which shall  
7 remain available through September 30, 1998.

8 The maximum Pell Grant for which a student  
9 shall be eligible during award year 1997–1998 shall be  
10 \$2,700: *Provided*, That notwithstanding section 401(g) of  
11 the Act, if the Secretary determines, prior to publication  
12 of the payment schedule for such award year, that the  
13 amount included within this appropriation for Pell Grant  
14 awards in such award year, and any funds available from  
15 the fiscal year 1996 appropriation for Pell Grant awards,  
16 are insufficient to satisfy fully all such awards for which  
17 students are eligible, as calculated under section 401(b)  
18 of the Act, the amount paid for each such award shall  
19 be reduced by either a fixed or variable percentage, or by  
20 a fixed dollar amount, as determined in accordance with  
21 a schedule of reductions established by the Secretary for  
22 this purpose.

23 FEDERAL FAMILY EDUCATION LOAN PROGRAM ACCOUNT

24 For Federal administrative expenses to carry out  
25 guaranteed student loans authorized by title IV, part B,  
26 of the Higher Education Act, as amended, \$46,572,000.

## HIGHER EDUCATION

1  
2 For carrying out, to the extent not otherwise pro-  
3 vided, parts A and B of title III, without regard to sec-  
4 tion 360(a)(1)(B)(ii), titles IV, V, VI, VII, and IX, part  
5 A and subpart 1 of part B of title X, and title XI of the  
6 Higher Education Act of 1965, as amended, Public Law  
7 102-423 and the Mutual Educational and Cultural Ex-  
8 change Act of 1961; \$879,054,000, of which \$15,673,000  
9 for interest subsidies under title VII of the Higher Edu-  
10 cation Act, as amended, shall remain available until ex-  
11 pended: *Provided*, That funds available for part D of title  
12 IX of the Higher Education Act shall be available to fund  
13 noncompeting continuation awards for academic year  
14 1997-1998 for fellowships awarded originally under part  
15 B of title IX of said Act, under the terms and conditions  
16 of part B: *Provided further*, That \$5,931,000 of the  
17 funds available for part D of title IX of the Higher Edu-  
18 cation Act shall be available to fund new and noncompet-  
19 ing continuation awards for academic year 1997-1998  
20 for fellowships awarded under part C of title IX of said  
21 Act, under the terms and conditions of part C: *Provided*  
22 *further*, That notwithstanding sections 419D, 419E, and  
23 419H of the Higher Education Act, as amended, scholar-  
24 ships made under title IV, part A, subpart 6 shall be pro-  
25 rated to maintain the same number of new scholarships

1 in fiscal year 1997 as in fiscal year 1996: *Provided fur-*  
2 *ther*, That \$3,000,000, to remain available until ex-  
3 pended, shall be for the George H.W. Bush fellowship  
4 program, if authorized by April 1, 1997: *Provided further*,  
5 That \$3,000,000, to remain available until expended,  
6 shall be for the Edmund S. Muskie Foundation to estab-  
7 lish an endowment fund to provide income to support  
8 such foundation on a continuing basis, if authorized by  
9 April 1, 1997: *Provided further*, That \$3,000,000, to re-  
10 main available until expended, shall be for the Claiborne  
11 Pell Institute for International Relations and Public Pol-  
12 icy at Salve Regina University in Newport, Rhode Island,  
13 if authorized by April 1, 1997: *Provided further*, That  
14 \$1,000,000, to remain available until expended, shall be  
15 for the Calvin Coolidge Memorial Foundation, if author-  
16 ized by April 1, 1997: *Provided further*, That, of the  
17 amounts made available under title X, part A of the  
18 Higher Education Act, \$2,000,000 shall be awarded to  
19 the Pennsylvania Educational Telecommunications Ex-  
20 change Network.

21                                   HOWARD UNIVERSITY

22           For partial support of Howard University (20  
23 U.S.C. 121 et seq.), \$196,000,000: *Provided*, That from  
24 the amount available, the University may at its discretion  
25 use funds for the endowment program as authorized

1 under the Howard University Endowment Act (Public  
2 Law 98–480).

3 HIGHER EDUCATION FACILITIES LOANS

4 The Secretary is hereby authorized to make such  
5 expenditures, within the limits of funds available under  
6 this heading and in accord with law, and to make such  
7 contracts and commitments without regard to fiscal year  
8 limitation, as provided by section 104 of the Government  
9 Corporation Control Act (31 U.S.C. 9104), as may be  
10 necessary in carrying out the program for the current fis-  
11 cal year.

12 COLLEGE HOUSING AND ACADEMIC FACILITIES LOANS

13 PROGRAM

14 For administrative expenses to carry out the exist-  
15 ing direct loan program of college housing and academic  
16 facilities loans entered into pursuant to title VII, part C,  
17 of the Higher Education Act, as amended, \$698,000.

18 COLLEGE HOUSING LOANS

19 Pursuant to title VII, part C of the Higher Edu-  
20 cation Act, as amended, for necessary expenses of the col-  
21 lege housing loans program, the Secretary shall make ex-  
22 penditures and enter into contracts without regard to fis-  
23 cal year limitation using loan repayments and other re-  
24 sources available to this account. Any unobligated bal-  
25 ances becoming available from fixed fees paid into this  
26 account pursuant to 12 U.S.C. 1749d, relating to pay-



1 ment of costs for inspections and site visits, shall be  
 2 available for the operating expenses of this account.

3 HISTORICALLY BLACK COLLEGE AND UNIVERSITY

4 CAPITAL FINANCING, PROGRAM ACCOUNT

5 The total amount of bonds insured pursuant to  
 6 section 724 of title VII, part B of the Higher Education  
 7 Act shall not exceed \$357,000,000, and the cost, as de-  
 8 fined in section 502 of the Congressional Budget Act of  
 9 1974, of such bonds shall not exceed zero.

10 For administrative expenses to carry out the His-  
 11 torically Black College and University Capital Financing  
 12 Program entered into pursuant to title VII, part B of the  
 13 Higher Education Act, as amended, \$104,000.

14 EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT

15 For carrying out activities authorized by the Edu-  
 16 cational Research, Development, Dissemination, and Im-  
 17 provement Act of 1994, including part E; the National  
 18 Education Statistics Act of 1994; section 2102, sections  
 19 3132, 3136 and 3141, parts B, C, and D of title III and  
 20 parts A, B, I, and K and section 10601 of title X, and  
 21 part C of title XIII of the Elementary and Secondary  
 22 Education Act of 1965, as amended, and title VI of Pub-  
 23 lic Law 103–227, \$598,350,000: *Provided*, That  
 24 \$200,000,000 shall be for section 3132, \$56,965,000  
 25 shall be for section 3136 and \$10,000,000 shall be for  
 26 section 3141 of the Elementary and Secondary Education

1 Act: *Provided further*, That notwithstanding any other  
2 provision of law, one-half of one percent of the amount  
3 available for section 3132 of the Elementary and Second-  
4 ary Education Act of 1965, as amended, shall be set  
5 aside for the outlying areas to be distributed among the  
6 outlying areas on the basis of their relative need as deter-  
7 mined by the Secretary in accordance with the purposes  
8 of the program: *Provided further*, That, notwithstanding  
9 section 3131(b) of said Act, if any State educational  
10 agency does not apply for a grant under section 3132,  
11 that State's allotment under section 3131 shall be re-  
12 served by the Secretary for grants to local educational  
13 agencies in the State that apply directly to the Secretary  
14 according to the terms and conditions announced by the  
15 Secretary in the Federal Register: *Provided further*, That,  
16 of the amount available for title III, part B of the Ele-  
17 mentary and Secondary Education Act of 1965, as  
18 amended, funds shall be awarded to continue the Iowa  
19 Communication Network statewide fiber optic demonstra-  
20 tion and \$2,000,000 shall be awarded to the Southeast-  
21 ern Pennsylvania Consortium for Higher Education for  
22 the establishment of local and wide area computer net-  
23 works to provide instructional resources to students and  
24 faculty: *Provided further*, That none of the funds appro-

1 priated in this paragraph may be obligated or expended  
2 for the Goals 2000 Community Partnerships Program.

3 LIBRARIES

4       Notwithstanding title VII of this Act, for carrying  
5 out titles I, II, III, and IV of the Library Services and  
6 Construction Act, and title II–B of the Higher Education  
7 Act, \$136,369,000, of which \$16,369,000 shall be used  
8 to carry out the provisions of title II of the Library Serv-  
9 ices and Construction Act and shall remain available  
10 until expended; and \$2,500,000 shall be for section 222  
11 and \$5,000,000 shall be for section 223 of the Higher  
12 Education Act: *Provided*, That \$1,000,000 shall be com-  
13 petitively awarded to a nonprofit regional social tolerance  
14 resource center, operating tolerance tools and prejudice  
15 reduction programs and multimedia tolerance and geno-  
16 cide exhibits: *Provided further*, That \$1,500,000 shall be  
17 for the continuation of a demonstration project making  
18 information available for public use by connecting  
19 Internet to a multistate consortium and a historical soci-  
20 ety: *Provided further*, That \$1,000,000 shall be for con-  
21 tinuation of catalog conversion of research and doctoral  
22 institutions and networking of local libraries under the  
23 fiber optics demonstration initiated in Public Law 102–  
24 394 under section 223 of the Higher Education Act: *Pro-*  
25 *vided further*, That each State or local recipient of funds  
26 under titles I, II, III, and IV of the Library Services and

1 Construction Act may use any such funds to plan for any  
2 library program or activity authorized under title VII of  
3 this Act and conduct any other activity reasonably nec-  
4 essary to provide for an orderly and effective transition  
5 to the operation of library programs or activities under  
6 title VII of this Act.

7 DEPARTMENTAL MANAGEMENT

8 PROGRAM ADMINISTRATION

9 For carrying out, to the extent not otherwise pro-  
10 vided, the Department of Education Organization Act,  
11 including rental of conference rooms in the District of  
12 Columbia and hire of two passenger motor vehicles,  
13 \$327,000,000.

14 OFFICE FOR CIVIL RIGHTS

15 For expenses necessary for the Office for Civil  
16 Rights, as authorized by section 203 of the Department  
17 of Education Organization Act, \$55,000,000.

18 OFFICE OF THE INSPECTOR GENERAL

19 For expenses necessary for the Office of the In-  
20 spector General, as authorized by section 212 of the De-  
21 partment of Education Organization Act, \$30,000,000.

22 GENERAL PROVISIONS

23 SEC. 301. No funds appropriated in this Act may  
24 be used for the transportation of students or teachers (or  
25 for the purchase of equipment for such transportation) in  
26 order to overcome racial imbalance in any school or

1 school system, or for the transportation of students or  
2 teachers (or for the purchase of equipment for such  
3 transportation) in order to carry out a plan of racial de-  
4 segregation of any school or school system.

5       SEC. 302. None of the funds contained in this Act  
6 shall be used to require, directly or indirectly, the trans-  
7 portation of any student to a school other than the school  
8 which is nearest the student's home, except for a student  
9 requiring special education, to the school offering such  
10 special education, in order to comply with title VI of the  
11 Civil Rights Act of 1964. For the purpose of this section  
12 an indirect requirement of transportation of students in-  
13 cludes the transportation of students to carry out a plan  
14 involving the reorganization of the grade structure of  
15 schools, the pairing of schools, or the clustering of  
16 schools, or any combination of grade restructuring, pair-  
17 ing or clustering. The prohibition described in this sec-  
18 tion does not include the establishment of magnet  
19 schools.

20       SEC. 303. No funds appropriated under this Act  
21 may be used to prevent the implementation of programs  
22 of voluntary prayer and meditation in the public schools.

23       SEC. 304. Notwithstanding any other provision of  
24 law, funds available under section 458 of the Higher  
25 Education Act shall not exceed \$491,000,000 for fiscal

1 year 1997. The Department of Education shall use  
2 \$80,000,000 of the amounts provided for payment of ad-  
3 ministrative cost allowances to guaranty agencies for fis-  
4 cal year 1996. For fiscal year 1997, the Department of  
5 Education shall pay administrative costs to guaranty  
6 agencies, calculated on the basis of 0.85 percent of the  
7 total principal amount of loans upon which insurance was  
8 issued on or after October 1, 1996: *Provided*, That such  
9 administrative costs shall be paid only on the first  
10 \$8,200,000,000 of the principal amount of loans upon  
11 which insurance was issued on or after October 1, 1996  
12 by such guaranty agencies, and shall not exceed a total  
13 of \$70,000,000. Such payments are to be paid quarterly,  
14 and receipt of such funds and uses of such funds shall  
15 be in accordance with section 428(f) of the Higher Edu-  
16 cation Act.

17       Notwithstanding section 458 of the Higher Edu-  
18 cation Act, the Secretary may not use funds available  
19 under that section or any other section for subsequent  
20 fiscal years for administrative expenses of the William D.  
21 Ford Direct Loan Program. The Secretary may not re-  
22 quire the return of guaranty agency reserve funds during  
23 fiscal year 1997, except after consultation with both the  
24 Chairmen and ranking members of the House Economic  
25 and Educational Opportunities Committee and the Sen-

1 ate Labor and Human Resources Committee. Any reserve  
2 funds recovered by the Secretary shall be returned to the  
3 Treasury of the United States for purposes of reducing  
4 the Federal deficit.

5 No funds available to the Secretary may be used  
6 for (1) the hiring of advertising agencies or other third  
7 parties to provide advertising services for student loan  
8 programs prior to January 1, 1997, or (2) payment of  
9 administrative fees relating to the William D. Ford Di-  
10 rect Loan Program to institutions of higher education.

11 SEC. 305. None of the funds appropriated in this  
12 Act may be obligated or expended to carry out section  
13 621(b) of Public Law 101–589.

14 (TRANSFER OF FUNDS)

15 SEC. 306. Not to exceed 1 percent of any discre-  
16 tionary funds (pursuant to the Balanced Budget and  
17 Emergency Deficit Control Act, as amended) which are  
18 appropriated for the current fiscal year for the Depart-  
19 ment of Education in this Act may be transferred be-  
20 tween appropriations, but no such appropriation shall be  
21 increased by more than 3 percent by any such transfer:  
22 *Provided*, That the Appropriations Committees of both  
23 Houses of Congress are notified at least fifteen days in  
24 advance of any transfer.

1           SEC. 307. (a) Section 8003(f)(3)(A)(i) of the Ele-  
2   mentary and Secondary Education Act of 1965 (20  
3   U.S.C. 7703(f)(3)(A)(i)) is amended—

4           (1) in the matter preceding subclause (I), by  
5   striking “The Secretary” and all that follows  
6   through “greater of—” and inserting the following:  
7   “The Secretary, in conjunction with the local edu-  
8   cational agency, shall first determine each of the fol-  
9   lowing:”;

10          (2) in each of subclauses (I) through (III), by  
11   striking “the average” each place it appears the first  
12   time in each such subclause and inserting “The av-  
13   erage”;

14          (3) in subclause (I), by striking the semicolon  
15   and inserting a period;

16          (4) in subclause (II), by striking “: or” and in-  
17   serting a period; and

18          (5) by adding at the end the following:

19          “The local educational agency shall select one of  
20   the amounts determined under subclause (I), (II), or  
21   (III) for purposes of the remaining computations under  
22   this subparagraph.”.

23          (b) The amendments made by subsection (a) shall  
24   apply with respect to fiscal years beginning with fiscal  
25   year 1995.



1           SEC. 308. Section 485(e)(9) of the Higher Edu-  
2 cation Act of 1965 is amended by striking out “June 30”  
3 in the second sentence of such section and inserting “Au-  
4 gust 30”.

5           This title may be cited as the “Department of  
6 Education Appropriations Act, 1997”.

7                   TITLE IV—RELATED AGENCIES

8                   ARMED FORCES RETIREMENT HOME

9           For expenses necessary for the Armed Forces Re-  
10 tirement Home to operate and maintain the United  
11 States Soldiers’ and Airmen’s Home and the United  
12 States Naval Home, to be paid from funds available in  
13 the Armed Forces Retirement Home Trust Fund,  
14 \$56,204,000, of which \$432,000 shall remain available  
15 until expended for construction and renovation of the  
16 physical plants at the United States Soldiers’ and Air-  
17 men’s Home and the United States Naval Home: *Pro-*  
18 *vided*, That this appropriation shall not be available for  
19 the payment of hospitalization of members of the Sol-  
20 diers’ and Airmen’s Home in United States Army hos-  
21 pitals at rates in excess of those prescribed by the Sec-  
22 retary of the Army upon recommendation of the Board  
23 of Commissioners and the Surgeon General of the Army.

1 CORPORATION FOR NATIONAL AND COMMUNITY SERVICE  
2 DOMESTIC VOLUNTEER SERVICE PROGRAMS, OPERATING  
3 EXPENSES

4 For expenses necessary for the Corporation for  
5 National and Community Service to carry out the provi-  
6 sions of the Domestic Volunteer Service Act of 1973, as  
7 amended, \$213,969,000.

8 CORPORATION FOR PUBLIC BROADCASTING

9 For payment to the Corporation for Public Broad-  
10 casting, as authorized by the Communications Act of  
11 1934, an amount which shall be available within limita-  
12 tions specified by that Act, for the fiscal year 1999,  
13 \$250,000,000: *Provided*, That no funds made available to  
14 the Corporation for Public Broadcasting by this Act shall  
15 be used to pay for receptions, parties, or similar forms  
16 of entertainment for Government officials or employees:  
17 *Provided further*, That none of the funds contained in  
18 this paragraph shall be available or used to aid or sup-  
19 port any program or activity from which any person is  
20 excluded, or is denied benefits, or is discriminated  
21 against, on the basis of race, color, national origin, reli-  
22 gion, or sex.

## 1       FEDERAL MEDIATION AND CONCILIATION SERVICE

## 2                       SALARIES AND EXPENSES

3           For expenses necessary for the Federal Mediation  
4 and Conciliation Service to carry out the functions vested  
5 in it by the Labor Management Relations Act, 1947 (29  
6 U.S.C. 171–180, 182–183), including hire of passenger  
7 motor vehicles; and for expenses necessary for the Labor-  
8 Management Cooperation Act of 1978 (29 U.S.C. 175a);  
9 and for expenses necessary for the Service to carry out  
10 the functions vested in it by the Civil Service Reform Act,  
11 Public Law 95–454 (5 U.S.C. chapter 71), \$32,579,000  
12 including \$1,500,000, to remain available through Sep-  
13 tember 30, 1998, for activities authorized by the Labor-  
14 Management Cooperation Act of 1978 (29 U.S.C. 175a):  
15 *Provided*, That notwithstanding 31 U.S.C. 3302, fees  
16 charged, up to full-cost recovery, for special training ac-  
17 tivities and for arbitration services shall be credited to  
18 and merged with this account, and shall remain available  
19 until expended: *Provided further*, That fees for arbitration  
20 services shall be available only for education, training,  
21 and professional development of the agency workforce:  
22 *Provided further*, That the Director of the Service is au-  
23 thorized to accept on behalf of the United States gifts of  
24 services and real, personal, or other property in the aid

1 of any projects or functions within the Director's jurisdic-  
2 tion.

3       FEDERAL MINE SAFETY AND HEALTH REVIEW

4                       COMMISSION

5                       SALARIES AND EXPENSES

6       For expenses necessary for the Federal Mine  
7 Safety and Health Review Commission (30 U.S.C. 801 et  
8 seq.), \$6,060,000.

9       NATIONAL COMMISSION ON LIBRARIES AND

10                      INFORMATION SCIENCE

11                      SALARIES AND EXPENSES

12       For necessary expenses for the National Commis-  
13 sion on Libraries and Information Science, established by  
14 the Act of July 20, 1970 (Public Law 91-345, as amend-  
15 ed by Public Law 102-95), \$897,000.

16       NATIONAL COUNCIL ON DISABILITY

17                      SALARIES AND EXPENSES

18       For expenses necessary for the National Council  
19 on Disability as authorized by title IV of the Rehabilita-  
20 tion Act of 1973, as amended, \$1,793,000.

21       NATIONAL EDUCATION GOALS PANEL

22       For expenses necessary for the National Edu-  
23 cation Goals Panel, as authorized by title II, part A of  
24 the Goals 2000: Educate America Act, \$1,500,000.

## 1 NATIONAL LABOR RELATIONS BOARD

## 2 SALARIES AND EXPENSES

3 For expenses necessary for the National Labor  
4 Relations Board to carry out the functions vested in it  
5 by the Labor-Management Relations Act, 1947, as  
6 amended (29 U.S.C. 141–167), and other laws,  
7 \$175,000,000: *Provided*, That no part of this appropria-  
8 tion shall be available to organize or assist in organizing  
9 agricultural laborers or used in connection with investiga-  
10 tions, hearings, directives, or orders concerning bargain-  
11 ing units composed of agricultural laborers as referred to  
12 in section 2(3) of the Act of July 5, 1935 (29 U.S.C.  
13 152), and as amended by the Labor-Management Rela-  
14 tions Act, 1947, as amended, and as defined in section  
15 3(f) of the Act of June 25, 1938 (29 U.S.C. 203), and  
16 including in said definition employees engaged in the  
17 maintenance and operation of ditches, canals, reservoirs,  
18 and waterways when maintained or operated on a mu-  
19 tual, nonprofit basis and at least 95 per centum of the  
20 water stored or supplied thereby is used for farming pur-  
21 poses: *Provided further*, That none of the funds made  
22 available by this Act shall be used in any way to promul-  
23 gate a final rule (altering 29 CFR part 103) regarding  
24 single location bargaining units in representation cases.

## 1 NATIONAL MEDIATION BOARD

## 2 SALARIES AND EXPENSES

3 For expenses necessary to carry out the provisions  
4 of the Railway Labor Act, as amended (45 U.S.C. 151–  
5 188), including emergency boards appointed by the Presi-  
6 dent, \$8,300,000: *Provided*, That unobligated balances at  
7 the end of fiscal year 1997 not needed for emergency  
8 boards shall remain available for other statutory purposes  
9 through September 30, 1998.

## 10 OCCUPATIONAL SAFETY AND HEALTH REVIEW

## 11 COMMISSION

## 12 SALARIES AND EXPENSES

13 For expenses necessary for the Occupational Safe-  
14 ty and Health Review Commission (29 U.S.C. 661),  
15 \$7,753,000.

## 16 PHYSICIAN PAYMENT REVIEW COMMISSION

## 17 SALARIES AND EXPENSES

18 For expenses necessary to carry out section  
19 1845(a) of the Social Security Act, \$3,263,000, to be  
20 transferred to this appropriation from the Federal Sup-  
21 plementary Medical Insurance Trust Fund.

## 22 PROSPECTIVE PAYMENT ASSESSMENT COMMISSION

## 23 SALARIES AND EXPENSES

24 For expenses necessary to carry out section  
25 1886(e) of the Social Security Act, \$3,263,000, to be

1 transferred to this appropriation from the Federal Hos-  
2 pital Insurance and the Federal Supplementary Medical  
3 Insurance Trust Funds.

4 SOCIAL SECURITY ADMINISTRATION

5 PAYMENTS TO SOCIAL SECURITY TRUST FUNDS

6 For payment to the Federal Old-Age and Survi-  
7 vors Insurance and the Federal Disability Insurance trust  
8 funds, as provided under sections 201(m), 228(g), and  
9 1131(b)(2) of the Social Security Act, \$20,923,000.

10 In addition, to reimburse these trust funds for ad-  
11 ministrative expenses to carry out sections 9704 and  
12 9706 of the Internal Revenue Code of 1986,  
13 \$10,000,000, to remain available until expended.

14 SPECIAL BENEFITS FOR DISABLED COAL MINERS

15 For carrying out title IV of the Federal Mine  
16 Safety and Health Act of 1977, \$460,070,000, to remain  
17 available until expended.

18 For making, after July 31 of the current fiscal  
19 year, benefit payments to individuals under title IV of the  
20 Federal Mine Safety and Health Act of 1977, for costs  
21 incurred in the current fiscal year, such amounts as may  
22 be necessary.

23 For making benefit payments under title IV of the  
24 Federal Mine Safety and Health Act 1977 for the first  
25 quarter of fiscal year 1998, \$160,000,000, to remain  
26 available until expended.

## 1           SUPPLEMENTAL SECURITY INCOME PROGRAM

2           For carrying out titles XI and XVI of the Social  
3 Security Act, section 401 of Public Law 92–603, section  
4 212 of Public Law 93–66, as amended, and section 405  
5 of Public Law 95–216, including payment to the Social  
6 Security trust funds for administrative expenses incurred  
7 pursuant to section 201(g)(1) of the Social Security Act,  
8 \$19,372,010,000, to remain available until expended:  
9 *Provided*, That any portion of the funds provided to a  
10 State in the current fiscal year and not obligated by the  
11 State during that year shall be returned to the Treasury.

12           From funds provided under the previous para-  
13 graph, not less than \$100,000,000 shall be available for  
14 payment to the Social Security trust funds for adminis-  
15 trative expenses for conducting continuing disability re-  
16 views.

17           In addition, \$175,000,000, to remain available  
18 until September 30, 1998, for payment to the Social Se-  
19 curity trust funds for administrative expenses for con-  
20 tinuing disability reviews as authorized by section 103 of  
21 Public Law 104–121 and Supplemental Security Income  
22 administrative work as authorized by Public Law 104–  
23 193. The term “continuing disability reviews” means re-  
24 views and redetermination as defined under section  
25 201(g)(1)(A) of the Social Security Act as amended, and



1 reviews and redeterminations authorized under section  
2 211 of Public Law 104–193.

3       For making, after June 15 of the current fiscal  
4 year, benefit payments to individuals under title XVI of  
5 the Social Security Act, for unanticipated costs incurred  
6 for the current fiscal year, such sums as may be nec-  
7 essary.

8       For carrying out title XVI of the Social Security  
9 Act for the first quarter of fiscal year 1998,  
10 \$9,690,000,000, to remain available until expended.

11       LIMITATION ON ADMINISTRATIVE EXPENSES

12       For necessary expenses, including the hire of two  
13 passenger motor vehicles, and not to exceed \$10,000 for  
14 official reception and representation expenses, not more  
15 than \$5,873,382,000 may be expended, as authorized by  
16 section 201(g)(1) of the Social Security Act or as nec-  
17 essary to carry out sections 9704 and 9706 of the Inter-  
18 nal Revenue Code of 1986 from any one or all of the  
19 trust funds referred to therein: *Provided*, That reimburse-  
20 ment to the trust funds under this heading for adminis-  
21 trative expenses to carry out sections 9704 and 9706 of  
22 the Internal Revenue Code of 1986 shall be made, with  
23 interest, not later than September 30, 1988: *Provided*  
24 *further*, That not less than \$1,268,000 shall be for the  
25 Social Security Advisory Board: *Provided further*, That  
26 unobligated balances at the end of fiscal year 1997 not

1 needed for fiscal year 1997 shall remain available until  
2 expended for a state-of-the-art computing network, in-  
3 cluding related equipment and administrative expenses  
4 associated solely with this network.

5       From funds provided under the previous para-  
6 graph, not less than \$200,000,000 shall be available for  
7 conducting continuing disability reviews.

8       In addition to funding already available under this  
9 heading, and subject to the same terms and conditions,  
10 \$310,000,000, to remain available until September 30,  
11 1998, for continuing disability reviews as authorized by  
12 section 103 of Public Law 104–121 and Supplemental  
13 Security Income administrative work as authorized by  
14 Public Law 104–193. The term “continuing disability re-  
15 views” means reviews and redetermination as defined  
16 under section 201(g)(1)(A) of the Social Security Act as  
17 amended, and reviews and redeterminations authorized  
18 under section 211 of Public Law 104–193.

19       In addition to funding already available under this  
20 heading, and subject to the same terms and conditions,  
21 \$234,895,000, which shall remain available until ex-  
22 pended, to invest in a state-of-the-art computing network,  
23 including related equipment and administrative expenses  
24 associated solely with this network, for the Social Secu-  
25 rity Administration and the State Disability Determina-

tion Services, may be expended from any or all of the trust funds as authorized by section 201(g)(1) of the Social Security Act.

#### OFFICE OF INSPECTOR GENERAL

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended, \$6,335,000, together with not to exceed \$31,089,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

#### RAILROAD RETIREMENT BOARD

##### DUAL BENEFITS PAYMENTS ACCOUNT

For payment to the Dual Benefits Payments Account, authorized under section 15(d) of the Railroad Retirement Act of 1974, \$223,000,000, which shall include amounts becoming available in fiscal year 1997 pursuant to section 224(c)(1)(B) of Public Law 98-76; and in addition, an amount, not to exceed 2 percent of the amount provided herein, shall be available proportional to the amount by which the product of recipients and the average benefit received exceeds \$223,000,000: *Provided*, That the total amount provided herein shall be credited in 12 approximately equal amounts on the first day of each month in the fiscal year.

## 1 FEDERAL PAYMENTS TO THE RAILROAD RETIREMENT

## 2 ACCOUNTS

3 For payment to the accounts established in the  
4 Treasury for the payment of benefits under the Railroad  
5 Retirement Act for interest earned on unnegotiated  
6 checks, \$300,000, to remain available through September  
7 30, 1998, which shall be the maximum amount available  
8 for payment pursuant to section 417 of Public Law 98—  
9 76.

## 10 LIMITATION ON ADMINISTRATION

11 For necessary expenses for the Railroad Retire-  
12 ment Board for administration of the Railroad Retire-  
13 ment Act and the Railroad Unemployment Insurance  
14 Act, \$87,898,000, to be derived in such amounts as de-  
15 termined by the Board from the railroad retirement ac-  
16 counts and from moneys credited to the railroad unem-  
17 ployment insurance administration fund.

## 18 LIMITATION ON THE OFFICE OF INSPECTOR GENERAL

19 For expenses necessary for the Office of Inspector  
20 General for audit, investigatory and review activities, as  
21 authorized by the Inspector General Act of 1978, as  
22 amended, not more than \$5,404,000, to be derived from  
23 the railroad retirement accounts and railroad unemploy-  
24 ment insurance account: *Provided*, That none of the  
25 funds made available in this Act may be transferred to  
26 the Office from the Department of Health and Human

1 Services, or used to carry out any such transfer: *Provided*  
2 *further*, That none of the funds made available in this  
3 paragraph may be used for any audit, investigation, or  
4 review of the Medicare program.

5 UNITED STATES INSTITUTE OF PEACE

6 OPERATING EXPENSES

7 For necessary expenses of the United States Insti-  
8 tute of Peace as authorized in the United States Institute  
9 of Peace Act, \$11,160,000.

10 TITLE V—GENERAL PROVISIONS

11 SEC. 501. The Secretaries of Labor, Health and  
12 Human Services, and Education are authorized to trans-  
13 fer unexpended balances of prior appropriations to ac-  
14 counts corresponding to current appropriations provided  
15 in this Act: *Provided*, That such transferred balances are  
16 used for the same purpose, and for the same periods of  
17 time, for which they were originally appropriated.

18 SEC. 502. No part of any appropriation contained  
19 in this Act shall remain available for obligation beyond  
20 the current fiscal year unless expressly so provided here-  
21 in.

22 SEC. 503. (a) No part of any appropriation con-  
23 tained in this Act shall be used, other than for normal  
24 and recognized executive-legislative relationships, for pub-  
25 licity or propaganda purposes, for the preparation, dis-

1   tribution, or use of any kit, pamphlet, booklet, publica-  
2   tion, radio, television, or video presentation designed to  
3   support or defeat legislation pending before the Congress,  
4   except in presentation to the Congress itself or any State  
5   legislature, except in presentation to the Congress or any  
6   State legislative body itself.

7           (b) No part of any appropriation contained in this  
8   Act shall be used to pay the salary or expenses of any  
9   grant or contract recipient, or agent acting for such re-  
10   cipient, related to any activity designed to influence legis-  
11   lation or appropriations pending before the Congress or  
12   any State legislature.

13           SEC. 504. The Secretaries of Labor and Edu-  
14   cation are each authorized to make available not to ex-  
15   ceed \$15,000 from funds available for salaries and ex-  
16   penses under titles I and III, respectively, for official re-  
17   ception and representation expenses; the Director of the  
18   Federal Mediation and Conciliation Service is authorized  
19   to make available for official reception and representation  
20   expenses not to exceed \$2,500 from the funds available  
21   for “Salaries and expenses, Federal Mediation and Con-  
22   ciliation Service”; and the Chairman of the National Me-  
23   diation Board is authorized to make available for official  
24   reception and representation expenses not to exceed

1 \$2,500 from funds available for “Salaries and expenses,  
2 National Mediation Board”.

3       SEC. 505. Notwithstanding any other provision of  
4 this Act, no funds appropriated under this Act shall be  
5 used to carry out any program of distributing sterile nee-  
6 dles for the hypodermic injection of any illegal drug un-  
7 less the Secretary of Health and Human Services deter-  
8 mines that such programs are effective in preventing the  
9 spread of HIV and do not encourage the use of illegal  
10 drugs.

11       SEC. 506. (a) PURCHASE OF AMERICAN-MADE  
12 EQUIPMENT AND PRODUCTS.—It is the sense of the Con-  
13 gress that, to the greatest extent practicable, all equip-  
14 ment and products purchased with funds made available  
15 in this Act should be American-made.

16       (b) NOTICE REQUIREMENT.—In providing finan-  
17 cial assistance to, or entering into any contract with, any  
18 entity using funds made available in this Act, the head  
19 of each Federal agency, to the greatest extent prac-  
20 ticable, shall provide to such entity a notice describing  
21 the statement made in subsection (a) by the Congress.

22       (c) PROHIBITION OF CONTRACTS WITH PERSONS  
23 FALSELY LABELING PRODUCTS AS MADE IN AMERICA.—  
24 If it has been finally determined by a court or Federal  
25 agency that any person intentionally affixed a label bear-

1 ing a “Made in America” inscription, or any inscription  
2 with the same meaning, to any product sold in or shipped  
3 to the United States that is not made in the United  
4 States, the person shall be ineligible to receive any con-  
5 tract or subcontract made with funds made available in  
6 this Act, pursuant to the debarment, suspension, and in-  
7 eligibility procedures described in sections 9.400 through  
8 9.409 of title 48, code of Federal Regulations.

9       SEC. 507. When issuing statements, press re-  
10 leases, requests for proposals, bid solicitations and other  
11 documents describing projects or programs funded in  
12 whole or in part with Federal money, all grantees receiv-  
13 ing Federal funds included in this Act, including but not  
14 limited to State and local governments and recipients of  
15 Federal research grants, shall clearly state (1) the per-  
16 centage of the total costs of the program or project which  
17 will be financed with Federal money, (2) the dollar  
18 amount of Federal funds for the project or program, and  
19 (3) percentage and dollar amount of the total costs of the  
20 project or program that will be financed by nongovern-  
21 mental sources.

22       SEC. 508. None of the funds appropriated under  
23 this Act shall be expended for any abortion except when  
24 it is made known to the Federal entity or official to  
25 which funds are appropriated under this Act that such



1 procedure is necessary to save the life of the mother or  
2 that the pregnancy is the result of an act of rape or in-  
3 cest.

4 SEC. 509. Notwithstanding any other provision of  
5 law—

6 (1) no amount may be transferred from an ap-  
7 propriation account for the Departments of Labor,  
8 Health and Human Services, and Education except  
9 as authorized in this or any subsequent appropria-  
10 tion Act, or in the Act establishing the program or  
11 activity for which funds are contained in this Act;

12 (2) no department, agency, or other entity,  
13 other than the one responsible for administering the  
14 program or activity for which an appropriation is  
15 made in this Act, may exercise authority for the tim-  
16 ing of the obligation and expenditure of such appro-  
17 priation, or for the purpose for which it is obligated  
18 and expended, except to the extent and in the man-  
19 ner otherwise provided in sections 1512 and 1513 of  
20 title 31, United States Code; and

21 (3) no funds provided under this Act shall be  
22 available for the salary (or any part thereof) of an  
23 employee who is reassigned on a temporary detail  
24 basis to another position in the employing agency or  
25 department or in any other agency or department,

1        unless the detail is independently approved by the  
2        head of the employing department of agency.

3        SEC. 510. None of the funds made available in  
4 this Act may be used for the expenses of an electronic  
5 benefit transfer (EBT) task force.

6        SEC. 511. None of the funds made available in  
7 this Act may be used to enforce the requirements of sec-  
8 tion 428(b)(1)(U)(iii) of the Higher Education Act of  
9 1965 with respect to any lender when it is made known  
10 to the Federal official having authority to obligate or ex-  
11 pend such funds that the lender has a loan portfolio  
12 under part B of title IV of such Act that is equal to  
13 or less than \$5,000,000.

14        SEC. 512. (a) None of the funds made available  
15 in this Act may be used for—

16            (1) the creation of a human embryo or embryos  
17        for research purposes; or

18            (2) research in which a human embryo or em-  
19        bryos are destroyed, discarded, or knowingly sub-  
20        jected to risk of injury or death greater than that  
21        allowed for research on fetuses in utero under 45  
22        CFR 46.208(a)(2) and section 498(b) of the Public  
23        Health Service Act (42 U.S.C. 289g(b)).

24        (b) For purposes of this section, the term “human  
25        embryo or embryos” include any organism, not protected

1 as a human subject under 45 CFR 46 as of the date of  
2 the enactment of this Act, that is derived by fertilization,  
3 parthenogenesis, cloning, or any other means from one or  
4 more human gametes.

5       SEC. 513. (a) LIMITATION ON USE OF FUNDS  
6 FOR PROMOTION OF LEGALIZATION OF CONTROLLED  
7 SUBSTANCES.—None of the funds made available in this  
8 Act may be used for any activity when it is made known  
9 to the Federal official having authority to obligate or ex-  
10 pend such funds that the activity promotes the legaliza-  
11 tion of any drug or other substance included in schedule  
12 I of the schedules of controlled substances established by  
13 section 202 of the Controlled Substances Act (21 U.S.C.  
14 812).

15       (b) EXCEPTIONS.—The limitation in subsection  
16 (a) shall not apply when it is made known to the Federal  
17 official having authority to obligate or expend such funds  
18 that there is significant medical evidence of a therapeutic  
19 advantage to the use of such drug or other substance or  
20 that Federally-sponsored clinical trials are being con-  
21 ducted to determine therapeutic advantage.

22       SEC. 514. (a) DENIAL OF FUNDS FOR PREVENT-  
23 ING ROTC ACCESS TO CAMPUS.—None of the funds  
24 made available in this or any other Departments of  
25 Labor, Health and Human Services, and Education, and

1 Related Agencies Appropriations Act for any fiscal year  
2 may be provided by contract or by grant (including a  
3 grant of funds to be available for student aid) to a cov-  
4 ered educational entity if the Secretary of Defense deter-  
5 mines that the covered educational entity has a policy or  
6 practice (regardless of when implemented) that either  
7 prohibits, or in effect prevents—

8           (1) the maintaining, establishing, or operation  
9       of a unit of the Senior Reserve Officer Training  
10      Corps (in accordance with section 654 of title 10,  
11      United States Code, and other applicable Federal  
12      laws) at the covered educational entity; or

13           (2) a student at the covered educational entity  
14      from enrolling in a unit of the Senior Reserve Offi-  
15      cer Training Corps at another institution of higher  
16      education.

17           (b) DENIAL OF FUNDS FOR PREVENTING FED-  
18      ERAL MILITARY RECRUITING ON CAMPUS.—None of the  
19      funds made available in this or any other Departments  
20      of Labor, Health and Human Services, and Education,  
21      and Related Agencies Appropriations Act for any fiscal  
22      year may be provided by contract or by grant (including  
23      a grant of funds to be available for student aid) to a cov-  
24      ered educational entity if the Secretary of Defense deter-  
25      mines that the covered educational entity has a policy or

1 practice (regardless of when implemented) that either  
2 prohibits, or in effect prevents—

3 (1) entry to campuses, or access to students  
4 (who are 17 years of age or older) on campuses, for  
5 purposes of Federal military recruiting; or

6 (2) access by military recruiters for purposes of  
7 Federal military recruiting to the following informa-  
8 tion pertaining to students (who are 17 years of age  
9 or older) enrolled at the covered educational entity:

10 (A) student names, addresses, and tele-  
11 phone listings; and

12 (B) if known, student ages, levels of edu-  
13 cation, and majors.

14 (c) EXCEPTIONS.—The limitation established in  
15 subsection (a) or (b) shall not apply to a covered edu-  
16 cational entity if the Secretary of Defense determines  
17 that—

18 (1) the covered educational entity has ceased  
19 the policy or practice described in such subsection;

20 (2) the institution of higher education involved  
21 has a longstanding policy of pacifism based on his-  
22 torical religious affiliation; or

23 (3) the institution of higher education involved  
24 is prohibited by the law of any State, or by the order  
25 of any State court, from allowing Senior Reserve Of-

1        ficer Training Corps activities or Federal military  
2        recruiting on campus, except that this paragraph  
3        shall apply only during the one-year period begin-  
4        ning on the effective date of this section.

5        (d) NOTICE OF DETERMINATIONS.—Whenever the  
6        Secretary of Defense makes a determination under sub-  
7        section (a), (b), or (c), the Secretary—

8            (1) shall transmit a notice of the determination  
9        to the Secretary of Education and to the Congress;  
10       and

11           (2) shall publish in the Federal Register a no-  
12       tice of the determination and the effect of the deter-  
13       mination on the eligibility of the covered educational  
14       entity for contracts and grants.

15        (e) SEMIANNUAL NOTICE IN FEDERAL REG-  
16       ISTER.—The Secretary of Defense shall publish in the  
17       Federal Register once every 6 months a list of each cov-  
18       ered educational entity that is currently ineligible for con-  
19       tracts and grants by reason of a determination of the  
20       Secretary under subsection (a) or (b).

21        (f) COVERED EDUCATIONAL ENTITY.—For pur-  
22       poses of this section, the term “covered educational en-  
23       tity” means an institution of higher education, or a sub-  
24       element of an institution of higher education.

1           (g) EFFECTIVE DATE.—This section shall take ef-  
2   fect upon the expiration of the 180-day period beginning  
3   on the date of the enactment of this Act, by which date  
4   the Secretary of Defense shall have published final regu-  
5   lations in consultation with the Secretary of Education to  
6   carry out this section.

7           SEC. 515. (a) TECHNICAL AMENDMENT TO  
8   OTHER ROTC AND MILITARY RECRUITING PROVI-  
9   SIONS.—Sections 508 and 509 of the Energy and Water  
10  Development Appropriations Act, 1997, are amended by  
11  striking “when it is made known to the Federal official  
12  having authority to obligate or expend such funds” each  
13  place it appears and inserting “if the Secretary of De-  
14  fense determines”.

15          (b) EFFECTIVE DATE.—Sections 508 and 509 of  
16  the Energy and Water Development Appropriations Act,  
17  1997, shall not take effect until the expiration of the  
18  180-day period beginning on the date of the enactment  
19  of this Act, by which date the Secretary of Defense shall  
20  have published final regulations to carry out such sec-  
21  tions (as amended by subsection (a)).

22          SEC. 516. None of the funds made available in  
23  this Act may be obligated or expended to enter into or  
24  renew a contract with an entity when it is made known

1 to the Federal official having authority to obligate or ex-  
2 pend such funds that—

3           (1) such entity is otherwise a contractor with  
4 the United States and is subject to the requirement  
5 in section 4212(d) of title 38, United States Code,  
6 regarding submission of an annual report to the Sec-  
7 retary of Labor concerning employment of certain  
8 veterans; and

9           (2) such entity has not submitted a report as  
10 required by that section for the most recent year for  
11 which such requirement was applicable to such en-  
12 tity.

13       SEC. 517. (a) Notwithstanding any provision of  
14 the Carl D. Perkins Vocational and Applied Technology  
15 Act (as such Act was in effect on September 24, 1990),  
16 a State shall be deemed to have met the requirements of  
17 section 503 of such Act with respect to decisions ap-  
18 pealed by applications filed on April 30, 1993 and Octo-  
19 ber 29, 1993 under section 452(b) of the General Edu-  
20 cation Provisions Act.

21           (b) Subsection (a) shall take effect on October 1,  
22 1996.

23       SEC. 518. None of the funds appropriated in this  
24 Act may be made available to any entity under title X  
25 of the Public Health Service Act unless it is made known



1 to the Federal official having authority to obligate or ex-  
2 pend such funds that the applicant for the award certifies  
3 to the Secretary that it encourages family participation  
4 in the decision of the minor to seek family planning serv-  
5 ices.

6       SEC. 519. Of the budgetary resources available to  
7 agencies in this Act for salaries and expenses during fis-  
8 cal year 1997, \$30,500,000, to be allocated by the Office  
9 of Management and Budget, are permanently canceled:  
10 *Provided*, That the foregoing provision shall not apply to  
11 the Food and Drug Administration and the Indian  
12 Health Service: *Provided further*, That amounts available  
13 in this Act for congressional and legislative affairs, public  
14 affairs, and intergovernmental affairs activities are here-  
15 by reduced by \$2,000,000.

16       SEC. 520. VOLUNTARY SEPARATION INCENTIVES  
17 FOR EMPLOYEES OF CERTAIN FEDERAL AGENCIES.—(a)  
18 DEFINITIONS.—For the purposes of this section—

19           (1) the term “agency” means the Railroad Re-  
20 tirement Board and the Office of Inspector General  
21 of the Railroad Retirement Board;

22           (2) the term “employee” means an employee  
23 (as defined by section 2105 of title 5, United States  
24 Code) who is employed by an agency, is serving  
25 under an appointment without time limitation, and

1 has been currently employed for a continuous period  
2 of at least 3 years, but does not include—

3 (A) a reemployed annuitant under sub-  
4 chapter III of chapter 83 or chapter 84 of title  
5 5, United States Code, or another retirement  
6 system for employees of the agency;

7 (B) an employee having a disability on the  
8 basis of which such employee is or would be eli-  
9 gible for disability retirement under subchapter  
10 III of chapter 83 or chapter 84 of title 5, Unit-  
11 ed States Code, or another retirement system  
12 for employees of the agency;

13 (C) an employee who is in receipt of a spe-  
14 cific notice of involuntary separation for mis-  
15 conduct or unacceptable performance;

16 (D) an employee who, upon completing an  
17 additional period of service as referred to in  
18 section 3(b)(2)(B)(ii) of the Federal Workforce  
19 Restructuring Act of 1994 (5 U.S.C. 5597  
20 note), would qualify for a voluntary separation  
21 incentive payment under section 3 of such Act;

22 (E) an employee who has previously re-  
23 ceived any voluntary separation incentive pay-  
24 ment by the Federal Government under this

1 section or any other authority and has not re-  
2 paid such payment;

3 (F) an employee covered by statutory re-  
4 employment rights who is on transfer to an-  
5 other organization; or

6 (G) any employee who, during the twenty-  
7 four-month period preceding the date of separa-  
8 tion, has received a recruitment or relocation  
9 bonus under section 5753 of title 5, United  
10 States Code, or who, within the twelve-month  
11 period preceding the date of separation, re-  
12 ceived a retention allowance under section 5754  
13 of title 5, United States Code.

14 (b) AGENCY STRATEGIC PLAN.—

15 (1) IN GENERAL.—The three-member Railroad  
16 Retirement Board, prior to obligating any resources  
17 for voluntary separation incentive payments, shall  
18 submit to the House and Senate Committees on Ap-  
19 propriations and the Committee on Governmental  
20 Affairs of the Senate and the Committee on Govern-  
21 ment Reform and Oversight of the House of Rep-  
22 resentatives a strategic plan outlining the intended  
23 use of such incentive payments and a proposed orga-  
24 nizational chart for the agency once such incentive  
25 payments have been completed.

1           (2) CONTENTS.—The agency’s plan shall in-  
2       clude—

3           (A) the positions and functions to be re-  
4       duced or eliminated, identified by organizational  
5       unit, geographic location, occupational category  
6       and grade level;

7           (B) the number and amounts of voluntary  
8       separation incentive payments to be offered;  
9       and

10          (C) a description of how the agency will  
11       operate without the eliminated positions and  
12       functions.

13          (c) AUTHORITY TO PROVIDE VOLUNTARY SEPA-  
14       RATION INCENTIVE PAYMENTS.—

15          (1) IN GENERAL.—A voluntary separation in-  
16       centive payment under this section may be paid by  
17       an agency to any employee only to the extent nec-  
18       essary to eliminate the positions and functions iden-  
19       tified by the strategic plan.

20          (2) AMOUNT AND TREATMENT OF PAYMENTS.—  
21       A voluntary separation incentive payment—

22           (A) shall be paid in a lump sum after the  
23       employee’s separation;

1 (B) shall be paid from appropriations or  
2 funds available for the payment of the basic pay  
3 of the employees;

4 (C) shall be equal to the lesser of—

5 (i) an amount equal to the amount  
6 the employee would be entitled to receive  
7 under section 5595(c) of title 5, United  
8 States Code; or

9 (ii) an amount determined by the  
10 agency head not to exceed \$25,000;

11 (D) may not be made except in the case of  
12 any qualifying employee who voluntarily sepa-  
13 rates (whether by retirement or resignation) be-  
14 fore September 30, 1997;

15 (E) shall not be a basis for payment, and  
16 shall not be included in the computation, of any  
17 other type of Government benefit; and

18 (F) shall not be taken into account in de-  
19 termining the amount of any severance pay to  
20 which the employee may be entitled under sec-  
21 tion 5595 of title 5, United States Code, based  
22 on any other separation.

23 (d) ADDITIONAL AGENCY CONTRIBUTIONS TO  
24 THE RETIREMENT FUND.—

1           (1) IN GENERAL.—In addition to any other  
2       payments which it is required to make under sub-  
3       chapter III of chapter 83 of title 5, United States  
4       Code, an agency shall remit to the Office of Person-  
5       nel Management for deposit in the Treasury of the  
6       United States to the credit of the Civil Service Re-  
7       tirement and Disability Fund an amount equal to 15  
8       percent of the final basic pay of each employee of  
9       the agency who is covered under subchapter III of  
10      chapter 83 or chapter 84 of title 5, United States  
11      Code, to whom a voluntary separation incentive has  
12      been paid under this section.

13           (2) DEFINITION.—For the purpose of para-  
14      graph (1), the term “final basic pay”, with respect  
15      to an employee, means the total amount of basic pay  
16      which would be payable for a year of service by such  
17      employee, computed using the employee’s final rate  
18      of basic pay, and if last serving on other than a full-  
19      time basis, with appropriate adjustment therefor.

20           (e) EFFECT OF SUBSEQUENT EMPLOYMENT  
21      WITH THE GOVERNMENT.—An individual who has re-  
22      ceived a voluntary separation incentive payment under  
23      this section and accepts any employment for compensa-  
24      tion with the Government of the United States, or who  
25      works for any agency of the United States Government

1 through a personal services contract, within 5 years after  
2 the date of the separation on which the payment is based  
3 shall be required to pay, prior to the individual's first day  
4 of employment, the entire amount of the incentive pay-  
5 ment to the agency that paid the incentive payment.

6 (f) REDUCTION OF AGENCY EMPLOYMENT LEV-  
7 ELS.—

8 (1) IN GENERAL.—The total number of funded  
9 employee positions in the agency shall be reduced by  
10 one position for each vacancy created by the separa-  
11 tion of any employee who has received, or is due to  
12 receive, a voluntary separation incentive payment  
13 under this section. For the purposes of this sub-  
14 section, positions shall be counted on a full-time-  
15 equivalent basis.

16 (2) ENFORCEMENT.—The President, through  
17 the Office of Management and Budget, shall monitor  
18 the agency and take any action necessary to ensure  
19 that the requirements of this subsection are met.

20 (g) EFFECTIVE DATE.—This section shall take ef-  
21 fect October 1, 1996.

22 SEC. 521. CORRECTION OF EFFECTIVE DATE.—  
23 Effective on the day after the date of enactment of the  
24 Health Centers Consolidation Act of 1996, section 5 of

1 that Act is amended by striking “October 1, 1997” and  
2 inserting “October 1, 1996”.

3 TITLE VI—REORGANIZATION AND PRIVATIZA-  
4 TION OF SALLIE MAE AND CONNIE LEE

5 **SEC. 601. SHORT TITLE.**

6 This title may be cited as the “Student Loan Market-  
7 ing Association Reorganization Act of 1996”.

8 **SEC. 602. REORGANIZATION OF THE STUDENT LOAN MAR-**  
9 **KETING ASSOCIATION THROUGH THE FOR-**  
10 **MATION OF A HOLDING COMPANY.**

11 (a) AMENDMENT.—Part B of title IV of the Higher  
12 Education Act of 1965 (20 U.S.C. 1071 et seq.) is amend-  
13 ed by inserting after section 439 (20 U.S.C. 1087–2) the  
14 following new section:

15 **“SEC. 440. REORGANIZATION OF THE STUDENT LOAN MAR-**  
16 **KETING ASSOCIATION THROUGH THE FOR-**  
17 **MATION OF A HOLDING COMPANY.**

18 “(a) ACTIONS BY THE ASSOCIATION’S BOARD OF DI-  
19 RECTORS.—The Board of Directors of the Association  
20 shall take or cause to be taken all such action as the Board  
21 of Directors deems necessary or appropriate to effect,  
22 upon the shareholder approval described in subsection (b),  
23 a restructuring of the common stock ownership of the As-  
24 sociation, as set forth in a plan of reorganization adopted  
25 by the Board of Directors (the terms of which shall be



1 consistent with this section) so that all of the outstanding  
2 common shares of the Association shall be directly owned  
3 by a Holding Company. Such actions may include, in the  
4 Board of Director's discretion, a merger of a wholly owned  
5 subsidiary of the Holding Company with and into the As-  
6 sociation, which would have the effect provided in the plan  
7 of reorganization and the law of the jurisdiction in which  
8 such subsidiary is incorporated. As part of the restructur-  
9 ing, the Board of Directors may cause—

10           “(1) the common shares of the Association to  
11       be converted, on the reorganization effective date, to  
12       common shares of the Holding Company on a one  
13       for one basis, consistent with applicable State or  
14       District of Columbia law; and

15           “(2) Holding Company common shares to be  
16       registered with the Securities and Exchange Com-  
17       mission.

18       “(b) SHAREHOLDER APPROVAL.—The plan of reor-  
19 ganization adopted by the Board of Directors pursuant to  
20 subsection (a) shall be submitted to common shareholders  
21 of the Association for their approval. The reorganization  
22 shall occur on the reorganization effective date, provided  
23 that the plan of reorganization has been approved by the  
24 affirmative votes, cast in person or by proxy, of the holders

1 of a majority of the issued and outstanding shares of the  
2 Association common stock.

3 “(c) TRANSITION.—In the event the shareholders of  
4 the Association approve the plan of reorganization under  
5 subsection (b), the following provisions shall apply begin-  
6 ning on the reorganization effective date:

7 “(1) IN GENERAL.—Except as specifically pro-  
8 vided in this section, until the dissolution date the  
9 Association shall continue to have all of the rights,  
10 privileges and obligations set forth in, and shall be  
11 subject to all of the limitations and restrictions of,  
12 section 439, and the Association shall continue to  
13 carry out the purposes of such section. The Holding  
14 Company and any subsidiary of the Holding Com-  
15 pany (other than the Association) shall not be enti-  
16 tled to any of the rights, privileges, and obligations,  
17 and shall not be subject to the limitations and re-  
18 strictions, applicable to the Association under section  
19 439, except as specifically provided in this section.  
20 The Holding Company and any subsidiary of the  
21 Holding Company (other than the Association or a  
22 subsidiary of the Association) shall not purchase  
23 loans insured under this Act until such time as the  
24 Association ceases acquiring such loans, except that  
25 the Holding Company may purchase such loans if

1 the Association is merely continuing to acquire loans  
2 as a lender of last resort pursuant to section 439(q)  
3 or under an agreement with the Secretary described  
4 in paragraph (6).

5 “(2) TRANSFER OF CERTAIN PROPERTY.—

6 “(A) IN GENERAL.—Except as provided in  
7 this section, on the reorganization effective date  
8 or as soon as practicable thereafter, the Asso-  
9 ciation shall use the Association’s best efforts to  
10 transfer to the Holding Company or any sub-  
11 sidiary of the Holding Company (or both), as  
12 directed by the Holding Company, all real and  
13 personal property of the Association (both tan-  
14 gible and intangible) other than the remaining  
15 property. Subject to the preceding sentence,  
16 such transferred property shall include all right,  
17 title, and interest in—

18 “(i) direct or indirect subsidiaries of  
19 the Association (excluding special purpose  
20 funding companies in existence on the date  
21 of enactment of this section and any inter-  
22 est in any government-sponsored enter-  
23 prise);

24 “(ii) contracts, leases, and other  
25 agreements of the Association;

1                   “(iii) licenses and other intellectual  
2                   property of the Association; and

3                   “(iv) any other property of the Asso-  
4                   ciation.

5                   “(B) CONSTRUCTION.—Nothing in this  
6                   paragraph shall be construed to prohibit the As-  
7                   sociation from transferring remaining property  
8                   from time to time to the Holding Company or  
9                   any subsidiary of the Holding Company, subject  
10                  to the provisions of paragraph (4).

11                  “(3) TRANSFER OF PERSONNEL.—On the reor-  
12                  ganization effective date, employees of the Associa-  
13                  tion shall become employees of the Holding Com-  
14                  pany (or any subsidiary of the Holding Company),  
15                  and the Holding Company (or any subsidiary of the  
16                  Holding Company) shall provide all necessary and  
17                  appropriate management and operational support  
18                  (including loan servicing) to the Association, as re-  
19                  quested by the Association. The Association, how-  
20                  ever, may obtain such management and operational  
21                  support from persons or entities not associated with  
22                  the Holding Company.

23                  “(4) DIVIDENDS.—The Association may pay  
24                  dividends in the form of cash or noncash distribu-  
25                  tions so long as at the time of the declaration of

1       such dividends, after giving effect to the payment of  
2       such dividends as of the date of such declaration by  
3       the Board of Directors of the Association, the Asso-  
4       ciation's capital would be in compliance with the  
5       capital standards and requirements set forth in sec-  
6       tion 439(r). If, at any time after the reorganization  
7       effective date, the Association fails to comply with  
8       such capital standards, the Holding Company shall  
9       transfer with due diligence to the Association addi-  
10      tional capital in such amounts as are necessary to  
11      ensure that the Association again complies with the  
12      capital standards.

13           “(5) CERTIFICATION PRIOR TO DIVIDEND.—  
14      Prior to the payment of any dividend under para-  
15      graph (4), the Association shall certify to the Sec-  
16      retary of the Treasury that the payment of the divi-  
17      dend will be made in compliance with paragraph (4)  
18      and shall provide copies of all calculations needed to  
19      make such certification.

20           “(6) RESTRICTIONS ON NEW BUSINESS ACTIV-  
21      ITY OR ACQUISITION OF ASSETS BY ASSOCIATION.—

22           “(A) IN GENERAL.—After the reorganiza-  
23      tion effective date, the Association shall not en-  
24      gage in any new business activities or acquire

1 any additional program assets described in sec-  
2 tion 439(d) other than in connection with—

3 “(i) student loan purchases through  
4 September 30, 2007;

5 “(ii) contractual commitments for fu-  
6 ture warehousing advances, or pursuant to  
7 letters of credit or standby bond purchase  
8 agreements, which are outstanding as of  
9 the reorganization effective date;

10 “(iii) the Association serving as a  
11 lender-of-last-resort pursuant to section  
12 439(q); and

13 “(iv) the Association’s purchase of  
14 loans insured under this part, if the Sec-  
15 retary, with the approval of the Secretary  
16 of the Treasury, enters into an agreement  
17 with the Association for the continuation  
18 or resumption of the Association’s second-  
19 ary market purchase program because the  
20 Secretary determines there is inadequate  
21 liquidity for loans made under this part.

22 “(B) AGREEMENT.—The Secretary is au-  
23 thorized to enter into an agreement described in  
24 clause (iv) of subparagraph (A) with the Asso-  
25 ciation covering such secondary market activi-

1           ties. Any agreement entered into under such  
2           clause shall cover a period of 12 months, but  
3           may be renewed if the Secretary determines  
4           that liquidity remains inadequate. The fee pro-  
5           vided under section 439(h)(7) shall not apply to  
6           loans acquired under any such agreement with  
7           the Secretary.

8           “(7) ISSUANCE OF DEBT OBLIGATIONS DURING  
9           THE TRANSITION PERIOD; ATTRIBUTES OF DEBT OB-  
10          LIGATIONS.—After the reorganization effective date,  
11          the Association shall not issue debt obligations which  
12          mature later than September 30, 2008, except in  
13          connection with serving as a lender-of-last-resort  
14          pursuant to section 439(q) or with purchasing loans  
15          under an agreement with the Secretary as described  
16          in paragraph (6). Nothing in this section shall mod-  
17          ify the attributes accorded the debt obligations of  
18          the Association by section 439, regardless of whether  
19          such debt obligations are incurred prior to, or at any  
20          time following, the reorganization effective date or  
21          are transferred to a trust in accordance with sub-  
22          section (d).

23          “(8) MONITORING OF SAFETY AND SOUND-  
24          NESS.—

1           “(A) OBLIGATION TO OBTAIN, MAINTAIN,  
2           AND REPORT INFORMATION.—The Association  
3           shall obtain such information and make and  
4           keep such records as the Secretary of the  
5           Treasury may from time to time prescribe con-  
6           cerning—

7                   “(i) the financial risk to the Associa-  
8                   tion resulting from the activities of any as-  
9                   sociated person, to the extent such activi-  
10                  ties are reasonably likely to have a mate-  
11                  rial impact on the financial condition of  
12                  the Association, including the Association’s  
13                  capital ratio, the Association’s liquidity, or  
14                  the Association’s ability to conduct and fi-  
15                  nance the Association’s operations; and

16                  “(ii) the Association’s policies, proce-  
17                  dures, and systems for monitoring and  
18                  controlling any such financial risk.

19           “(B) SUMMARY REPORTS.—The Secretary  
20           of the Treasury may require summary reports  
21           of the information described in subparagraph  
22           (A) to be filed no more frequently than quar-  
23           terly. If, as a result of adverse market condi-  
24           tions or based on reports provided pursuant to  
25           this subparagraph or other available informa-



tion, the Secretary of the Treasury has concerns regarding the financial or operational condition of the Association, the Secretary of the Treasury may, notwithstanding the preceding sentence and subparagraph (A), require the Association to make reports concerning the activities of any associated person whose business activities are reasonably likely to have a material impact on the financial or operational condition of the Association.

“(C) SEPARATE OPERATION OF CORPORATIONS.—

“(i) IN GENERAL.—The funds and assets of the Association shall at all times be maintained separately from the funds and assets of the Holding Company or any subsidiary of the Holding Company and may be used by the Association solely to carry out the Association’s purposes and to fulfill the Association’s obligations.

“(ii) BOOKS AND RECORDS.—The Association shall maintain books and records that clearly reflect the assets and liabilities of the Association, separate from the as-

1 sets and liabilities of the Holding Company  
2 or any subsidiary of the Holding Company.

3 “(iii) CORPORATE OFFICE.—The As-  
4 sociation shall maintain a corporate office  
5 that is physically separate from any office  
6 of the Holding Company or any subsidiary  
7 of the Holding Company.

8 “(iv) DIRECTOR.—No director of the  
9 Association who is appointed by the Presi-  
10 dent pursuant to section 439(c)(1)(A) may  
11 serve as a director of the Holding Com-  
12 pany.

13 “(v) ONE OFFICER REQUIREMENT.—  
14 At least one officer of the Association shall  
15 be an officer solely of the Association.

16 “(vi) TRANSACTIONS.—Transactions  
17 between the Association and the Holding  
18 Company or any subsidiary of the Holding  
19 Company, including any loan servicing ar-  
20 rangements, shall be on terms no less fa-  
21 vorable to the Association than the Asso-  
22 ciation could obtain from an unrelated  
23 third party offering comparable services.

24 “(vii) CREDIT PROHIBITION.—The  
25 Association shall not extend credit to the

1 Holding Company or any subsidiary of the  
2 Holding Company nor guarantee or pro-  
3 vide any credit enhancement to any debt  
4 obligations of the Holding Company or any  
5 subsidiary of the Holding Company.

6 “(viii) AMOUNTS COLLECTED.—Any  
7 amounts collected on behalf of the Associa-  
8 tion by the Holding Company or any sub-  
9 subsidiary of the Holding Company with re-  
10 spect to the assets of the Association, pur-  
11 suant to a servicing contract or other ar-  
12 rangement between the Association and the  
13 Holding Company or any subsidiary of the  
14 Holding Company, shall be collected solely  
15 for the benefit of the Association and shall  
16 be immediately deposited by the Holding  
17 Company or such subsidiary to an account  
18 under the sole control of the Association.

19 “(D) ENCUMBRANCE OF ASSETS.—Not-  
20 withstanding any Federal or State law, rule, or  
21 regulation, or legal or equitable principle, doc-  
22 trine, or theory to the contrary, under no cir-  
23 cumstances shall the assets of the Association  
24 be available or used to pay claims or debts of  
25 or incurred by the Holding Company. Nothing

1 in this subparagraph shall be construed to limit  
2 the right of the Association to pay dividends  
3 not otherwise prohibited under this subpara-  
4 graph or to limit any liability of the Holding  
5 Company explicitly provided for in this section.

6 “(E) HOLDING COMPANY ACTIVITIES.—  
7 After the reorganization effective date and prior  
8 to the dissolution date, all business activities of  
9 the Holding Company shall be conducted  
10 through subsidiaries of the Holding Company.

11 “(F) CONFIDENTIALITY.—Any information  
12 provided by the Association pursuant to this  
13 section shall be subject to the same confiden-  
14 tiality obligations contained in section  
15 439(r)(12).

16 “(G) DEFINITION.—For purposes of this  
17 paragraph, the term ‘associated person’ means  
18 any person, other than a natural person, who is  
19 directly or indirectly controlling, controlled by,  
20 or under common control with, the Association.

21 “(9) ISSUANCE OF STOCK WARRANTS.—

22 “(A) IN GENERAL.—On the reorganization  
23 effective date, the Holding Company shall issue  
24 to the District of Columbia Financial Respon-  
25 sibility and Management Assistance Authority a

1           number of stock warrants that is equal to one  
2           percent of the outstanding shares of the Asso-  
3           ciation, determined as of the last day of the fis-  
4           cal quarter preceding the date of enactment of  
5           this section, with each stock warrant entitling  
6           the holder of the stock warrant to purchase  
7           from the Holding Company one share of the  
8           registered common stock of the Holding Com-  
9           pany or the Holding Company's successors or  
10          assigns, at any time on or before September 30,  
11          2008. The exercise price for such warrants shall  
12          be an amount equal to the average closing price  
13          of the common stock of the Association for the  
14          20 business days prior to the date of enactment  
15          of this section on the exchange or market which  
16          is then the primary exchange or market for the  
17          common stock of the Association. The number  
18          of shares of Holding Company common stock  
19          subject to each stock warrant and the exercise  
20          price of each stock warrant shall be adjusted as  
21          necessary to reflect—

22                 “(i) the conversion of Association  
23                 common stock into Holding Company com-  
24                 mon stock as part of the plan of reorga-

1 nization approved by the Association's  
2 shareholders; and

3 “(ii) any issuance or sale of stock (in-  
4 cluding issuance or sale of treasury stock),  
5 stock split, recapitalization, reorganization,  
6 or other corporate event, if agreed to by  
7 the Secretary of the Treasury and the As-  
8 sociation.

9 “(B) AUTHORITY TO SELL OR EXERCISE  
10 STOCK WARRANTS; DEPOSIT OF PROCEEDS.—

11 The District of Columbia Financial Responsibil-  
12 ity and Management Assistance Authority is  
13 authorized to sell or exercise the stock warrants  
14 described in subparagraph (A). The District of  
15 Columbia Financial Responsibility and Manage-  
16 ment Assistance Authority shall deposit into the  
17 account established under section 3(e) of the  
18 Student Loan Marketing Association Reorga-  
19 nization Act of 1996 amounts collected from  
20 the sale and proceeds resulting from the exer-  
21 cise of the stock warrants pursuant to this sub-  
22 paragraph.

23 “(10) RESTRICTIONS ON TRANSFER OF ASSO-  
24 CIATION SHARES AND BANKRUPTCY OF ASSOCIA-  
25 TION.—After the reorganization effective date, the

1       Holding Company shall not sell, pledge, or otherwise  
2       transfer the outstanding shares of the Association,  
3       or agree to or cause the liquidation of the Associa-  
4       tion or cause the Association to file a petition for  
5       bankruptcy under title 11, United States Code, with-  
6       out prior approval of the Secretary of the Treasury  
7       and the Secretary of Education.

8       “(d) TERMINATION OF THE ASSOCIATION.—In the  
9       event the shareholders of the Association approve a plan  
10      of reorganization under subsection (b), the Association  
11      shall dissolve, and the Association’s separate existence  
12      shall terminate on September 30, 2008, after discharge  
13      of all outstanding debt obligations and liquidation pursu-  
14      ant to this subsection. The Association may dissolve pur-  
15      suant to this subsection prior to such date by notifying  
16      the Secretary of Education and the Secretary of the  
17      Treasury of the Association’s intention to dissolve, unless  
18      within 60 days after receipt of such notice the Secretary  
19      of Education notifies the Association that the Association  
20      continues to be needed to serve as a lender of last resort  
21      pursuant to section 439(q) or continues to be needed to  
22      purchase loans under an agreement with the Secretary de-  
23      scribed in subsection (c)(6). On the dissolution date, the  
24      Association shall take the following actions:

1           “(1) ESTABLISHMENT OF A TRUST.—The Asso-  
2           ciation shall, under the terms of an irrevocable trust  
3           agreement that is in form and substance satisfactory  
4           to the Secretary of the Treasury, the Association  
5           and the appointed trustee, irrevocably transfer all  
6           remaining obligations of the Association to the trust  
7           and irrevocably deposit or cause to be deposited into  
8           such trust, to be held as trust funds solely for the  
9           benefit of holders of the remaining obligations,  
10          money or direct noncallable obligations of the United  
11          States or any agency thereof for which payment the  
12          full faith and credit of the United States is pledged,  
13          maturing as to principal and interest in such  
14          amounts and at such times as are determined by the  
15          Secretary of the Treasury to be sufficient, without  
16          consideration of any significant reinvestment of such  
17          interest, to pay the principal of, and interest on, the  
18          remaining obligations in accordance with their  
19          terms. To the extent the Association cannot provide  
20          money or qualifying obligations in the amount re-  
21          quired, the Holding Company shall be required to  
22          transfer money or qualifying obligations to the trust  
23          in the amount necessary to prevent any deficiency.

24           “(2) USE OF TRUST ASSETS.—All money, obli-  
25          gations, or financial assets deposited into the trust



1       pursuant to this subsection shall be applied by the  
2       trustee to the payment of the remaining obligations  
3       assumed by the trust.

4               “(3) OBLIGATIONS NOT TRANSFERRED TO THE  
5       TRUST.—The Association shall make proper provi-  
6       sion for all other obligations of the Association not  
7       transferred to the trust, including the repurchase or  
8       redemption, or the making of proper provision for  
9       the repurchase or redemption, of any preferred stock  
10      of the Association outstanding. Any obligations of  
11      the Association which cannot be fully satisfied shall  
12      become liabilities of the Holding Company as of the  
13      date of dissolution.

14              “(4) TRANSFER OF REMAINING ASSETS.—After  
15      compliance with paragraphs (1) and (3), any re-  
16      maining assets of the trust shall be transferred to  
17      the Holding Company or any subsidiary of the Hold-  
18      ing Company, as directed by the Holding Company.

19              “(e) OPERATION OF THE HOLDING COMPANY.—In  
20      the event the shareholders of the Association approve the  
21      plan of reorganization under subsection (b), the following  
22      provisions shall apply beginning on the reorganization ef-  
23      fective date:

24              “(1) HOLDING COMPANY BOARD OF DIREC-  
25      TORS.—The number of members and composition of

1 the Board of Directors of the Holding Company  
2 shall be determined as set forth in the Holding Com-  
3 pany's charter or like instrument (as amended from  
4 time to time) or bylaws (as amended from time to  
5 time) and as permitted under the laws of the juris-  
6 diction of the Holding Company's incorporation.

7 “(2) HOLDING COMPANY NAME.—The names of  
8 the Holding Company and any subsidiary of the  
9 Holding Company (other than the Association)—

10 “(A) may not contain the name ‘Student  
11 Loan Marketing Association’; and

12 “(B) may contain, to the extent permitted  
13 by applicable State or District of Columbia law,  
14 ‘Sallie Mae’ or variations thereof, or such other  
15 names as the Board of Directors of the Associa-  
16 tion or the Holding Company deems appro-  
17 priate.

18 “(3) USE OF SALLIE MAE NAME.—Subject to  
19 paragraph (2), the Association may assign to the  
20 Holding Company, or any subsidiary of the Holding  
21 Company, the ‘Sallie Mae’ name as a trademark or  
22 service mark, except that neither the Holding Com-  
23 pany nor any subsidiary of the Holding Company  
24 (other than the Association or any subsidiary of the  
25 Association) may use the ‘Sallie Mae’ name on, or

1 to identify the issuer of, any debt obligation or other  
2 security offered or sold by the Holding Company or  
3 any subsidiary of the Holding Company (other than  
4 a debt obligation or other security issued to and held  
5 by the Holding Company or any subsidiary of the  
6 Holding Company). The Association shall remit to  
7 the account established under section 3(e) of the  
8 Student Loan Marketing Association Reorganization  
9 Act of 1996, \$5,000,000, within 60 days of the reor-  
10 ganization effective date as compensation for the  
11 right to assign the ‘Sallie Mae’ name as a trademark  
12 or service mark.

13 “(4) DISCLOSURE REQUIRED.—Until 3 years  
14 after the dissolution date, the Holding Company,  
15 and any subsidiary of the Holding Company (other  
16 than the Association), shall prominently display—

17 “(A) in any document offering the Holding  
18 Company’s securities, a statement that the obli-  
19 gations of the Holding Company and any sub-  
20 sidiary of the Holding Company are not guar-  
21 anteed by the full faith and credit of the United  
22 States; and

23 “(B) in any advertisement or promotional  
24 materials which use the ‘Sallie Mae’ name or  
25 mark, a statement that neither the Holding

1           Company nor any subsidiary of the Holding  
2           Company is a government-sponsored enterprise  
3           or instrumentality of the United States.

4           “(f) STRICT CONSTRUCTION.—Except as specifically  
5 set forth in this section, nothing in this section shall be  
6 construed to limit the authority of the Association as a  
7 federally chartered corporation, or of the Holding Com-  
8 pany as a State or District of Columbia chartered corpora-  
9 tion.

10          “(g) RIGHT TO ENFORCE.—The Secretary of Edu-  
11 cation or the Secretary of the Treasury, as appropriate,  
12 may request that the Attorney General bring an action  
13 in the United States District Court for the District of Co-  
14 lumbia for the enforcement of any provision of this sec-  
15 tion, or may, under the direction or control of the Attorney  
16 General, bring such an action. Such court shall have juris-  
17 diction and power to order and require compliance with  
18 this section.

19          “(h) DEADLINE FOR REORGANIZATION EFFECTIVE  
20 DATE.—This section shall be of no further force and effect  
21 in the event that the reorganization effective date does not  
22 occur on or before 18 months after the date of enactment  
23 of this section.

24          “(i) DEFINITIONS.—For purposes of this section:

1           “(1) ASSOCIATION.—The term ‘Association’  
2 means the Student Loan Marketing Association.

3           “(2) DISSOLUTION DATE.—The term ‘dissolu-  
4 tion date’ means September 30, 2008, or such ear-  
5 lier date as the Secretary of Education permits the  
6 transfer of remaining obligations in accordance with  
7 subsection (d).

8           “(3) HOLDING COMPANY.—The term ‘Holding  
9 Company’ means the new business corporation es-  
10 tablished pursuant to this section by the Association  
11 under the laws of any State of the United States or  
12 the District of Columbia for the purposes of the re-  
13 organization and restructuring described in sub-  
14 section (a).

15           “(4) REMAINING OBLIGATIONS.—The term ‘re-  
16 maining obligations’ means the debt obligations of  
17 the Association outstanding as of the dissolution  
18 date.

19           “(5) REMAINING PROPERTY.—The term ‘re-  
20 maining property’ means the following assets and li-  
21 abilities of the Association which are outstanding as  
22 of the reorganization effective date:

23                   “(A) Debt obligations issued by the Asso-  
24 ciation.

1           “(B) Contracts relating to interest rate,  
2           currency, or commodity positions or protections.

3           “(C) Investment securities owned by the  
4           Association.

5           “(D) Any instruments, assets, or agree-  
6           ments described in section 439(d) (including,  
7           without limitation, all student loans and agree-  
8           ments relating to the purchase and sale of stu-  
9           dent loans, forward purchase and lending com-  
10          mitments, warehousing advances, academic fa-  
11          cilities obligations, letters of credit, standby  
12          bond purchase agreements, liquidity agree-  
13          ments, and student loan revenue bonds or other  
14          loans).

15          “(E) Except as specifically prohibited by  
16          this section or section 439, any other nonmate-  
17          rial assets or liabilities of the Association which  
18          the Association’s Board of Directors determines  
19          to be necessary or appropriate to the Associa-  
20          tion’s operations.

21          “(6) REORGANIZATION.—The term ‘reorganiza-  
22          tion’ means the restructuring event or events (in-  
23          cluding any merger event) giving effect to the Hold-  
24          ing Company structure described in subsection (a).

1           “(7) REORGANIZATION EFFECTIVE DATE.—The  
2           term ‘reorganization effective date’ means the effec-  
3           tive date of the reorganization as determined by the  
4           Board of Directors of the Association, which shall  
5           not be earlier than the date that shareholder ap-  
6           proval is obtained pursuant to subsection (b) and  
7           shall not be later than the date that is 18 months  
8           after the date of enactment of this section.

9           “(8) SUBSIDIARY.—The term ‘subsidiary’  
10          means one or more direct or indirect subsidiaries.”.

11         (b) TECHNICAL AMENDMENTS.—

12                 (1) ELIGIBLE LENDER.—

13                         (A) AMENDMENTS TO THE HIGHER EDU-  
14                         CATION ACT.—

15                                 (i) DEFINITION OF ELIGIBLE LEND-  
16                                 ER.—Section 435(d)(1)(F) of the Higher  
17                                 Education Act of 1965 (20 U.S.C.  
18                                 1085(d)(1)(F)) is amended by inserting  
19                                 after “Student Loan Marketing Associa-  
20                                 tion” the following: “or the Holding Com-  
21                                 pany of the Student Loan Marketing Asso-  
22                                 ciation, including any subsidiary of the  
23                                 Holding Company, created pursuant to  
24                                 section 440,”.

1                   (ii) DEFINITION OF ELIGIBLE LEND-  
2                   ER     AND     FEDERAL     CONSOLIDATION  
3                   LOANS.—Sections     435(d)(1)(G)     and  
4                   428C(a)(1)(A) of such Act (20 U.S.C.  
5                   1085(d)(1)(G) and 1078–3(a)(1)(A)) are  
6                   each amended by inserting after “Student  
7                   Loan Marketing Association” the follow-  
8                   ing: “or the Holding Company of the Stu-  
9                   dent Loan Marketing Association, includ-  
10                  ing any subsidiary of the Holding Com-  
11                  pany, created pursuant to section 440”.

12                (B) EFFECTIVE DATE.—The amendments  
13                made by this paragraph shall take effect on the  
14                reorganization effective date as defined in sec-  
15                tion 440(h) of the Higher Education Act of  
16                1965 (as added by subsection (a)).

17                (2) ENFORCEMENT OF SAFETY AND SOUND-  
18                NESS REQUIREMENTS.—Section 439(r) of the High-  
19                er Education Act of 1965 (20 U.S.C. 1087–2(r)) is  
20                amended—

21                   (A) in the first sentence of paragraph (12),  
22                   by inserting “or the Association’s associated  
23                   persons” after “by the Association”;

24                   (B) by redesignating paragraph (13) as  
25                   paragraph (15); and



1 (C) by inserting after paragraph (12) the  
2 following new paragraph:

3 “(13) ENFORCEMENT OF SAFETY AND SOUND-  
4 NESS REQUIREMENTS.—The Secretary of Education  
5 or the Secretary of the Treasury, as appropriate,  
6 may request that the Attorney General bring an ac-  
7 tion in the United States District Court for the Dis-  
8 trict of Columbia for the enforcement of any provi-  
9 sion of this section, or may, under the direction or  
10 control of the Attorney General, bring such an ac-  
11 tion. Such court shall have jurisdiction and power to  
12 order and require compliance with this section.”.

13 (3) FINANCIAL SAFETY AND SOUNDNESS.—Sec-  
14 tion 439(r) of the Higher Education Act of 1965  
15 (20 U.S.C. 1087–2(r)) is further amended—

16 (A) in paragraph (1)—

17 (i) by striking “and” at the end of  
18 subparagraph (A);

19 (ii) by striking the period at the end  
20 of subparagraph (B) and inserting “;  
21 and”; and

22 (iii) by adding at the end the follow-  
23 ing new subparagraph:

1           “(C)(i) financial statements of the Associa-  
2           tion within 45 days of the end of each fiscal  
3           quarter; and

4           “(ii) reports setting forth the calculation of  
5           the capital ratio of the Association within 45  
6           days of the end of each fiscal quarter.”;

7           (B) in paragraph (2)—

8                 (i) by striking clauses (i) and (ii) of  
9                 subparagraph (A) and inserting the follow-  
10                ing:

11               “(i) appoint auditors or examiners to con-  
12               duct audits of the Association from time to time  
13               to determine the condition of the Association  
14               for the purpose of assessing the Association’s fi-  
15               nancial safety and soundness and to determine  
16               whether the requirements of this section and  
17               section 440 are being met; and

18               “(ii) obtain the services of such experts as  
19               the Secretary of the Treasury determines nec-  
20               essary and appropriate, as authorized by section  
21               3109 of title 5, United States Code, to assist in  
22               determining the condition of the Association for  
23               the purpose of assessing the Association’s fi-  
24               nancial safety and soundness, and to determine

1           whether the requirements of this section and  
2           section 440 are being met.”; and

3                       (ii) by adding at the end the following  
4           new subparagraph:

5           “(D) ANNUAL ASSESSMENT.—

6                       “(i) IN GENERAL.—For each fiscal year  
7           beginning on or after October 1, 1996, the Sec-  
8           retary of the Treasury may establish and collect  
9           from the Association an assessment (or assess-  
10          ments) in amounts sufficient to provide for rea-  
11          sonable costs and expenses of carrying out the  
12          duties of the Secretary of the Treasury under  
13          this section and section 440 during such fiscal  
14          year. In no event may the total amount so as-  
15          sessed exceed, for any fiscal year, \$800,000, ad-  
16          justed for each fiscal year ending after Septem-  
17          ber 30, 1997, by the ratio of the Consumer  
18          Price Index for All Urban Consumers (issued  
19          by the Bureau of Labor Statistics) for the final  
20          month of the fiscal year preceding the fiscal  
21          year for which the assessment is made to the  
22          Consumer Price Index for All Urban Consum-  
23          ers for September 1997.

24                      “(ii) DEPOSIT.—Amounts collected from  
25          assessments under this subparagraph shall be

1 deposited in an account within the Treasury of  
2 the United States as designated by the Sec-  
3 retary of the Treasury for that purpose. The  
4 Secretary of the Treasury is authorized and di-  
5 rected to pay out of any funds available in such  
6 account the reasonable costs and expenses of  
7 carrying out the duties of the Secretary of the  
8 Treasury under this section and section 440.  
9 None of the funds deposited into such account  
10 shall be available for any purpose other than  
11 making payments for such costs and ex-  
12 penses.”; and

13 (C) by inserting after paragraph (13) (as  
14 added by paragraph (2)(C)) the following new  
15 paragraph:

16 “(14) ACTIONS BY SECRETARY.—

17 “(A) IN GENERAL.—For any fiscal quarter  
18 ending after January 1, 2000, the Association  
19 shall have a capital ratio of at least 2.25 per-  
20 cent. The Secretary of the Treasury may, when-  
21 ever such capital ratio is not met, take any one  
22 or more of the actions described in paragraph  
23 (7), except that—

1 “(i) the capital ratio to be restored  
2 pursuant to paragraph (7)(D) shall be  
3 2.25 percent; and

4 “(ii) if the relevant capital ratio is in  
5 excess of or equal to 2 percent for such  
6 quarter, the Secretary of the Treasury  
7 shall defer taking any of the actions set  
8 forth in paragraph (7) until the next suc-  
9 ceeding quarter and may then proceed with  
10 any such action only if the capital ratio of  
11 the Association remains below 2.25 per-  
12 cent.

13 “(B) APPLICABILITY.—The provisions of  
14 paragraphs (4), (5), (6), (8), (9), (10), and  
15 (11) shall be of no further application to the  
16 Association for any period after January 1,  
17 2000.”.

18 (4) INFORMATION REQUIRED; DIVIDENDS.—  
19 Section 439(r) of the Higher Education Act of 1965  
20 (20 U.S.C. 1087–2(r)) is further amended—

21 (A) by adding at the end of paragraph (2)  
22 (as amended in paragraph (3)(B)(ii)) the fol-  
23 lowing new subparagraph:

24 “(E) OBLIGATION TO OBTAIN, MAINTAIN, AND  
25 REPORT INFORMATION.—

1           “(i) IN GENERAL.—The Association shall  
2 obtain such information and make and keep  
3 such records as the Secretary of the Treasury  
4 may from time to time prescribe concerning—

5           “(I) the financial risk to the Associa-  
6 tion resulting from the activities of any as-  
7 sociated person, to the extent such activi-  
8 ties are reasonably likely to have a mate-  
9 rial impact on the financial condition of  
10 the Association, including the Association’s  
11 capital ratio, the Association’s liquidity, or  
12 the Association’s ability to conduct and fi-  
13 nance the Association’s operations; and

14           “(II) the Association’s policies, proce-  
15 dures, and systems for monitoring and  
16 controlling any such financial risk.

17           “(ii) SUMMARY REPORTS.—The Secretary  
18 of the Treasury may require summary reports  
19 of such information to be filed no more fre-  
20 quently than quarterly. If, as a result of ad-  
21 verse market conditions or based on reports  
22 provided pursuant to this subparagraph or  
23 other available information, the Secretary of the  
24 Treasury has concerns regarding the financial  
25 or operational condition of the Association, the

1 Secretary of the Treasury may, notwithstanding  
2 the preceding sentence and clause (i), require  
3 the Association to make reports concerning the  
4 activities of any associated person, whose busi-  
5 ness activities are reasonably likely to have a  
6 material impact on the financial or operational  
7 condition of the Association.

8 “(iii) DEFINITION.—For purposes of this  
9 subparagraph, the term ‘associated person’  
10 means any person, other than a natural person,  
11 directly or indirectly controlling, controlled by,  
12 or under common control with the Associa-  
13 tion.”; and

14 (B) by adding at the end the following new  
15 paragraphs:

16 “(16) DIVIDENDS.—The Association may pay  
17 dividends in the form of cash or noncash distribu-  
18 tions so long as at the time of the declaration of  
19 such dividends, after giving effect to the payment of  
20 such dividends as of the date of such declaration by  
21 the Board of Directors of the Association, the Asso-  
22 ciation’s capital would be in compliance with the  
23 capital standards set forth in this section.

24 “(17) CERTIFICATION PRIOR TO PAYMENT OF  
25 DIVIDEND.—Prior to the payment of any dividend

1 under paragraph (16), the Association shall certify  
 2 to the Secretary of the Treasury that the payment  
 3 of the dividend will be made in compliance with  
 4 paragraph (16) and shall provide copies of all cal-  
 5 culations needed to make such certification.”.

6 (c) SUNSET OF THE ASSOCIATION’S CHARTER IF NO  
 7 REORGANIZATION PLAN OCCURS.—Section 439 of the  
 8 Higher Education Act of 1965 (20 U.S.C. 1087–2) is  
 9 amended by adding at the end the following new sub-  
 10 section:

11 “(s) CHARTER SUNSET.—

12 “(1) APPLICATION OF PROVISIONS.—This sub-  
 13 section applies beginning 18 months and one day  
 14 after the date of enactment of this subsection if no  
 15 reorganization of the Association occurs in accord-  
 16 ance with the provisions of section 440.

17 “(2) SUNSET PLAN.—

18 “(A) PLAN SUBMISSION BY THE ASSOCIA-  
 19 TION.—Not later than July 1, 2007, the Asso-  
 20 ciation shall submit to the Secretary of the  
 21 Treasury and to the Chairman and Ranking  
 22 Member of the Committee on Labor and  
 23 Human Resources of the Senate and the Chair-  
 24 man and Ranking Member of the Committee on  
 25 Economic and Educational Opportunities of the



1 House of Representatives, a detailed plan for  
2 the orderly winding up, by July 1, 2013, of  
3 business activities conducted pursuant to the  
4 charter set forth in this section. Such plan  
5 shall—

6 “(i) ensure that the Association will  
7 have adequate assets to transfer to a trust,  
8 as provided in this subsection, to ensure  
9 full payment of remaining obligations of  
10 the Association in accordance with the  
11 terms of such obligations;

12 “(ii) provide that all assets not used  
13 to pay liabilities shall be distributed to  
14 shareholders as provided in this subsection;  
15 and

16 “(iii) provide that the operations of  
17 the Association shall remain separate and  
18 distinct from that of any entity to which  
19 the assets of the Association are trans-  
20 ferred.

21 “(B) AMENDMENT OF THE PLAN BY THE  
22 ASSOCIATION.—The Association shall from time  
23 to time amend such plan to reflect changed cir-  
24 cumstances, and submit such amendments to  
25 the Secretary of the Treasury and to the Chair-

1 man and Ranking Minority Member of the  
2 Committee on Labor and Human Resources of  
3 the Senate and Chairman and Ranking Minor-  
4 ity Member of the Committee on Economic and  
5 Educational Opportunities of the House of Rep-  
6 resentatives. In no case may any amendment  
7 extend the date for full implementation of the  
8 plan beyond the dissolution date provided in  
9 paragraph (3).

10 “(C) PLAN MONITORING.—The Secretary  
11 of the Treasury shall monitor the Association’s  
12 compliance with the plan and shall continue to  
13 review the plan (including any amendments  
14 thereto).

15 “(D) AMENDMENT OF THE PLAN BY THE  
16 SECRETARY OF THE TREASURY.—The Secretary  
17 of the Treasury may require the Association to  
18 amend the plan (including any amendments to  
19 the plan), if the Secretary of the Treasury  
20 deems such amendments necessary to ensure  
21 full payment of all obligations of the Associa-  
22 tion.

23 “(E) IMPLEMENTATION BY THE ASSOCIA-  
24 TION.—The Association shall promptly imple-  
25 ment the plan (including any amendments to

1 the plan, whether such amendments are made  
2 by the Association or are required to be made  
3 by the Secretary of the Treasury).

4 “(3) DISSOLUTION OF THE ASSOCIATION.—The  
5 Association shall dissolve and the Association’s sepa-  
6 rate existence shall terminate on July 1, 2013, after  
7 discharge of all outstanding debt obligations and liq-  
8 uidation pursuant to this subsection. The Associa-  
9 tion may dissolve pursuant to this subsection prior  
10 to such date by notifying the Secretary of Education  
11 and the Secretary of the Treasury of the Associa-  
12 tion’s intention to dissolve, unless within 60 days of  
13 receipt of such notice the Secretary of Education no-  
14 tifies the Association that the Association continues  
15 to be needed to serve as a lender of last resort pur-  
16 suant to subsection (q) or continues to be needed to  
17 purchase loans under an agreement with the Sec-  
18 retary described in paragraph (4)(A). On the dis-  
19 solution date, the Association shall take the follow-  
20 ing actions:

21 “(A) ESTABLISHMENT OF A TRUST.—The  
22 Association shall, under the terms of an irrev-  
23 ocable trust agreement in form and substance  
24 satisfactory to the Secretary of the Treasury,  
25 the Association, and the appointed trustee, ir-

1           revocably transfer all remaining obligations of  
2           the Association to a trust and irrevocably de-  
3           posit or cause to be deposited into such trust,  
4           to be held as trust funds solely for the benefit  
5           of holders of the remaining obligations, money  
6           or direct noncallable obligations of the United  
7           States or any agency thereof for which payment  
8           the full faith and credit of the United States is  
9           pledged, maturing as to principal and interest  
10          in such amounts and at such times as are de-  
11          termined by the Secretary of the Treasury to be  
12          sufficient, without consideration of any signifi-  
13          cant reinvestment of such interest, to pay the  
14          principal of, and interest on, the remaining obli-  
15          gations in accordance with their terms.

16                 “(B) USE OF TRUST ASSETS.—All money,  
17           obligations, or financial assets deposited into  
18           the trust pursuant to this subsection shall be  
19           applied by the trustee to the payment of the re-  
20           maining obligations assumed by the trust. Upon  
21           the fulfillment of the trustee’s duties under the  
22           trust, any remaining assets of the trust shall be  
23           transferred to the persons who, at the time of  
24           the dissolution, were the shareholders of the As-

sociation, or to the legal successors or assigns of such persons.

“(C) OBLIGATIONS NOT TRANSFERRED TO THE TRUST.—The Association shall make proper provision for all other obligations of the Association, including the repurchase or redemption, or the making of proper provision for the repurchase or redemption, of any preferred stock of the Association outstanding.

“(D) TRANSFER OF REMAINING ASSETS.—After compliance with subparagraphs (A) and (C), the Association shall transfer to the shareholders of the Association any remaining assets of the Association.

“(4) RESTRICTIONS RELATING TO WINDING UP.—

“(A) RESTRICTIONS ON NEW BUSINESS ACTIVITY OR ACQUISITION OF ASSETS BY THE ASSOCIATION.—

“(i) IN GENERAL.—Beginning on July 1, 2009, the Association shall not engage in any new business activities or acquire any additional program assets (including acquiring assets pursuant to contractual commitments) described in subsection (d)

1 other than in connection with the Associa-  
2 tion—

3 “(I) serving as a lender of last  
4 resort pursuant to subsection (q); and

5 “(II) purchasing loans insured  
6 under this part, if the Secretary, with  
7 the approval of the Secretary of the  
8 Treasury, enters into an agreement  
9 with the Association for the continu-  
10 ation or resumption of the Associa-  
11 tion’s secondary market purchase pro-  
12 gram because the Secretary deter-  
13 mines there is inadequate liquidity for  
14 loans made under this part.

15 “(ii) AGREEMENT.—The Secretary is  
16 authorized to enter into an agreement de-  
17 scribed in subclause (II) of clause (i) with  
18 the Association covering such secondary  
19 market activities. Any agreement entered  
20 into under such subclause shall cover a pe-  
21 riod of 12 months, but may be renewed if  
22 the Secretary determines that liquidity re-  
23 mains inadequate. The fee provided under  
24 subsection (h)(7) shall not apply to loans

1           acquired under any such agreement with  
2           the Secretary.

3           “(B) ISSUANCE OF DEBT OBLIGATIONS  
4           DURING THE WIND UP PERIOD; ATTRIBUTES OF  
5           DEBT OBLIGATIONS.—The Association shall not  
6           issue debt obligations which mature later than  
7           July 1, 2013, except in connection with serving  
8           as a lender of last resort pursuant to subsection  
9           (q) or with purchasing loans under an agree-  
10          ment with the Secretary as described in sub-  
11          paragraph (A). Nothing in this subsection shall  
12          modify the attributes accorded the debt obliga-  
13          tions of the Association by this section, regard-  
14          less of whether such debt obligations are trans-  
15          ferred to a trust in accordance with paragraph  
16          (3).

17          “(C) USE OF ASSOCIATION NAME.—The  
18          Association may not transfer or permit the use  
19          of the name ‘Student Loan Marketing Associa-  
20          tion’, ‘Sallie Mae’, or any variation thereof, to  
21          or by any entity other than a subsidiary of the  
22          Association.”.

23          (d) REPEALS.—

24                 (1) IN GENERAL.—Sections 439 of the Higher  
25          Education Act of 1965 (20 U.S.C. 1087–2) and 440

1 of such Act (as added by subsection (a) of this sec-  
2 tion) are repealed.

3 (2) EFFECTIVE DATE.—The repeals made by  
4 paragraph (1) shall be effective one year after—

5 (A) the date on which all of the obligations  
6 of the trust established under section 440(d)(1)  
7 of the Higher Education Act of 1965 (as added  
8 by subsection (a)) have been extinguished, if a  
9 reorganization occurs in accordance with section  
10 440 of such Act; or

11 (B) the date on which all of the obligations  
12 of the trust established under subsection  
13 439(s)(3)(A) of such Act (as added by sub-  
14 section (c)) have been extinguished, if a reorga-  
15 nization does not occur in accordance with sec-  
16 tion 440 of such Act.

17 (e) ASSOCIATION NAMES.—Upon dissolution in ac-  
18 cordance with section 439(s) of the Higher Education Act  
19 of 1965 (20 U.S.C. 1087–2), the names “Student Loan  
20 Marketing Association”, “Sallie Mae”, and any variations  
21 thereof may not be used by any entity engaged in any  
22 business similar to the business conducted pursuant to  
23 section 439 of such Act (as such section was in effect on  
24 the date of enactment of this Act) without the approval  
25 of the Secretary of the Treasury.



1       (f) RIGHT TO ENFORCE.—The Secretary of Edu-  
2 cation or the Secretary of the Treasury, as appropriate,  
3 may request that the Attorney General bring an action  
4 in the United States District Court for the District of Co-  
5 lumbia for the enforcement of any provision of subsection  
6 (e), or may, under the direction or control of the Attorney  
7 General, bring such an action. Such court shall have juris-  
8 diction and power to order and require compliance with  
9 subsection (e).

10 **SEC. 603. CONNIE LEE PRIVATIZATION.**

11       (a) STATUS OF THE CORPORATION AND CORPORATE  
12 POWERS; OBLIGATIONS NOT FEDERALLY GUARAN-  
13 TEED.—

14           (1) STATUS OF THE CORPORATION.—The Cor-  
15 poration shall not be an agency, instrumentality, or  
16 establishment of the United States Government, nor  
17 a Government corporation, nor a Government con-  
18 trolled corporation, as such terms are defined in sec-  
19 tion 103 of title 5, United States Code. No action  
20 under section 1491 of title 28, United States Code  
21 (commonly known as the Tucker Act) shall be allow-  
22 able against the United States based on the actions  
23 of the Corporation.

24           (2) CORPORATE POWERS.—The Corporation  
25 shall be subject to the provisions of this section, and,

1 to the extent not inconsistent with this section, to  
2 the District of Columbia Business Corporation Act  
3 (or the comparable law of another State, if applica-  
4 ble). The Corporation shall have the powers con-  
5 ferred upon a corporation by the District of Colum-  
6 bia Business Corporation Act (or such other applica-  
7 ble State law) as from time to time in effect in order  
8 to conduct the Corporation's affairs as a private,  
9 for-profit corporation and to carry out the Corpora-  
10 tion's purposes and activities incidental thereto. The  
11 Corporation shall have the power to enter into con-  
12 tracts, to execute instruments, to incur liabilities, to  
13 provide products and services, and to do all things  
14 as are necessary or incidental to the proper manage-  
15 ment of the Corporation's affairs and the efficient  
16 operation of a private, for-profit business.

17 (3) LIMITATION ON OWNERSHIP OF STOCK.—

18 (A) STUDENT LOAN MARKETING ASSOCIA-  
19 TION.—The Student Loan Marketing Associa-  
20 tion shall not increase its share of the owner-  
21 ship of the Corporation in excess of 42 percent  
22 of the shares of stock of the Corporation out-  
23 standing on the date of enactment of this Act.  
24 The Student Loan Marketing Association shall  
25 not control the operation of the Corporation,

1 except that the Student Loan Marketing Asso-  
2 ciation may participate in the election of direc-  
3 tors as a shareholder, and may continue to ex-  
4 ercise the Student Loan Marketing Associa-  
5 tion's right to appoint directors under section  
6 754 of the Higher Education Act of 1965 (20  
7 U.S.C. 1132f–3) as long as that section is in ef-  
8 fect.

9 (B) PROHIBITION.—Until such time as the  
10 Secretary of the Treasury sells the stock of the  
11 Corporation owned by the Secretary of Edu-  
12 cation pursuant to subsection (c), the Student  
13 Loan Marketing Association shall not provide  
14 financial support or guarantees to the Corpora-  
15 tion.

16 (C) FINANCIAL SUPPORT OR GUARAN-  
17 TEES.—After the Secretary of the Treasury  
18 sells the stock of the Corporation owned by the  
19 Secretary of Education pursuant to subsection  
20 (c), the Student Loan Marketing Association  
21 may provide financial support or guarantees to  
22 the Corporation, if such support or guarantees  
23 are subject to terms and conditions that are no  
24 more advantageous to the Corporation than the  
25 terms and conditions the Student Loan Market-

1           ing Association provides to other entities, in-  
2           cluding, where applicable, other monoline finan-  
3           cial guaranty corporations in which the Student  
4           Loan Marketing Association has no ownership  
5           interest.

6           (4) NO FEDERAL GUARANTEE.—

7                   (A) OBLIGATIONS INSURED BY THE COR-  
8           PORATION.—

9                           (i) FULL FAITH AND CREDIT OF THE  
10                   UNITED STATES.—No obligation that is in-  
11                   sured, guaranteed, or otherwise backed by  
12                   the Corporation shall be deemed to be an  
13                   obligation that is guaranteed by the full  
14                   faith and credit of the United States.

15                           (ii) STUDENT LOAN MARKETING ASSO-  
16                   CIATION.—No obligation that is insured,  
17                   guaranteed, or otherwise backed by the  
18                   Corporation shall be deemed to be an obli-  
19                   gation that is guaranteed by the Student  
20                   Loan Marketing Association.

21                           (iii) SPECIAL RULE.—This paragraph  
22                   shall not affect the determination of  
23                   whether such obligation is guaranteed for  
24                   purposes of Federal income taxes.

1           (B) SECURITIES OFFERED BY THE COR-  
2           PORATION.—No debt or equity securities of the  
3           Corporation shall be deemed to be guaranteed  
4           by the full faith and credit of the United  
5           States.

6           (5) DEFINITION.—The term “Corporation” as  
7           used in this section means the College Construction  
8           Loan Insurance Association as in existence on the  
9           day before the date of enactment of this Act, and  
10          any successor corporation.

11         (b) RELATED PRIVATIZATION REQUIREMENTS.—

12           (1) NOTICE REQUIREMENTS.—

13                 (A) IN GENERAL.—During the six-year pe-  
14                 riod following the date of enactment of this Act,  
15                 the Corporation shall include, in each of the  
16                 Corporation’s contracts for the insurance, guar-  
17                 antee, or reinsurance of obligations, and in each  
18                 document offering debt or equity securities of  
19                 the Corporation, a prominent statement provid-  
20                 ing notice that—

21                         (i) such obligations or such securities,  
22                         as the case may be, are not obligations of  
23                         the United States, nor are such obligations  
24                         or such securities, as the case may be,

1           guaranteed in any way by the full faith  
2           and credit of the United States; and

3           (ii) the Corporation is not an instru-  
4           mentality of the United States.

5           (B) ADDITIONAL NOTICE.—During the  
6           five-year period following the sale of stock pur-  
7           suant to subsection (c)(1), in addition to the  
8           notice requirements in subparagraph (A), the  
9           Corporation shall include, in each of the con-  
10          tracts and documents referred to in such sub-  
11          paragraph, a prominent statement providing no-  
12          tice that the United States is not an investor in  
13          the Corporation.

14          (2) CORPORATE CHARTER.—The Corporation’s  
15          charter shall be amended as necessary and without  
16          delay to conform to the requirements of this section.

17          (3) CORPORATE NAME.—The name of the Cor-  
18          poration, or of any direct or indirect subsidiary  
19          thereof, may not contain the term “College Con-  
20          struction Loan Insurance Association”, or any sub-  
21          stantially similar variation thereof.

22          (4) ARTICLES OF INCORPORATION.—The Cor-  
23          poration shall amend the Corporation’s articles of  
24          incorporation without delay to reflect that one of the  
25          purposes of the Corporation shall be to guarantee,

1 insure, and reinsure bonds, leases, and other evi-  
2 dences of debt of educational institutions, including  
3 Historically Black Colleges and Universities and  
4 other academic institutions which are ranked in the  
5 lower investment grade category using a nationally  
6 recognized credit rating system.

7 (5) REQUIREMENTS UNTIL STOCK SALE.—Not-  
8 withstanding subsection (d), the requirements of sec-  
9 tions 754 and 760 of the Higher Education Act of  
10 1965 (20 U.S.C. 1132f–3 and 1132f–9), as such  
11 sections were in effect on the day before the date of  
12 enactment of this Act, shall continue to be effective  
13 until the day immediately following the date of clos-  
14 ing of the purchase of the Secretary of Education’s  
15 stock (or the date of closing of the final purchase,  
16 in the case of multiple transactions) pursuant to  
17 subsection (c)(1) of this Act.

18 (c) SALE OF FEDERALLY OWNED STOCK.—

19 (1) PURCHASE BY THE CORPORATION.—The  
20 Secretary of the Treasury shall sell and the Corpora-  
21 tion shall purchase, within 90 days after the date of  
22 enactment of this Act, the stock of the Corporation  
23 held by the Secretary of Education at a price deter-  
24 mined by the binding, independent appraisal of a na-  
25 tionally recognized financial firm, except that the

1 90-day period may be extended by mutual agreement  
2 of the Secretary of the Treasury and the Corpora-  
3 tion to not more than 150 days after the date of en-  
4 actment of this Act. The appraiser shall be jointly  
5 selected by the Secretary of the Treasury and the  
6 Corporation. In the event that the Secretary of the  
7 Treasury and the Corporation cannot agree on the  
8 appraiser, then the Secretary of the Treasury and  
9 the Corporation shall name an independent third  
10 party to select the appraiser.

11 (2) REIMBURSEMENT OF COSTS AND EXPENSES  
12 OF SALE.—The Secretary of the Treasury shall be  
13 reimbursed from the proceeds of the sale of the  
14 stock under this subsection for all reasonable costs  
15 and expenses related to such sale, except that one-  
16 half of all reasonable costs and expenses relating to  
17 the independent appraisal under paragraph (1) shall  
18 be borne by the Corporation.

19 (3) DEPOSIT INTO ACCOUNT.—Amounts col-  
20 lected from the sale of stock pursuant to this sub-  
21 section that are not used to reimburse the Secretary  
22 of the Treasury pursuant to paragraph (2) shall be  
23 deposited into the account established under sub-  
24 section (e).



1           (4) ASSISTANCE BY THE CORPORATION.—The  
2           Corporation shall provide such assistance as the Sec-  
3           retary of the Treasury and the Secretary of Edu-  
4           cation may require to facilitate the sale of the stock  
5           under this subsection.

6           (5) REPORT TO CONGRESS.—Not later than 6  
7           months after the date of enactment of this Act, the  
8           Secretary of the Treasury shall report to the appro-  
9           priate committees of Congress on the completion and  
10          terms of the sale of stock of the Corporation pursu-  
11          ant to this subsection.

12          (d) REPEAL OF STATUTORY RESTRICTIONS AND  
13          RELATED PROVISIONS.—Part D of title VII of the High-  
14          er Education Act of 1965 (20 U.S.C. 1132f et seq.) is  
15          repealed.

16          (e) ESTABLISHMENT OF ACCOUNT.—

17               (1) IN GENERAL.—Notwithstanding any other  
18               provision of law, the District of Columbia Financial  
19               Responsibility and Management Assistance Author-  
20               ity shall establish an account to receive—

21                       (A) amounts collected from the sale and  
22                       proceeds resulting from the exercise of stock  
23                       warrants pursuant to section 440(c)(9) of the  
24                       Higher Education Act of 1965;

1 (B) amounts and proceeds remitted as  
2 compensation for the right to assign the “Sallie  
3 Mae” name as a trademark or service mark  
4 pursuant to section 440(e)(3) of the Higher  
5 Education Act of 1965; and

6 (C) amounts and proceeds collected from  
7 the sale of the stock of the Corporation and de-  
8 posited pursuant to subsection (c)(3).

9 (2) AMOUNTS AND PROCEEDS.—

10 (A) AMOUNTS AND PROCEEDS RELATING  
11 TO SALLIE MAE.—The amounts and proceeds  
12 described in subparagraphs (A) and (B) of  
13 paragraph (1) shall be used to finance public el-  
14 elementary and secondary school facility con-  
15 struction and repair within the District of Co-  
16 lumbia or to carry out the District of Columbia  
17 School Reform Act of 1995.

18 (B) AMOUNTS AND PROCEEDS RELATING  
19 TO CONNIE LEE.—The amounts and proceeds  
20 described in subparagraph (C) of paragraph (1)  
21 shall be used to finance public elementary and  
22 secondary school facility construction and repair  
23 within the District of Columbia.

1 **SEC. 604. DISCRIMINATION IN SECONDARY MARKETS PRO-**  
2 **HIBITED.**

3 Part B of title IV of the Higher Education Act of  
4 1965 (20 U.S.C. 1071 et seq.) is amended by adding  
5 after section 440 (as added by section 602) the following  
6 new section:

7 **“SEC. 440A. DISCRIMINATION IN SECONDARY MARKETS**  
8 **PROHIBITED.**

9 “The Student Loan Marketing Association (and,  
10 if the Association is privatized under section 440, any  
11 successor entity functioning as a secondary market for  
12 loans under this part, including the Holding Company  
13 described in such section) shall not engage directly or in-  
14 directly in any pattern or practice that results in a denial  
15 of a borrower’s access to loans under this part because  
16 of the borrower’s race, sex, color, religion, national origin,  
17 age, disability status, income, attendance at a particular  
18 eligible institution, length of the borrower’s educational  
19 program, or the borrower’s academic year at an eligible  
20 institution.”.

21 **TITLE VII—MUSEUM AND LIBRARY SERVICES**  
22 **ACT OF 1996**

23 **SECTION 701. SHORT TITLE.**

24 This title may be cited as the “Museum and Li-  
25 brary Services Act of 1996”.

1 **SEC. 702. MUSEUM AND LIBRARY SERVICES.**

2           The Museum Services Act (20 U.S.C. 961 et seq.)  
3 is amended to read as follows:

4       **“TITLE II—MUSEUM AND LIBRARY SERVICES**

5                       **“Subtitle A—General Provisions**

6 **“SEC. 201. SHORT TITLE.**

7           “This title may be cited as the ‘Museum and Li-  
8 brary Services Act’.

9 **“SEC. 202. GENERAL DEFINITIONS.**

10           “As used in this title:

11               “(1) COMMISSION.—The term ‘Commission’  
12 means the National Commission on Libraries and  
13 Information Science established under section 3 of  
14 the National Commission on Libraries and Informa-  
15 tion Sciences Act (20 U.S.C. 1502).

16               “(2) DIRECTOR.—The term ‘Director’ means  
17 the Director of the Institute appointed under section  
18 204.

19               “(3) INSTITUTE.—The term ‘Institute’ means  
20 the Institute of Museum and Library Services estab-  
21 lished under section 203.

22               “(4) MUSEUM BOARD.—The term ‘Museum  
23 Board’ means the National Museum Services Board  
24 established under section 275.

1 **“SEC. 203. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.**

2           “(a) ESTABLISHMENT.—There is established,  
3 within the National Foundation on the Arts and the Hu-  
4 manities, an Institute of Museum and Library Services.

5           “(b) OFFICES.—The Institute shall consist of an  
6 Office of Museum Services and an Office of Library Serv-  
7 ices. There shall be a National Museum Services Board  
8 in the Office of Museum Services.

9 **“SEC. 204. DIRECTOR OF THE INSTITUTE.**

10           “(a) APPOINTMENT.—

11           “(1) IN GENERAL.—The Institute shall be  
12 headed by a Director, appointed by the President, by  
13 and with the advice and consent of the Senate.

14           “(2) TERM.—The Director shall serve for a  
15 term of 4 years.

16           “(3) QUALIFICATIONS.—Beginning with the  
17 first individual appointed to the position of Director  
18 after the date of enactment of the Museum and Li-  
19 brary Services Act of 1996, every second individual  
20 so appointed shall be appointed from among individ-  
21 uals who have special competence with regard to li-  
22 brary and information services. Beginning with the  
23 second individual appointed to the position of Direc-  
24 tor after the date of enactment of the Museum and  
25 Library Services Act of 1996, every second individ-  
26 ual so appointed shall be appointed from among in-

1 individuals who have special competence with regard  
2 to museum services.

3 “(b) COMPENSATION.—The Director may be com-  
4 pensated at the rate provided for level III of the Execu-  
5 tive Schedule under section 5314 of title 5, United States  
6 Code.

7 “(c) DUTIES AND POWERS.—The Director shall  
8 perform such duties and exercise such powers as may be  
9 prescribed by law, including awarding financial assistance  
10 for activities described in this title.

11 “(d) NONDELEGATION.—The Director shall not  
12 delegate any of the functions of the Director to any per-  
13 son who is not an officer or employee of the Institute.

14 “(e) COORDINATION.—The Director shall en-  
15 sure coordination of the policies and activities of  
16 the Institute with the policies and activities of other  
17 agencies and offices of the Federal Government hav-  
18 ing interest in and responsibilities for the improvement of  
19 museums and libraries and information services.

20 **“SEC. 205. DEPUTY DIRECTORS.**

21 “The Office of Library Services shall be headed  
22 by a Deputy Director, who shall be appointed by the Di-  
23 rector from among individuals who have a graduate de-  
24 gree in library science and expertise in library and infor-  
25 mation services. The Office of Museum Services shall be

1 headed by a Deputy Director, who shall be appointed by  
2 the Director from among individuals who have expertise  
3 in museum services.

4 **“SEC. 206. PERSONNEL.**

5       “(a) IN GENERAL.—The Director may, in accord-  
6 ance with applicable provisions of title 5, United States  
7 Code, appoint and determine the compensation of such  
8 employees as the Director determines to be necessary to  
9 carry out the duties of the Institute.

10       “(b) VOLUNTARY SERVICES.—The Director may  
11 accept and utilize the voluntary services of individuals  
12 and reimburse the individuals for travel expenses, includ-  
13 ing per diem in lieu of subsistence, in the same amounts  
14 and to the same extent as authorized under section 5703  
15 of title 5, United States Code, for persons employed  
16 intermittently in Federal Government service.

17 **“SEC. 207. CONTRIBUTIONS.**

18       “The Institute is authorized to solicit, accept, re-  
19 ceive, and invest in the name of the United States, gifts,  
20 bequests, or devises of money and other property or serv-  
21 ices and to use such property of services in furtherance  
22 of the functions of the Institute. Any proceeds from such  
23 gifts, bequests, or devises, after acceptance by the Insti-  
24 tute, shall be paid by the donor or the representative of  
25 the donor to the Director. The Director shall enter the

1 proceeds in a special-interest bearing account to the cred-  
2 it of the Institute for the purposes specified in each case.

3 “Subtitle B—Library Services and Technology

4 **“SEC. 211. SHORT TITLE.**

5 “This subtitle may be cited as the ‘Library Serv-  
6 ices and Technology Act’.

7 **“SEC. 212. PURPOSE.**

8 “It is the purpose of this subtitle—

9 “(1) to consolidate Federal library service pro-  
10 grams;

11 “(2) to stimulate excellence and promote access  
12 to learning and information resources in all types of  
13 libraries for individuals of all ages;

14 “(3) to promote library services that provide all  
15 users access to information through State, regional,  
16 national and international electronic networks;

17 “(4) to provide linkages among and be-  
18 tween libraries; and

19 “(5) to promote targeted library services to peo-  
20 ple of diverse geographic, cultural, and socio-  
21 economic backgrounds, to individuals with disabil-  
22 ities, and to people with limited functional literacy  
23 or information skills.

24 **SEC. 213. DEFINITIONS.**

25 “As used in this subtitle:



1           “(1) INDIAN TRIBE.—The term ‘Indian tribe’  
2       means any tribe, band, nation, or other organized  
3       group or community, including any Alaska native  
4       village, regional corporation, or village corporation,  
5       as defined in or established pursuant to the Alaska  
6       Native Claims Settlement Act (43 U.S.C. 1601 et  
7       seq.), which is recognized by the Secretary of the In-  
8       terior as eligible for the special programs and serv-  
9       ices provided by the United States to Indians be-  
10      cause of their status as Indians.

11           “(2) LIBRARY.—The term ‘library’ includes—

12                   “(A) a public library;

13                   “(B) a public elementary school or second-  
14      ary school library;

15                   “(C) an academic library;

16                   “(D) a research library, which for the pur-  
17      poses of this subtitle means a library that—

18                           “(i) makes publicly available library  
19                   services and materials suitable for schol-  
20                   arly research and not otherwise available  
21                   to the public; and

22                           “(ii) is not an integral part of an in-  
23                   stitution of higher education; and

24                   “(E) a private library, but only if the State  
25      in which such private library is located deter-

1           mines that the library should be considered a li-  
2           brary for purposes of this subtitle.

3           “(3) LIBRARY CONSORTIUM.—The term ‘library  
4           consortium’ means any local, statewide, regional,  
5           interstate, or international cooperative association of  
6           library entities which provides for the systematic and  
7           effective coordination of the resources of school, pub-  
8           lic, academic, and special libraries and information  
9           centers, for improved services for the clientele of  
10          such library entities.

11          “(4) STATE.—The term ‘State’, unless other-  
12          wise specified, includes each of the 50 States of the  
13          United States, the District of Columbia, the Com-  
14          monwealth of Puerto Rico, the United States Virgin  
15          Islands, Guam, American Samoa, the Common-  
16          wealth of the Northern Mariana Islands, the Repub-  
17          lic of the Marshall Islands, the Federated States of  
18          Micronesia, and the Republic of Palau.

19          “(5) STATE LIBRARY ADMINISTRATIVE AGEN-  
20          CY.—The term ‘State library administrative agency’  
21          means the official agency of a State charged by the  
22          law of the State with the extension and development  
23          of public library services throughout the State.

24          “(6) STATE PLAN.—The term ‘State plan’  
25          means the document which gives assurances that the

1       officially designated State library administrative  
2       agency has the fiscal and legal authority and capa-  
3       bility to administer all aspects of this subtitle, pro-  
4       vides assurances for establishing the State's policies,  
5       priorities, criteria, and procedures necessary to the  
6       implementation of all programs under this subtitle,  
7       submits copies for approval as required by regula-  
8       tions promulgated by the Director, identifies a  
9       State's library needs, and sets forth the activities to  
10      be taken toward meeting the identified needs sup-  
11      ported with the assistance of Federal funds made  
12      available under this subtitle.

13   **“SEC. 214. AUTHORIZATION OF APPROPRIATIONS.**

14       “(a) AUTHORIZATION OF APPROPRIATIONS.—

15           “(1) IN GENERAL.—There are authorized to be  
16       appropriated \$150,000,000 for fiscal year 1997 and  
17       such sums as may be necessary for each of the fiscal  
18       years 1998 through 2002 to carry out this subtitle.

19           “(2) TRANSFER.—The Secretary of Education  
20       shall—

21           “(A) transfer promptly to the Director any  
22       funds appropriated under the authority of para-  
23       graph (1), to enable the Director to carry out  
24       this subtitle; and

1           “(B) not exercise any authority concerning  
2           the administration of this title other than the  
3           transfer described in subparagraph (A).

4           “(b) FORWARD FUNDING.—

5           “(1) IN GENERAL.—To the end of affording the  
6           responsible Federal, State, and local officers ade-  
7           quate notice of available Federal financial assistance  
8           for carrying out ongoing library activities and  
9           projects, appropriations for grants contracts, or  
10          other payments under any program under this sub-  
11          title are authorized to be included in the appropria-  
12          tions Act for the fiscal year preceding the fiscal year  
13          during which such activities and projects shall be  
14          carried out.

15          “(2) ADDITIONAL AUTHORIZATION OF APPRO-  
16          PRIATIONS.—In order to effect a transition to the  
17          timing of appropriation action authorized by sub-  
18          section (a), the application of this section may result  
19          in the enactment, in a fiscal year, of separate appro-  
20          priations for a program under this subtitle (whether  
21          in the same appropriations Act or otherwise) for two  
22          consecutive fiscal years.

23          “(c) ADMINISTRATION.—Not more than 3 percent  
24          of the funds appropriated under this section for a fiscal

1 year may be used to pay for the Federal administrative  
 2 costs of carrying out this subtitle.

### 3           **“CHAPTER 1—BASIC PROGRAM** 4                           **REQUIREMENTS**

#### 5   **“SEC. 221. RESERVATIONS AND ALLOTMENTS.**

6           “(a) RESERVATIONS.—

7                   “(1) IN GENERAL.—From the amount appro-  
 8           priated under the authority of section 214 for any  
 9           fiscal year, the Director—

10                   “(A) shall reserve 1½ percent to award  
 11           grants in accordance with section 261; and

12                   “(B) shall reserve 4 percent to award na-  
 13           tional leadership grants or contracts in accord-  
 14           ance with section 262.

15                   “(2) SPECIAL RULE.—If the funds reserved  
 16           pursuant to paragraph (1)(B) for a fiscal year have  
 17           not been obligated by the end of such fiscal year,  
 18           then such funds shall be allotted in accordance with  
 19           subsection (b) for the fiscal year succeeding the fis-  
 20           cal year for which the funds were so reserved.

21           “(b) ALLOTMENTS.—

22                   “(1) IN GENERAL.—From the sums appro-  
 23           priated under the authority of section 214 and not  
 24           reserved under subsection (a) for any fiscal year, the  
 25           Director shall award grants from minimum allot-

1       ments, as determined under paragraph (3), to each  
2       State. Any sums remaining after minimum allot-  
3       ments are made for such year shall be allotted in the  
4       manner set forth in paragraph (2).

5           “(2) REMAINDER.—From the remainder of any  
6       sums appropriated under the authority of section  
7       214 that are not reserved under subsection (a) and  
8       not allotted under paragraph (1) for any fiscal year,  
9       the Director shall award grants to each State in an  
10      amount that bears the same relation to such remain-  
11      der as the population of the State bears to the popu-  
12      lation of all States.

13          “(3) MINIMUM ALLOTMENT.—

14           “(A) IN GENERAL.—For the purposes of  
15       this subsection, the minimum allotment for each  
16       State shall be \$340,000, except that the mini-  
17       mum allotment shall be \$40,000 in the case of  
18       the United States Virgin Islands, Guam, Amer-  
19       ican Samoa, the Commonwealth of the North-  
20       ern Mariana Islands, the Republic of the Mar-  
21       shall Islands, the Federated States of Microne-  
22       sia, and the Republic of Palau.

23           “(B) RATABLE REDUCTIONS.—If the sum  
24       appropriated under the authority of section 214  
25       and not reserved under subsection (a) for any

1       fiscal year is insufficient to fully satisfy the ag-  
2       gregate of the minimum allotments for all  
3       States for that purpose for such year, each of  
4       such minimum allotments shall be reduced rat-  
5       ably.

6               “(C) SPECIAL RULE.—

7               “(i) IN GENERAL.—Notwithstanding  
8       any other provision of this subsection and  
9       using funds allotted for the Republic of the  
10      Marshall Islands, the Republic of the Mar-  
11      shall Islands, the Federated States of Mi-  
12      cronesia, and the Republic of Palau under  
13      this subsection, the Director shall award  
14      grants to Guam, American Samoa, the  
15      Commonwealth of the Northern Mariana  
16      Islands, the Republic of the Marshall Is-  
17      lands, the Federated States of Micronesia,  
18      or the Republic of Palau to carry out ac-  
19      tivities described in this subtitle in accord-  
20      ance with the provisions of this subtitle  
21      that the Director determines are not incon-  
22      sistent with this subparagraph.

23              “(ii) AWARD BASIS.—The Director  
24      shall award grants pursuant to clause (i)  
25      on a competitive basis and pursuant to rec-

ommendations from the Pacific Region Educational Laboratory in Honolulu, Hawaii.

“(iii) TERMINATION OF ELIGIBILITY.—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall not receive any funds under this subtitle for any fiscal year that begins after September 30, 2001.

“(iv) ADMINISTRATIVE COSTS.—The Director may provide not more than 5 percent of the funds made available for grants under this subparagraph to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subparagraph.

“(4) DATA.—The population of each State and of all the States shall be determined by the Director on the basis of the most recent data available from the Bureau of the Census.

**“SEC. 222. ADMINISTRATION.**

“(a) IN GENERAL.—Not more than 4 percent of the total amount of funds received under this subtitle for



1 any fiscal year by a State may be used for administrative  
2 costs.

3 “(b) CONSTRUCTION.—Nothing in this section  
4 shall be construed to limit spending for evaluation costs  
5 under section 224(c) from sources other than this sub-  
6 title.

7 **“SEC. 223. PAYMENTS; FEDERAL SHARE; AND MAINTENANCE OF EFFORT REQUIREMENTS.**

8  
9 “(a) PAYMENTS.—Subject to appropriations pro-  
10 vided pursuant to section 214, the Director shall pay to  
11 each State library administrative agency having a State  
12 plan approved under section 224 the Federal share of the  
13 cost of the activities described in the State plan.

14 “(b) FEDERAL SHARE.—

15 “(1) IN GENERAL.—The Federal share shall be  
16 66 percent.

17 “(2) NON-FEDERAL SHARE.—The non-Federal  
18 share of payments shall be provided from non-Fed-  
19 eral, State, or local sources.

20 “(c) MAINTENANCE OF EFFORT.—

21 “(1) STATE EXPENDITURES.—

22 “(A) REQUIREMENT.—

23 “(i) IN GENERAL.—The amount oth-  
24 erwise payable to a State for a fiscal year  
25 pursuant to an allotment under this chap-

1           ter shall be reduced if the level of State ex-  
2           penditures, as described in paragraph (2),  
3           for the previous fiscal year is less than the  
4           average of the total of such expenditures  
5           for the 3 fiscal years preceding that pre-  
6           vious fiscal year. The amount of the reduc-  
7           tion in allotment for any fiscal year shall  
8           be equal to the amount by which the level  
9           of such State expenditures for the fiscal  
10          year for which the determination is made  
11          is less than the average of the total of such  
12          expenditures for the 3 fiscal years preced-  
13          ing the fiscal year for which the determina-  
14          tion is made.

15               “(ii) CALCULATION.—Any decrease in  
16          State expenditures resulting from the ap-  
17          plication of subparagraph (B) shall be ex-  
18          cluded from the calculation of the average  
19          level of State expenditures for any 3-year  
20          period described in clause (i).

21               “(B) DECREASE IN FEDERAL SUPPORT.—  
22          If the amount made available under this sub-  
23          title for a fiscal year is less than the amount  
24          made available under this subtitle for the pre-  
25          ceding fiscal year, then the expenditures re-

1           quired by subparagraph (A) for such preceding  
2           fiscal year shall be decreased by the same per-  
3           centage as the percentage decrease in the  
4           amount so made available.

5           “(2) LEVEL OF STATE EXPENDITURES.—The  
6           level of State expenditures for the purposes of para-  
7           graph (1) shall include all State dollars expended by  
8           the State library administrative agency for library  
9           programs that are consistent with the purposes of  
10          this subtitle. All funds included in the maintenance  
11          of effort calculation under this subsection shall be  
12          expended during the fiscal year for which the deter-  
13          mination is made, and shall not include capital ex-  
14          penditures, special one-time project costs, or similar  
15          windfalls.

16          “(3) WAIVER.—The Director may waive the re-  
17          quirements of paragraph (1) if the Director deter-  
18          mines that such a waiver would be equitable due to  
19          exceptional or uncontrollable circumstances such as  
20          a natural disaster or a precipitous and unforeseen  
21          decline in the financial resources of the State.

22   **“SEC. 224. STATE PLANS.**

23          “(a) STATE PLAN REQUIRED.—

24          “(1) IN GENERAL.—In order to be eligible to  
25          receive a grant under this subtitle, a State library

1 administrative agency shall submit a State plan to  
2 the Director not later than April 1, 1997.

3 “(2) DURATION.—The State plan shall cover a  
4 period of 5 fiscal years.

5 “(3) REVISIONS.—If a State library administra-  
6 tive agency makes a substantive revision to its State  
7 plan, then the State library administrative agency  
8 shall submit to the Director an amendment to the  
9 State plan containing such revision not later than  
10 April 1 of the fiscal year preceding the fiscal year  
11 for which the amendment will be effective.

12 “(b) CONTENTS.—The State plan shall—

13 “(1) establish goals, and specify priorities, for  
14 the State consistent with the purposes of this sub-  
15 title;

16 “(2) describe activities that are consistent with  
17 the goals and priorities established under paragraph  
18 (1), the purposes of this subtitle, and section 231,  
19 that the State library administrative agency will  
20 carry out during such year using such grant;

21 “(3) describe the procedures that such agency  
22 will use to carry out the activities described in para-  
23 graph (2);

24 “(4) describe the methodology that such agency  
25 will use to evaluate the success of the activities es-

1        tablished under paragraph (2) in achieving the goals  
2        and meeting the priorities described in paragraph  
3        (1);

4            “(5) describe the procedures that such agency  
5        will use to involve libraries and library users  
6        throughout the State in policy decisions regarding  
7        implementation of this subtitle; and

8            “(6) provide assurances satisfactory to the Di-  
9        rector that such agency will make such reports, in  
10       such form and containing such information, as the  
11       Director may reasonably require to carry out this  
12       subtitle and to determine the extent to which funds  
13       provided under this subtitle have been effective in  
14       carrying out the purposes of this subtitle.

15           “(c) EVALUATION AND REPORT.—Each State li-  
16       brary administrative agency receiving a grant under this  
17       subtitle shall independently evaluate, and report to the  
18       Director regarding, the activities assisted under this sub-  
19       title, prior to the end of the 5-year plan.

20           “(d) INFORMATION.—Each library receiving as-  
21       sistance under this subtitle shall submit to the State li-  
22       brary administrative agency such information as such  
23       agency may require to meet the requirements of sub-  
24       section (c).

25           “(e) APPROVAL.—

1           “(1) IN GENERAL.—The Director shall approve  
2           any State plan under this subtitle that meets the re-  
3           quirements of this subtitle and provides satisfactory  
4           assurances that the provisions of such plan will be  
5           carried out.

6           “(2) PUBLIC AVAILABILITY.—Each State li-  
7           brary administrative agency receiving a grant under  
8           this subtitle shall make the State plan available to  
9           the public

10          “(3) ADMINISTRATION.—If the Director deter-  
11          mines that the State plan does not meet the require-  
12          ments of this section, the Director shall—

13               “(A) immediately notify the State library  
14               administrative agency of such determination  
15               and the reasons for such determination;

16               “(B) offer the State library administrative  
17               agency the opportunity to revise its State plan;

18               “(C) provide technical assistance in order  
19               to assist the State library administrative agency  
20               in meeting the requirements of this section; and

21               “(D) provide the State library administra-  
22               tive agency the opportunity for a hearing.

1           **“CHAPTER 2—LIBRARY PROGRAMS**

2   **“SEC. 231. GRANTS TO STATES.**

3           “(a) IN GENERAL.—Of the funds provided to a  
4 State library administrative agency under section 214,  
5 such agency shall expend, either directly or through sub-  
6 grants of cooperative agreements, at least 96 percent of  
7 such funds for—

8           “(1)(A) establishing or enhancing electronic  
9 linkages among or between libraries;

10          “(B) electronically linking libraries with edu-  
11 cational, social, or information services;

12          “(C) assisting libraries in accessing information  
13 through electronic networks;

14          “(D) encouraging libraries in different areas,  
15 and encouraging different types of libraries, to es-  
16 tablish consortia and share resources; or

17          “(E) paying costs for libraries to acquire or  
18 share computer systems and telecommunications  
19 technologies; and

20          “(2) targeting library and information services  
21 to persons having difficulty using a library and to  
22 underserved urban and rural communities, including  
23 children (from birth through age 17) from families  
24 with incomes below the poverty line (as defined by  
25 the Office of Management and Budget and revised

1       annually in accordance with section 673(2) of the  
 2       Community Services Block Grant Act (42 U.S.C.  
 3       9902(2)) applicable to a family of the size involved.

4       “(b) SPECIAL RULE.—Each State library admin-  
 5       istrative agency receiving funds under this chapter may  
 6       apportion the funds available for the purposes described  
 7       in subsection (a) between the two purposes described in  
 8       paragraphs (1) and (2) of such subsection, as appro-  
 9       priate, to meet the needs of the individual State.

10           **“CHAPTER 3—ADMINISTRATIVE**  
 11                   **PROVISIONS**

12           **“Subchapter A—State Requirements**

13       **“SEC. 251. STATE ADVISORY COUNCILS.**

14       “Each State desiring assistance under this sub-  
 15       title may establish a State advisory council which is  
 16       broadly representative of the library entities in the State,  
 17       including public, school, academic, special, and institu-  
 18       tional libraries, and libraries serving individuals with dis-  
 19       abilities.

20           **“Subchapter B—Federal Requirements**

21       **“SEC. 261. SERVICES FOR INDIAN TRIBES.**

22       “From amounts reserved under section  
 23       221(a)(1)(A) for any fiscal year the Director shall award  
 24       grants to organizations primarily serving and represent-



1 ing Indian tribes to enable such organizations to carry  
2 out the activities described in section 231.

3 **“SEC. 262. NATIONAL LEADERSHIP GRANTS OR CON-**  
4 **TRACTS.**

5 “(a) IN GENERAL.—From the amounts reserved  
6 under section 221(a)(1)(B) for any fiscal year the Direc-  
7 tor shall establish and carry out a program awarding na-  
8 tional leadership grants or contracts to enhance the qual-  
9 ity of library services nationwide and to provide coordina-  
10 tion between libraries and museums. Such grants or con-  
11 tracts shall be used for activities that may include—

12 “(1) education and training of persons in li-  
13 brary and information science, particularly in areas  
14 of new technology and other critical needs, including  
15 graduate fellowships, traineeships, institutes, or  
16 other programs;

17 “(2) research and demonstration projects relat-  
18 ed to the improvement of libraries, education in li-  
19 brary and information science, enhancement of li-  
20 brary services through effective and efficient use of  
21 new technologies, and dissemination of information  
22 derived from such projects;

23 “(3) preservation of digitization of library mate-  
24 rials and resources, giving priority to projects em-  
25 phasizing coordination, avoidance of duplication, and

1 access by researchers beyond the institution or li-  
2 brary entity undertaking the project; and

3 “(4) model programs demonstrating cooperative  
4 efforts between libraries and museums.

5 “(b) GRANTS OR CONTRACTS.—

6 “(1) IN GENERAL.—The Director may carry  
7 out the activities described in subsection (a) by  
8 awarding grants to, or entering into contracts with,  
9 libraries, agencies, institutions of higher education,  
10 or museums, where appropriate.

11 “(2) COMPETITIVE BASIS.—Grants and con-  
12 tracts under this section shall be awarded on a com-  
13 petitive basis.

14 “(c) SPECIAL RULE.—The Director shall make  
15 every effort to ensure that activities assisted under this  
16 section are administered by appropriate library and mu-  
17 seum professionals or experts.

18 **“SEC. 263. STATE AND LOCAL INITIATIVES.**

19 “Nothing in this subtitle shall be construed to  
20 interfere with State and local initiatives and responsibil-  
21 ity in the conduct of library services. The administration  
22 of libraries, the selection of personnel and library books  
23 and materials, and insofar as consistent with the pur-  
24 poses of this subtitle, the determination of the best uses

1 of the funds provided under this subtitle, shall be re-  
2 served for the States and their local subdivisions.

3 **“Subtitle C—Museum Services**

4 **“SEC. 271. PURPOSE.**

5 “It is the purpose of this subtitle—

6 “(1) to encourage and assist museums in their  
7 educational role, in conjunction with formal systems  
8 of elementary, secondary, and postsecondary edu-  
9 cation and with programs of nonformal education for  
10 all age groups;

11 “(2) to assist museums in modernizing their  
12 methods and facilities so that the museums are bet-  
13 ter able to conserve the cultural, historic, and sci-  
14 entific heritage of the United States; and

15 “(3) to ease the financial burden borne by mu-  
16 seums as a result of their increasing use by the pub-  
17 lic.

18 **“SEC. 272. DEFINITIONS.**

19 “As used in this subtitle:

20 “(1) MUSEUM.—The term ‘museum’ means a  
21 public or private nonprofit agency or institution or-  
22 ganized on a permanent basis for essentially edu-  
23 cational or aesthetic purposes, that utilizes a profes-  
24 sional staff, owns or utilizes tangible objects, cares

1 for the tangible objects, and exhibits the tangible ob-  
2 jects to the public on a regular basis.

3 “(2) STATE.—The term ‘State’ means each of  
4 the 50 States of the United States, the District of  
5 Columbia, the Commonwealth of Puerto Rico, the  
6 United States Virgin Islands, Guam, American  
7 Samoa, the Commonwealth of the Northern Mariana  
8 Islands, the Republic of the Marshall Islands, the  
9 Federated States of Micronesia, and the Republic of  
10 Palau.

11 **“SEC. 273. MUSEUM SERVICES ACTIVITIES.**

12 “(a) GRANTS.—The Director, subject to the  
13 policy direction of the Museum Board, may make grants  
14 to museums to pay for the Federal share of the cost of  
15 increasing and improving museum services, through such  
16 activities as—

17 “(1) programs that enable museums to con-  
18 struct or install displays, interpretations, and exhibi-  
19 tions in order to improve museum services provided  
20 to the public;

21 “(2) assisting museums in developing and  
22 maintaining professionally trained or otherwise expe-  
23 rienced staff to meet the needs of the museums;

24 “(3) assisting museums in meeting the adminis-  
25 trative costs of preserving and maintaining the col-

1       lections of the museums, exhibiting the collections to  
2       the public, and providing educational programs to  
3       the public through the use of the collections;

4           “(4) assisting museums in cooperating with  
5       each other in developing traveling exhibitions, meet-  
6       ing transportation costs, and identifying and locat-  
7       ing collections available for loan;

8           “(5) assisting museums in the conservation of  
9       their collections;

10          “(6) developing and carrying out specialized  
11       programs for specific segments of the public, such as  
12       programs for urban neighborhoods, rural areas, In-  
13       dian reservations, and penal and other State institu-  
14       tions; and

15          “(7) model programs demonstrating cooperative  
16       efforts between libraries and museums.

17          “(b) CONTRACTS AND COOPERATIVE AGREE-  
18       MENTS.—

19          “(1) PROJECTS TO STRENGTHEN MUSEUM  
20       SERVICES.—The Director, subject to the policy di-  
21       rection of the Museum Board, is authorized to enter  
22       into contracts and cooperative agreements with ap-  
23       propriate entities, as determined by the Director, to  
24       pay for the Federal share of enabling the entities to  
25       undertake projects designed to strengthen museum

1 services, except that any contracts or cooperative  
2 agreements entered into pursuant to this subsection  
3 shall be effective only to such extent or in such  
4 amounts as are provided in appropriations Acts.

5 “(2) LIMITATION ON AMOUNT.—The aggregate  
6 amount of financial assistance made available under  
7 this subsection for a fiscal year shall not exceed 15  
8 percent of the amount appropriated under this sub-  
9 title for such fiscal year.

10 “(3) OPERATIONAL EXPENSES.—No financial  
11 assistance may be provided under this subsection to  
12 pay for operational expenses.

13 “(c) FEDERAL SHARE.—

14 “(1) 50 PERCENT.—Except as provided in  
15 paragraph (2), the Federal share described in sub-  
16 section (a) and (b) shall be not more than 50 per-  
17 cent.

18 “(2) GREATER THAN 50 PERCENT.—The Direc-  
19 tor may use not more than 20 percent of the funds  
20 made available under this subtitle for a fiscal year  
21 to make grants under subsection (a), or enter into  
22 contracts or agreements under subsection (b), for  
23 which the Federal share may be greater than 50  
24 percent.

1           “(d) REVIEW AND EVALUATION.—The Director  
2           shall establish procedures for reviewing and evaluat-  
3           ing grants, contracts, and cooperative agreements  
4           made or entered into under this subtitle. Procedures  
5           for reviewing grant applications or contracts and co-  
6           operative agreements for financial assistance under  
7           this subtitle shall not be subject to any review out-  
8           side of the Institute.

9   **“SEC. 274. AWARD.**

10           “The Director, with the advice of the Museum  
11   Board, may annually award a National Award for Mu-  
12   seum Service to outstanding museums that have made  
13   significant contributions in service to their communities.

14   **“SEC. 275. NATIONAL MUSEUM SERVICES BOARD.**

15           “(a) ESTABLISHMENT.—There is established in  
16   the Institute a National Museum Services Board.

17           “(b) COMPOSITION AND QUALIFICATIONS.—

18           “(1) COMPOSITION.—The Museum Board shall  
19           consist of the Director and 14 members appointed  
20           by the President, by and with the advice and consent  
21           of the Senate.

22           “(2) QUALIFICATIONS.—The appointive mem-  
23           bers of the Museum Board shall be selected from  
24           among citizens of the United States—

1                   “(A) who are members of the general pub-  
2                   lic;

3                   “(B) who are or have been affiliated  
4                   with—

5                   “(i) resources that, collectively, are  
6                   broadly representative of the curatorial,  
7                   conservation, educational, and cultural re-  
8                   sources of the United States; or

9                   “(ii) museums that, collectively, are  
10                  broadly representative of various types of  
11                  museums, including museums relating to  
12                  science, history, technology, art, zoos, and  
13                  botanical gardens; and

14                  “(C) who are recognized for their broad  
15                  knowledge, expertise, or experience in museums  
16                  or commitment to museums.

17                  “(3) GEOGRAPHIC AND OTHER REPRESENTA-  
18                  TION.—Members of the Museum Board shall be ap-  
19                  pointed to reflect persons from various geographic  
20                  regions of the United States. The Museum Board  
21                  may not include, at any time, more than 3 members  
22                  from a single State. In making such appointments,  
23                  the President shall give due regard to equitable rep-  
24                  resentation of women, minorities, and persons with  
25                  disabilities who are involved with museums.



1           “(c) TERMS.—

2           “(1) IN GENERAL.—Each appointive member of  
3           the Museum Board shall serve for a term of 5 years,  
4           except that—

5           “(A) of the members first appointed, 3  
6           shall serve for terms of 5 years, 3 shall serve  
7           for terms of 4 years, 3 shall serve for terms of  
8           3 years, 3 shall serve for terms of 2 years, and  
9           2 shall serve for terms of 1 year, as designated  
10          by the President at the time of nomination for  
11          appointment; and

12          “(B) any member appointed to fill a va-  
13          cancy shall serve for the remainder of the term  
14          for which the predecessor of the member was  
15          appointed.

16          “(2) REAPPOINTMENT.—No member of the  
17          Museum Board who has been a member for more  
18          than 7 consecutive years shall be eligible for re-  
19          appointment.

20          “(3) SERVICE UNTIL SUCCESSOR TAKES OF-  
21          FICE.—Notwithstanding any other provision of this  
22          subsection, a member of the Museum Board shall  
23          serve after the expiration of the term of the member  
24          until the successor to the member takes office.

1           “(d) DUTIES AND POWERS.—The Museum Board  
2 shall have the responsibility to advise the Director on  
3 general policies with respect to the duties, powers, and  
4 authority of the Institute relating to museum services, in-  
5 cluding general policies with respect to—

6           “(1) financial assistance awarded under this  
7 subtitle for museum services; and

8           “(2) projects described in section 262(a)(4).

9           “(e) CHAIRPERSON.—The President shall des-  
10 ignate 1 of the appointive members of the Museum Board  
11 as Chairperson of the Museum Board.

12           “(f) MEETINGS.—

13           “(1) IN GENERAL.—The Museum Board shall  
14 meet—

15           “(A) not less than 3 times each year, in-  
16 cluding—

17           “(i) not less than 2 times each year  
18 separately; and

19           “(ii) not less than 1 time each year in  
20 a joint meeting with the Commission, con-  
21 vened for purposes of making general poli-  
22 cies with respect to financial assistance for  
23 projects described in section 262(a)(4);  
24 and

25           “(B) at the call of the Director.

1           “(2) VOTE.—All decisions by the Museum  
2       Board with respect to the exercise of the duties and  
3       powers of the Museum Board shall be made by a  
4       majority vote of the members of the Museum Board  
5       who are present. All decisions by the Commission  
6       and the Museum Board with respect to the policies  
7       described in paragraph (1)(A)(ii) shall be made by  
8       a  $\frac{2}{3}$  majority vote of the total number of the mem-  
9       bers of the Commission and the Museum Board who  
10      are present.

11          “(g) QUORUM.—A majority of the members of the  
12      Museum Board shall constitute a quorum for the conduct  
13      of business at official meetings of the Museum Board,  
14      but a lesser number of members may hold hearings. A  
15      majority of the members of the Commission and a major-  
16      ity of the members of the Museum Board shall constitute  
17      a quorum for the conduct of business at official joint  
18      meetings of the Commission and the Museum Board.

19          “(h) COMPENSATION AND TRAVEL EXPENSES.—

20          “(1) COMPENSATION.—Each member of the  
21      Museum Board who is not an officer or employee of  
22      the Federal Government may be compensated at a  
23      rate to be fixed by the President, but not to exceed  
24      the daily equivalent of the maximum rate authorized  
25      for a position above grade GS–15 of the General

1       Schedule under section 5108 of title 5, United  
2       States Code, for each day (including travel time)  
3       during which such member is engaged in the per-  
4       formance of the duties of the Museum Board. All  
5       members of the Museum Board who are officers or  
6       employees of the Federal Government shall serve  
7       without compensation in addition to compensation  
8       received for their services as officers or employees of  
9       the Federal Government.

10           “(2) TRAVEL EXPENSES.—The members of the  
11       Museum Board may be allowed travel expenses, in-  
12       cluding per diem in lieu of subsistence, in the same  
13       amounts and to the same extent, as authorized  
14       under section 5703 of title 5, United States Code,  
15       for persons employed intermittently in Federal Gov-  
16       ernment service.

17           “(i) COORDINATION.—The Museum Board, with  
18       the advice of the Director, shall take steps to ensure that  
19       the policies and activities of the Institute are coordinated  
20       with other activities of the Federal Government.

21       **“SEC. 276. AUTHORIZATION OF APPROPRIATIONS.**

22           “(a) GRANTS.—For the purpose of carrying out  
23       this subtitle, there are authorized to be appropriated to  
24       the Director \$28,700,000 for the fiscal year 1997, and

1 such sums as may be necessary for each of the fiscal  
2 years 1998 through 2002.

3 “(b) ADMINISTRATION.—Not more than 10 per-  
4 cent of the funds appropriated under this section for a  
5 fiscal year may be used to pay for the administrative  
6 costs of carrying out this subtitle.

7 “(c) SUMS REMAINING AVAILABLE.—Sums appro-  
8 priated pursuant to subsection (a) for any fiscal year  
9 shall remain available for obligation until expended.”.

10 **SEC. 703. NATIONAL COMMISSION ON LIBRARIES AND IN-**  
11 **FORMATION SCIENCE.**

12 (a) FUNCTIONS.—Section 5 of the National Com-  
13 mission on Libraries and Information Science Act (20  
14 U.S.C. 1504) is amended—

15 (1) by redesignating subsections (b) through (d)  
16 as subsections (d) through (f), respectively; and

17 (2) by inserting after subsection (a) the follow-  
18 ing:

19 “(b) The Commission shall have the responsibility  
20 to advise the Director of the Institute of Museum and Li-  
21 brary Services on general policies with respect to the du-  
22 ties, powers, and authority of the Institute of Museum  
23 and Library Services relating to library services, includ-  
24 ing—

25 “(1) general policies with respect to—

1           “(A) financial assistance awarded under  
2           the Museum and Library Services Act for li-  
3           brary services; and

4           “(B) projects described in section  
5           262(a)(4) of such Act; and

6           “(2) measures to ensure that the policies and  
7           activities of the Institute of Museum and Library  
8           Services are coordinated with other activities of the  
9           Federal Government.

10          “(c)(1) The Commission shall meet not less than  
11 1 time each year in a joint meeting with the National  
12 Museum Services Board, convened for purposes of pro-  
13 viding advice on general policy with respect to financial  
14 assistance for projects described in section 262(a)(4) of  
15 such Act.

16          “(2) All decisions by the Commission and the Na-  
17 tional Museum Services Board with respect to the advice  
18 on general policy described in paragraph (1) shall be  
19 made by a  $\frac{2}{3}$  majority vote of the total number of the  
20 members of the Commission and the National Museum  
21 Services Board who are present.

22          “(3) A majority of the members of the Commis-  
23 sion and a majority of the members of the National Mu-  
24 seum Services Board shall constitute a quorum for the

1 conduct of business at official joint meetings of the Com-  
2 mission and the National Museum Services Board.”.

3 (b) MEMBERSHIP.—Section 6 of the National  
4 Commission on Libraries and Information Science Act  
5 (20 U.S.C. 1505) is amended—

6 (1) in subsection (a)—

7 (A) in the first sentence, by striking “Li-  
8 brarian of Congress” and inserting “Librarian  
9 of Congress, the Director of the Institute of  
10 Museum and Library Services (who shall serve  
11 as an ex officio, nonvoting member),”;

12 (B) in the second sentence—

13 (i) by striking “special competence or  
14 interest in” and inserting “special com-  
15 petence in or knowledge of; and

16 (ii) by inserting before the period the  
17 following: “and at least one other of whom  
18 shall be knowledgeable with respect to the  
19 library and information service and science  
20 needs of the elderly”;

21 (C) in the third sentence, by inserting “ap-  
22 pointive” before “members”; and

23 (D) in the last sentence, by striking “term  
24 and at least” and all that follows and inserting  
25 “term.”; and

1           (2) in subsection (b), by striking “the rate spec-  
 2           ified” and all that follows through “and while” and  
 3           inserting “the daily equivalent of the maximum rate  
 4           authorized for a position above grade GS-15 of the  
 5           General Schedule under section 5108 of title 5,  
 6           United States Code, for each day (including travel-  
 7           time) during which the members are engaged in the  
 8           business of the Commission. While”.

9   **SEC. 704. TRANSFER OF FUNCTIONS FROM INSTITUTE OF**  
 10                   **MUSEUM SERVICES.**

11           (a) DEFINITIONS.—For purposes of this section,  
 12   unless otherwise provided or indicated by the context—

13           (1) the term “Federal agency” has the meaning  
 14           given to the term “agency” by section 551(1) of title  
 15           5, United States Code;

16           (2) the term “function” means any duty, obli-  
 17           gation, power, authority, responsibility, right, privi-  
 18           lege, activity, or program; and

19           (3) the term “office” includes any office, ad-  
 20           ministration, agency, institute, unit, organizational  
 21           entity, or component thereof.

22           (b) TRANSFER OF FUNCTIONS FROM THE INSTI-  
 23   TUTE OF MUSEUM SERVICES AND THE LIBRARY PRO-  
 24   GRAM OFFICE.—There are transferred to the Director of  
 25   the Institute of Museum and Library Services established



1 under section 203 of the Museum and Library Services  
2 Act—

3 (1) all functions that the Director of the Insti-  
4 tute of Museum Services exercised before the date of  
5 enactment of this section (including all related func-  
6 tions of any officer or employee of the Institute of  
7 Museum Services); and

8 (2) all functions that the Director of Library  
9 Programs in the Office of Educational Research and  
10 Improvement in the Department of Education exer-  
11 cised before the date of enactment of this section  
12 and any related function of any officer or employee  
13 of the Department of Education.

14 (c) DETERMINATIONS OF CERTAIN FUNCTIONS BY  
15 THE OFFICE OF MANAGEMENT AND BUDGET.—If nec-  
16 essary, the Office of Management and Budget shall make  
17 any determination of the functions that are transferred  
18 under subsection (b).

19 (d) DELEGATION AND ASSIGNMENT.—Except  
20 where otherwise expressly prohibited by law or otherwise  
21 provided by this section, the Director of the Institute of  
22 Museum and Library Services may delegate any of the  
23 functions transferred to the Director of the Institute of  
24 Museum and Library Services by this section and any  
25 function transferred or granted to such Director of the

1 Institute of Museum and Library Services after the effec-  
2 tive date of this section to such officers and employees  
3 of the Institute of Museum and Library Services as the  
4 Director of the Institute of Museum and Library Services  
5 may designate, and may authorize successive redelega-  
6 tions of such functions as may be necessary or appro-  
7 priate, except that any delegation of any such functions  
8 with respect to libraries shall be made to the Deputy Di-  
9 rector of the Office of Library Services and with respect  
10 to museums shall be made to the Deputy Director of the  
11 Office of Museum Services. No delegation of functions  
12 by the Director of the Institute of Museum and Library  
13 Services under this section or under any other provision  
14 of this section shall relieve such Director of the Institute  
15 of Museum and Library Services of responsibility for the  
16 administration of such functions.

17 (e) REORGANIZATION.—The Director of the Insti-  
18 tute of Museum and Library Services may allocate or re-  
19 allocate any function transferred under subsection (b)  
20 among the officers of the Institute of Museum and Li-  
21 brary Services, and may establish, consolidate, alter, or  
22 discontinue such organizational entities in the Institute of  
23 Museum and Library Services as may be necessary or ap-  
24 propriate.

1           (f) RULES.—The Director of the Institute of Mu-  
2 seum and Library Services may prescribe, in accordance  
3 with chapters 5 and 6 of title 5, United States Code,  
4 such rules and regulations as the Director of the Insti-  
5 tute of Museum and Library Services determines to be  
6 necessary or appropriate to administer and manage the  
7 functions of the Institute of Museum and Library Serv-  
8 ices.

9           (g) TRANSFER AND ALLOCATIONS OF APPROPRIA-  
10 TIONS AND PERSONNEL.—Except as otherwise provided  
11 in this section, the personnel employed in connection  
12 with, and the assets, liabilities, contracts, property,  
13 records, and unexpended balances of appropriations, au-  
14 thorizations, allocations, and other funds employed, used,  
15 held, arising from, available to, or to be made available  
16 in connection with the functions transferred by this sec-  
17 tion, subject to section 1531 of title 31, United States  
18 Code, shall be transferred to the Institute of Museum  
19 and Library Services. Unexpended funds transferred pur-  
20 suant to this subsection shall be used only for the pur-  
21 poses for which the funds were originally authorized and  
22 appropriated.

23           (h) INCIDENTAL TRANSFERS.—The Director of  
24 the Office of Management and Budget, at such time or  
25 times as the Director shall provide, may make such deter-

1 minations as may be necessary with regard to the func-  
2 tions transferred by this section, and make such addi-  
3 tional incidental dispositions of personnel, assets, liabil-  
4 ities, grants, contracts, property, records, and unex-  
5 pended balances of appropriations, authorizations, alloca-  
6 tions, and other funds held, used, arising from, available  
7 to, or to be made available in connection with such func-  
8 tions, as may be necessary to carry out this section. The  
9 Director of the Office of Management and Budget shall  
10 provide for the termination of the affairs of all entities  
11 terminated by this section and for such further measures  
12 and dispositions as may be necessary to effectuate the  
13 purposes of this section.

14 (i) EFFECT ON PERSONNEL.—

15 (1) IN GENERAL.—Except as otherwise pro-  
16 vided by this section, the transfer pursuant to this  
17 section of full-time personnel (except special Govern-  
18 ment employees) and part-time personnel holding  
19 permanent positions shall not cause any such em-  
20 ployee to be separated or reduced in grade or com-  
21 pensation for 1 year after the date of transfer of  
22 such employee under this section.

23 (2) EXECUTIVE SCHEDULE POSITIONS.—Except  
24 as otherwise provided in this section, any person  
25 who, on the day preceding the effective date of this

1 section, held a position compensated in accordance  
2 with the Executive Schedule prescribed in chapter  
3 53 of title 5, United States Code, and who, without  
4 a break in service, is appointed in the Institute of  
5 Museum and Library Services to a position having  
6 duties comparable to the duties performed imme-  
7 diately preceding such appointment shall continue to  
8 be compensated in such new position at not less  
9 than the rate provided for such previous position, for  
10 the duration of the service of such person in such  
11 new position.

12 (j) SAVINGS PROVISIONS.—

13 (1) CONTINUING EFFECT OF LEGAL DOCU-  
14 MENTS.—All orders, determinations, rules, regula-  
15 tions, permits, agreements, grants, contracts, certifi-  
16 cates, licenses, registrations, privileges, and other  
17 administrative actions—

18 (A) that have been issued, made, granted,  
19 or allowed to become effective by the President,  
20 any Federal agency or official of a Federal  
21 agency, or by a court of competent jurisdiction,  
22 in the performance of functions that are trans-  
23 ferred under this section; and

24 (B) that were in effect before the effective  
25 date of this section, or were final before the ef-

1           fective date of this section and are to become  
2           effective on or after the effective date of this  
3           section;

4 shall continue in effect according to their terms until  
5 modified, terminated, superseded, set aside, or revoked in  
6 accordance with law by the President, the Director of the  
7 Institute of Museum and Library Services or other author-  
8 ized official, a court of competent jurisdiction, or by oper-  
9 ation of law.

10           (2) PROCEEDINGS NOT AFFECTED.—This section  
11 shall not affect any proceedings, including notices of pro-  
12 posed rulemaking, or any application for any license, per-  
13 mit, certificate, or financial assistance pending before the  
14 Institute of Museum Services on the effective date of this  
15 section, with respect to functions transferred by this sec-  
16 tion. Such proceedings and applications shall be contin-  
17 ued. Orders shall be issued in such proceedings, appeals  
18 shall be taken from the orders, and payments shall be  
19 made pursuant to the orders, as if this section had not  
20 been enacted, and orders issued in any such proceedings  
21 shall continue in effect until modified, terminated, super-  
22 seded, or revoked by a duly authorized official, by a court  
23 of competent jurisdiction, or by operation of law. Nothing  
24 in this paragraph shall be construed to prohibit the dis-  
25 continuance or modification of any such proceeding under

1 the same terms and conditions and to the same extent  
2 that such proceeding could have been discontinued or  
3 modified if this section had not been enacted.

4 (3) SUITS NOT AFFECTED.—This section shall  
5 not affect suits commenced before the effective date  
6 of this section, and in all such suits, proceedings  
7 shall be had, appeals taken, and judgments rendered  
8 in the same manner and with the same effect as if  
9 this section had not been enacted.

10 (4) NONABATEMENT OF ACTIONS.—No suit, ac-  
11 tion, or other proceeding commenced by or against  
12 the Institute of Museum Services, or by or against  
13 any individual in the official capacity of such individ-  
14 ual as an officer of the Institute of Museum Serv-  
15 ices, shall abate by reason of the enactment of this  
16 section.

17 (5) ADMINISTRATIVE ACTIONS RELATING TO  
18 PROMULGATION OF REGULATIONS.—Any administra-  
19 tive action relating to the preparation or promulga-  
20 tion of a regulation by the Institute of Museum  
21 Services relating to a function transferred under this  
22 section may be continued by the Institute of Mu-  
23 seum and Library Services with the same effect as  
24 if this section had not been enacted.

1           (k) TRANSITION.—The Director of the Institute of  
2 Museum and Library Services may utilize—

3           (1) the services of such officers, employees, and  
4 other personnel of the Institute of Museum Services  
5 with respect to functions transferred to the Institute  
6 of Museum and Library Services by this section; and

7           (2) funds appropriated to such functions for  
8 such period of time as may reasonably be needed to  
9 facilitate the orderly implementation of this section.

10          (1) REFERENCES.—A reference in any other Fed-  
11 eral law, Executive order, rule, regulation, or delegation  
12 of authority, or any document of or relating to—

13           (1) the Director of the Institute of Museum  
14 Services with regard to functions transferred under  
15 subsection (b), shall be deemed to refer to the Direc-  
16 tor of the Institute of Museum and Library Services;  
17 and

18           (2) the Institute of Museum Services with re-  
19 gard to functions transferred under subsection (b),  
20 shall be deemed to refer to the Institute of Museum  
21 and Library Services.

22          (m) ADDITIONAL CONFORMING AMENDMENTS.—

23           (1) RECOMMENDED LEGISLATION.—After con-  
24 sultation with the appropriate committees of Con-  
25 gress and the director of the Office of Management



1 and Budget, the Director of the Institute of Museum  
2 and Library Services shall prepare and submit to the  
3 appropriate committees of Congress recommended  
4 legislation containing technical and conforming  
5 amendments to reflect the changes made by this sec-  
6 tion.

7 (2) SUBMISSION TO CONGRESS.—Not later than  
8 6 months after the effective date of this section, the  
9 Director of the Institute of Museum and Library  
10 Services shall submit to the appropriate committees  
11 of Congress the recommended legislation referred to  
12 under paragraph (1).

13 **SEC. 705. SERVICE OF INDIVIDUALS SERVING ON DATE OF**  
14 **ENACTMENT.**

15 Notwithstanding section 204 of the Museum and  
16 Library Services Act, the individual who was appointed to  
17 the position of Director of the Institute of Museum Serv-  
18 ices under section 205 of the Museum Services Act (as  
19 such section was in effect on the day before the date of  
20 enactment of this Act) and who is serving in such posi-  
21 tion on the day before the date of enactment of this Act  
22 shall serve as the first Director of the Institute of Mu-  
23 seum and Library Services under section 204 of the Mu-  
24 seum and Library Services Act (as added by section 2 of

1 this Act), and shall serve at the pleasure of the Presi-  
2 dent.

3 **SEC. 706. CONSIDERATION.**

4 Consistent with title 5, United States Code, in ap-  
5 pointing employees of the Office of Library Services, the  
6 Director of the Institute of Museum and Library Services  
7 shall give strong consideration to individuals with experi-  
8 ence in administering State-based and national library  
9 and information services programs.

10 **SEC. 707. TRANSITION AND TRANSFER OF FUNDS.**

11 (a) TRANSITION.—The Director of the Office of  
12 Management and Budget shall take appropriate measures  
13 to ensure an orderly transition from the activities pre-  
14 viously administered by the Director of Library Programs  
15 in the Office of Educational Research and Improvement  
16 in the Department of Education to the activities adminis-  
17 tered by the Institute for Museum and Library Services  
18 under this Act. Such measures may include the transfer  
19 of appropriated funds.

20 (b) TRANSFER.—From any amounts available to  
21 the Secretary of Education for salaries and expenses at  
22 the Department of Education, the Secretary of Education  
23 shall transfer to the Director the amount of funds nec-  
24 essary to ensure the orderly transition from activities pre-  
25 viously administered by the Director of the Office of Li-

1 brary Programs in the Office of Educational Research  
2 and Improvement in the Department of Education to the  
3 activities administered by the Institute for Museum and  
4 Library Services. In no event shall the amount of funds  
5 transferred pursuant to the preceding sentence be less  
6 than \$200,000.

7 **SEC. 708. REPEALS.**

8 (a) LIBRARY SERVICES AND CONSTRUCTION  
9 ACT.—The Library Services and Construction Act (20  
10 U.S.C. 351 et seq.) is repealed.

11 (b) TITLE II OF THE HIGHER EDUCATION ACT  
12 OF 1965.—Title II of the Higher Education Act of 1965  
13 (20 U.S.C. 1021 et seq.), relating to academic libraries  
14 and information services, is repealed.

15 (c) PART D OF TITLE XIII OF THE HIGHER  
16 EDUCATION AMENDMENTS OF 1986.—Part D of title  
17 XIII of the Higher Education Amendments of 1986 (20  
18 U.S.C. 1029 note), relating to library resources, is re-  
19 pealed.

20 (d) SECTION 519 OF THE EDUCATION AMEND-  
21 MENTS OF 1974.—Section 519 of the Education Amend-  
22 ments of 1974 (20 U.S.C. 1221i) is repealed.

23 (e) PART F OF THE TECHNOLOGY FOR EDU-  
24 CATION ACT OF 1994.—Part F of the Technology for  
25 Education Act of 1994 (20 U.S.C. 7001 et seq.), con-

1 tained in title III of the Elementary and Secondary Edu-  
2 cation Act of 1965, is repealed.

3 **SEC. 709. CONFORMING AMENDMENTS.**

4 (a) REFERENCES TO LIBRARY SERVICES AND  
5 CONSTRUCTION ACT.—

6 (1) TECHNOLOGY FOR EDUCATION ACT OF  
7 1994.—Section 3113(10) of the Technology for Edu-  
8 cation Act of 1994 (20 U.S.C. 6813(10)) is amended  
9 by striking “section 3 of the Library Services and  
10 Construction Act;” and inserting “section 213 of the  
11 Library Services and Technology Act;”

12 (2) OMNIBUS EDUCATION RECONCILIATION ACT  
13 OF 1981.—Section 528 of the Omnibus Education  
14 Reconciliation Act of 1981 (20 U.S.C. 3489) is  
15 amended—

16 (A) by striking paragraph (12); and

17 (B) by redesignating paragraphs (13)  
18 through (15) as paragraphs (12) through (14),  
19 respectively.

20 (3) ELEMENTARY AND SECONDARY EDUCATION  
21 ACT OF 1965.—Section 3113(10) of the Elementary  
22 and Secondary Education Act of 1965 (20 U.S.C.  
23 6813(10)) is amended by striking “section 3 of the  
24 Library Services and Construction Act” and insert-

1 ing “section 213 of the Library Services and Tech-  
2 nology Act”.

3 (4) COMMUNITY IMPROVEMENT VOLUNTEER  
4 ACT OF 1994.—Section 7305 of the Community Im-  
5 provement Volunteer Act of 1994 (40 U.S.C. 276d–  
6 3) is amended—

7 (A) by striking paragraph (1); and

8 (A) by redesignating paragraphs (2)  
9 through (6) as paragraphs (1) through (5), re-  
10 spectively.

11 (5) APPALACHIAN REGIONAL DEVELOPMENT  
12 ACT OF 1965.—Section 214(c) of the Appalachian  
13 Regional Development Act of 1965 (40 U.S.C. App.  
14 214(c)) is amended by striking “Library Services  
15 and Construction Act;”

16 (6) DEMONSTRATION CITIES AND METROPOLI-  
17 TAN DEVELOPMENT ACT OF 1966.—Section 208(2) of  
18 the Demonstration Cities and Metropolitan Develop-  
19 ment Act of 1966 (42 U.S.C. 3338(2)) is amended  
20 by striking “title II of the Library Services and Con-  
21 struction Act;”.

22 (7) PUBLIC LAW 87–688.—Subsection (c) of the  
23 first section of the Act entitled “An Act to extend  
24 the application of certain laws to American Samoa”,  
25 approved September 25, 1962 (48 U.S.C. 1666(c))

1 is amended by striking “the Library Services Act  
2 (70 Stat. 293; 20 U.S.C. 351 et seq.),”.

3 (8) COMMUNICATIONS ACT OF 1934.—Para-  
4 graph (4) of section 254(h) of the Communications  
5 Act of 1934 (47 U.S.C. 254(h)(4) is amended by  
6 striking “library not eligible for participation in  
7 State-based plans for funds under title III of the Li-  
8 brary Services and Construction Act (20 U.S.C.  
9 335c et seq.)” and inserting “library or library con-  
10 sortium not eligible for assistance from a State li-  
11 brary administrative agency under the Library Serv-  
12 ices and Technology Act”.

13 (b) REFERENCES TO INSTITUTE OF MUSEUM  
14 SERVICES.—

15 (1) TITLE 5, UNITED STATES CODE.—Section  
16 5315 of title 5 United States Code, is amended by  
17 striking the following:

18 “Director of the Institute of Museum Services,”  
19 and inserting the following:

20 “Director of the Institute of Museum and Li-  
21 brary Services.”.

22 (2) DEPARTMENT OF EDUCATION ORGANIZA-  
23 TION ACT.—Section 301 of the Department of Edu-  
24 cation Organization Act (20 U.S.C. 3441) is amend-  
25 ed—

1 (A) in subsection (a)—

2 (i) by striking paragraph (5); and

3 (ii) by redesignating paragraphs (6)

4 and (7) as paragraphs (5) and (6), respec-

5 tively; and

6 (B) in subsection (b)—

7 (i) by striking paragraph (4); and

8 (ii) by redesignating paragraphs (5)

9 through (7) as paragraphs (4) through (6),

10 respectively.

11 (3) ELEMENTARY AND SECONDARY EDUCATION

12 ACT OF 1965.—

13 (A) Sections 2101(b), 2205(c)(1)(D),

14 2208(d)(1)(H)(v), and 2209(b)(1)(C)(iv), and

15 subsection (d)(6) and (e)(2) of section 10401 of

16 the Elementary and Secondary Education Act

17 of 1965 (20 U.S.C. 6621(b), 6645(c)(1)(D),

18 6648(d)(1)(H)(v), 6649(b)(1)(C)(vi), and 8091

19 (d)(6) and (e)(2)) are amended by striking “the

20 Institute of Museum Services” and inserting

21 “the Institute of Museum and Library Serv-

22 ices”.

23 (B) Section 10412(b) of such Act (20

24 U.S.C. 8102(b) is amended—

1 (i) in paragraph (2), by striking “the  
2 Director of the Institute Museum Serv-  
3 ices,” and inserting “the Director of the  
4 Institute of Museum and Library Serv-  
5 ices,”; and

6 (ii) in paragraph (7), by striking “the  
7 Director of the Institute of Museum Serv-  
8 ices,” and inserting “the director of the In-  
9 stitute of Museum and Library Services,”.

10 (C) Section 10414(a)(2)(B) of such Act  
11 (20 U.S.C. 8104(a)(2)(B)) is amended by strik-  
12 ing clause (iii) and inserting the following new  
13 clause:

14 “(iii) the Institute of Museum and Li-  
15 brary Services.”.

16 (c) REFERENCES TO OFFICE OF LIBRARIES  
17 AND LEARNING RESOURCES.—Section 413(b)(1) of the  
18 Department of Education Organization Act (20 U.S.C.  
19 3473(b)(1)) is amended—

20 (1) by striking subparagraph (H); and

21 (2) by redesignating subparagraphs (I) through  
22 (M) as subparagraphs (H) through (L), respectively.

23 (d) REFERENCE TO STATE POSTSECONDARY  
24 REVIEW ENTITY PROGRAMS.—Section 356(b)(2) of the



1 Higher Education Act of 1965 (20 U.S.C. 10696(b)) is  
2 amended by striking “II,”.

3 This Act may be cited as the “Departments of  
4 Labor, Health and Human Services, and Education, and  
5 Related Agencies Appropriations Act, 1997”.

6 (f) For programs, projects or activities in the  
7 Treasury, Postal Service, and General Appropriations  
8 Act, 1997, provided as follows, to be effective as if it had  
9 been enacted into law as the regular appropriations Act:

10 AN ACT

11 Making appropriations for the Treasury Depart-  
12 ment, the United States Postal Service, the Executive Of-  
13 fice of the President, and certain Independent Agencies,  
14 for the fiscal year ending September 30, 1997, and for  
15 other purposes.

16 TITLE I—DEPARTMENT OF THE TREASURY

17 DEPARTMENTAL OFFICES

18 SALARIES AND EXPENSES

19 For necessary expenses of the Departmental Offices  
20 including operation and maintenance of the Treasury  
21 Building and Annex; hire of passenger motor vehicles;  
22 maintenance, repairs, and improvements of, and purchase  
23 of commercial insurance policies for, real properties leased  
24 or owned overseas, when necessary for the performance  
25 of official business; not to exceed \$2,900,000 for official

1 travel expenses; not to exceed \$150,000 for official recep-  
2 tion and representation expenses; not to exceed \$258,000  
3 for unforeseen emergencies of a confidential nature, to be  
4 allocated and expended under the direction of the Sec-  
5 retary of the Treasury and to be accounted for solely on  
6 his certificate; \$111,760,000.

7 AUTOMATION ENHANCEMENT

8 INCLUDING TRANSFER OF FUNDS

9 For the development and acquisition of automatic  
10 data processing equipment, software, and services for the  
11 Department of the Treasury, \$27,100,000, of which  
12 \$15,000,000 shall be available to the United States Cus-  
13 toms Service for the Automated Commercial Environment  
14 project, and of which \$5,600,000 shall be available to the  
15 United States Customs Service for the International  
16 Trade Data System: *Provided*, That these funds shall re-  
17 main available until September 30, 1999: *Provided further*,  
18 That these funds shall be transferred to accounts and in  
19 amounts as necessary to satisfy the requirements of the  
20 Department's offices, bureaus, and other organizations:  
21 *Provided further*, That this transfer authority shall be in  
22 addition to any other transfer authority provided in this  
23 Act: *Provided further*, That none of the funds shall be used  
24 to support or supplement Internal Revenue Service appro-  
25 priations for Information Systems and Tax Systems Mod-

1 ernization: *Provided further*, That of the funds appro-  
2 priated for the Automated Commercial Environment,  
3 \$3,475,000 may not be obligated until the Commissioner  
4 of Customs consults with the Committees on Appropria-  
5 tions regarding deficiencies identified by the General Ac-  
6 counting Office.

7                   OFFICE OF INSPECTOR GENERAL

8                   SALARIES AND EXPENSES

9       For necessary expenses of the Office of Inspector  
10 General in carrying out the provisions of the Inspector  
11 General Act of 1978, as amended, not to exceed  
12 \$2,000,000 for official travel expenses; including hire of  
13 passenger motor vehicles; and not to exceed \$100,000 for  
14 unforeseen emergencies of a confidential nature, to be allo-  
15 cated and expended under the direction of the Inspector  
16 General of the Treasury; \$29,736,000.

17                  OFFICE OF PROFESSIONAL RESPONSIBILITY

18                  SALARIES AND EXPENSES

19       For necessary expenses of the Office of Professional  
20 Responsibility, including purchase and hire of passenger  
21 motor vehicles, \$1,500,000.

1       TREASURY BUILDINGS AND ANNEX REPAIR AND  
2                               RESTORATION  
3                               INCLUDING TRANSFER OF FUNDS

4       For the repair, alteration, and improvement of the  
5 Treasury Building and Annex, \$28,213,000, to remain  
6 available until expended: *Provided*, That funds previously  
7 made available under this title for the Secret Service  
8 Headquarter's building shall be transferred to the Secret  
9 Service Acquisition, Construction, Improvement and Re-  
10 lated Expenses appropriation.

11       FINANCIAL CRIMES ENFORCEMENT NETWORK  
12                               SALARIES AND EXPENSES

13       For necessary expenses of the Financial Crimes En-  
14 forcement Network, including hire of passenger motor ve-  
15 hicles; travel expenses of non-Federal law enforcement  
16 personnel to attend meetings concerned with financial in-  
17 telligence activities, law enforcement, and financial regula-  
18 tion; not to exceed \$14,000 for official reception and rep-  
19 resentation expenses; and for assistance to Federal law en-  
20 forcement agencies, with or without reimbursement;  
21 \$22,387,000: *Provided*, That notwithstanding any other  
22 provision of law, the Director of the Financial Crimes En-  
23 forcement Network may procure up to \$500,000 in spe-  
24 cialized, unique, or novel automatic data processing equip-  
25 ment, ancillary equipment, software, services, and related

1 resources from commercial vendors without regard to oth-  
2 erwise applicable procurement laws and regulations and  
3 without full and open competition, utilizing procedures  
4 best suited under the circumstances of the procurement  
5 to efficiently fulfill the agency's requirements: *Provided*  
6 *further*, That funds appropriated in this account may be  
7 used to procure personal services contracts.

8 DEPARTMENT OF THE TREASURY FORFEITURE FUND

9 For necessary expenses of the Treasury Forfeiture  
10 Fund, as authorized by Public Law 102-393, not to ex-  
11 ceed \$10,000,000, to be derived from deposits in the fund:  
12 *Provided*, That notwithstanding any other provision of  
13 law, not to exceed \$7,500,000 shall be made available for  
14 the development of a Federal wireless communication sys-  
15 tem: *Provided further*, That the Secretary of the Treasury  
16 is authorized to receive all unavailable collections trans-  
17 ferred from the Special Forfeiture Fund established by  
18 section 6073 of the Anti-Drug Abuse Act of 1988 (21  
19 U.S.C. 1509) by the Director of the Office of Drug Con-  
20 trol Policy as a deposit into the Treasury Forfeiture Fund  
21 (31 U.S.C. 9703(a)).

## 1 VIOLENT CRIME REDUCTION PROGRAMS

## 2 INCLUDING TRANSFER OF FUNDS

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

6 (a) As authorized by section 190001(e), \$89,000,000,  
7 of which \$36,595,000 shall be available to the Bureau of  
8 Alcohol, Tobacco and Firearms, of which \$3,000,000 shall  
9 be available for administering the Gang Resistance Edu-  
10 cation and Training program, of which \$3,662,000 shall  
11 be available for ballistics technologies, including the pur-  
12 chase, maintenance and upgrading of equipment and of  
13 which \$29,133,000 shall be available to enhance training  
14 and purchase equipment and services, and of which  
15 \$800,000 shall be available for project LEAD; of which  
16 \$18,300,000 shall be available to the Secretary as author-  
17 ized by section 732 of Public Law 104–132, as amended  
18 by Section 113 of the Fiscal Year 1997 Department of  
19 Commerce, Justice and State, and the Judiciary, and Re-  
20 lated Agencies Appropriations Act; of which \$1,000,000  
21 shall be available to the Financial Crimes Enforcement  
22 Network; of which \$20,000,000 shall be available to the  
23 United States Secret Service, of which no less than  
24 \$1,400,000 shall be available for a grant for activities re-  
25 lated to the investigations of missing and exploited chil-

1 dren; and of which \$13,105,000 shall be available to the  
2 Federal Drug Control Programs, High Intensity Drug  
3 Trafficking Areas program;

4 (b) As authorized by section 32401, \$8,000,000, for  
5 disbursement through grants, cooperative agreements or  
6 contracts, to local governments for Gang Resistance Edu-  
7 cation and Training: *Provided*, That notwithstanding sec-  
8 tions 32401 and 310001, such funds shall be allocated  
9 only to the affected State and local law enforcement and  
10 prevention organizations participating in such projects.

11 TREASURY FRANCHISE FUND

12 There is hereby established in the Treasury a fran-  
13 chise fund pilot, as authorized by section 403 of Public  
14 Law 103–356, to be available as provided in such section  
15 for expenses and equipment necessary for the maintenance  
16 and operation of such financial and administrative support  
17 services as the Secretary determines may be performed  
18 more advantageously as central services: *Provided*, That  
19 any inventories, equipment, and other assets pertaining to  
20 the services to be provided by such fund, either on hand  
21 or on order, less the related liabilities or unpaid obliga-  
22 tions, and any appropriations made for the purpose of pro-  
23 viding capital, shall be used to capitalize such fund: *Pro-*  
24 *vided further*, That such fund shall be reimbursed or cred-  
25 ited with the payments, including advanced payments,

1 from applicable appropriations and funds available to the  
2 Department and other Federal agencies for which such ad-  
3 ministrative and financial services are performed, at rates  
4 which will recover all expenses of operation, including ac-  
5 crued leave, depreciation of fund plant and equipment,  
6 amortization of Automatic Data Processing (ADP) soft-  
7 ware and systems, and an amount necessary to maintain  
8 a reasonable operating reserve, as determined by the Sec-  
9 retary: *Provided further*, That such fund shall provide  
10 services on a competitive basis: *Provided further*, That an  
11 amount not to exceed 4 percent of the total annual income  
12 to such fund may be retained in the fund for fiscal year  
13 1997 and each fiscal year thereafter, to remain available  
14 until expended, to be used for the acquisition of capital  
15 equipment and for the improvement and implementation  
16 of Treasury financial management, ADP, and other sup-  
17 port systems: *Provided further*, That no later than 30 days  
18 after the end of each fiscal year, amounts in excess of this  
19 reserve limitation shall be deposited as miscellaneous re-  
20 cepts in the Treasury: *Provided further*, That such fran-  
21 chise fund pilot shall terminate pursuant to section 403(f)  
22 of Public Law 103–356.



1       FEDERAL LAW ENFORCEMENT TRAINING CENTER  
2                               SALARIES AND EXPENSES

3       For necessary expenses of the Federal Law Enforce-  
4 ment Training Center, as a bureau of the Department of  
5 the Treasury, including materials and support costs of  
6 Federal law enforcement basic training; purchase (not to  
7 exceed 52 for police-type use, without regard to the gen-  
8 eral purchase price limitation) and hire of passenger  
9 motor vehicles; for expenses for student athletic and relat-  
10 ed activities; uniforms without regard to the general pur-  
11 chase price limitation for the current fiscal year; the con-  
12 ducting of and participating in firearms matches and pres-  
13 entation of awards; for public awareness and enhancing  
14 community support of law enforcement training; not to ex-  
15 ceed \$9,500 for official reception and representation ex-  
16 penses; room and board for student interns; and services  
17 as authorized by 5 U.S.C. 3109; \$54,831,000, of which  
18 up to \$13,034,000 for materials and support costs of Fed-  
19 eral law enforcement basic training shall remain available  
20 until September 30, 1999: *Provided*, That the Center is  
21 authorized to accept and use gifts of property, both real  
22 and personal, and to accept services, for authorized pur-  
23 poses, including funding of a gift of intrinsic value which  
24 shall be awarded annually by the Director of the Center  
25 to the outstanding student who graduated from a basic

1 training program at the Center during the previous fiscal  
2 year, which shall be funded only by gifts received through  
3 the Center's gift authority: *Provided further*, That not-  
4 withstanding any other provision of law, students attend-  
5 ing training at any Federal Law Enforcement Training  
6 Center site shall reside in on-Center or Center-provided  
7 housing, insofar as available and in accordance with Cen-  
8 ter policy: *Provided further*, That funds appropriated in  
9 this account shall be available, at the discretion of the Di-  
10 rector, for: training United States Postal Service law en-  
11 forcement personnel and Postal police officers; State and  
12 local government law enforcement training on a space-  
13 available basis; training of foreign law enforcement offi-  
14 cials on a space-available basis with reimbursement of ac-  
15 tual costs to this appropriation; training of private sector  
16 security officials on a space-available basis with reimburse-  
17 ment of actual costs to this appropriation; and travel ex-  
18 penses of non-Federal personnel to attend course develop-  
19 ment meetings and training at the Center: *Provided fur-*  
20 *ther*, That the Center is authorized to obligate funds in  
21 anticipation of reimbursements from agencies receiving  
22 training at the Federal Law Enforcement Training Cen-  
23 ter, except that total obligations at the end of the fiscal  
24 year shall not exceed total budgetary resources available  
25 at the end of the fiscal year: *Provided further*, That the

1 Federal Law Enforcement Training Center is authorized  
2 to provide short term medical services for students under-  
3 going training at the Center.

4 ACQUISITION, CONSTRUCTION, IMPROVEMENTS, AND  
5 RELATED EXPENSES

6 For expansion of the Federal Law Enforcement  
7 Training Center, for acquisition of necessary additional  
8 real property and facilities, and for ongoing maintenance,  
9 facility improvements, and related expenses, \$18,884,000,  
10 to remain available until expended.

11 FINANCIAL MANAGEMENT SERVICE  
12 SALARIES AND EXPENSES

13 For necessary expenses of the Financial Management  
14 Service, \$196,069,000, of which not to exceed  
15 \$14,277,000 shall remain available until expended for sys-  
16 tems modernization initiatives. In addition, \$90,000, to be  
17 derived from the Oil Spill Liability Trust Fund, to reim-  
18 burse the Service for administrative and personnel ex-  
19 penses for financial management of the Fund, as author-  
20 ized by section 1012 of Public Law 101–380: *Provided*,  
21 That none of the funds made available for systems mod-  
22 ernization initiatives may not be obligated until the Com-  
23 missioner of the Financial Management Service has sub-  
24 mitted, and the Committees on Appropriations of the  
25 House and Senate have approved, a report that identifies,

1 evaluates, and prioritizes all computer systems invest-  
2 ments planned for fiscal year 1997, a milestone schedule  
3 for the development and implementation of all projects in-  
4 cluded in the systems investment plan, and a systems ar-  
5 chitecture plan.

6 BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

7 SALARIES AND EXPENSES

8 For necessary expenses of the Bureau of Alcohol, To-  
9 bacco and Firearms, including purchase of not to exceed  
10 650 vehicles for police-type use for replacement only and  
11 hire of passenger motor vehicles; hire of aircraft; and serv-  
12 ices of expert witnesses at such rates as may be deter-  
13 mined by the Director; for payment of per diem and/or  
14 subsistence allowances to employees where an assignment  
15 to the National Response Team during the investigation  
16 of a bombing or arson incident requires an employee to  
17 work 16 hours or more per day or to remain overnight  
18 at his or her post of duty; not to exceed \$12,500 for offi-  
19 cial reception and representation expenses; for training of  
20 State and local law enforcement agencies with or without  
21 reimbursement, including training in connection with the  
22 training and acquisition of canines for explosives and fire  
23 accelerants detection; provision of laboratory assistance to  
24 State and local agencies, with or without reimbursement;  
25 \$393,971,000, of which \$12,011,000, to remain available

1 until expended, shall be available for arson investigations,  
2 with priority assigned to any arson, explosion or violence  
3 against religious institutions; which not to exceed  
4 \$1,000,000 shall be available for the payment of attor-  
5 neys' fees as provided by 18 U.S.C. 924(d)(2); and of  
6 which \$1,000,000 shall be available for the equipping of  
7 any vessel, vehicle, equipment, or aircraft available for of-  
8 ficial use by a State or local law enforcement agency if  
9 the conveyance will be used in drug-related joint law en-  
10 forcement operations with the Bureau of Alcohol, Tobacco  
11 and Firearms and for the payment of overtime salaries,  
12 travel, fuel, training, equipment, and other similar costs  
13 of State and local law enforcement officers that are in-  
14 curred in joint operations with the Bureau of Alcohol, To-  
15 bacco and Firearms: *Provided*, That no funds made avail-  
16 able by this or any other Act may be used to transfer the  
17 functions, missions, or activities of the Bureau of Alcohol,  
18 Tobacco and Firearms to other agencies or Departments  
19 in the fiscal year ending on September 30, 1997: *Provided*  
20 *further*, That no funds appropriated herein shall be avail-  
21 able for salaries or administrative expenses in connection  
22 with consolidating or centralizing, within the Department  
23 of the Treasury, the records, or any portion thereof, of  
24 acquisition and disposition of firearms maintained by Fed-  
25 eral firearms licensees: *Provided further*, That no funds

1 appropriated herein shall be used to pay administrative  
2 expenses or the compensation of any officer or employee  
3 of the United States to implement an amendment or  
4 amendments to 27 CFR 178.118 or to change the defini-  
5 tion of “Curios or relics” in 27 CFR 178.11 or remove  
6 any item from ATF Publication 5300.11 as it existed on  
7 January 1, 1994: *Provided further*, That none of the funds  
8 appropriated herein shall be available to investigate or act  
9 upon applications for relief from Federal firearms disabil-  
10 ities under 18 U.S.C. 925(c): *Provided further*, That such  
11 funds shall be available to investigate and act upon appli-  
12 cations filed by corporations for relief from Federal fire-  
13 arms disabilities under 18 U.S.C. 925(c): *Provided further*,  
14 That no funds in this Act may be used to provide ballistics  
15 imaging equipment to any State or local authority who  
16 has obtained similar equipment through a Federal grant  
17 or subsidy unless the State or local authority agrees to  
18 return that equipment or to repay that grant or subsidy  
19 to the Federal Government: *Provided further*, That no  
20 funds available for separation incentive payments as au-  
21 thorized by section 663 of this Act may be obligated with-  
22 out the advance approval of the House and Senate Com-  
23 mittees on Appropriations: *Provided further*, That no  
24 funds under this Act may be used to electronically retrieve

1 information gathered pursuant to 18 U.S.C. 923(g)(4) by  
2 name or any personal identification code.

3 LABORATORY FACILITIES

4 For necessary expenses for design of a new facility  
5 or facilities, to house the Bureau of Alcohol, Tobacco and  
6 Firearms National Laboratory Center and the Fire Inves-  
7 tigation Research and Development Center, not to exceed  
8 185,000 occupiable square feet, \$6,978,000, to remain  
9 available until expended: *Provided*, That these funds shall  
10 not be available until a prospectus of authorization for the  
11 Laboratory Facilities is approved by the House Committee  
12 on Transportation and Infrastructure and the Senate  
13 Committee on Environment and Public Works.

14 UNITED STATES CUSTOMS SERVICE

15 SALARIES AND EXPENSES

16 For necessary expenses of the United States Customs  
17 Service, including purchase of up to 1,000 motor vehicles  
18 of which 960 are for replacement only, including 990 for  
19 police-type use and commercial operations; hire of motor  
20 vehicles; contracting with individuals for personal services  
21 abroad; not to exceed \$30,000 for official reception and  
22 representation expenses; and awards of compensation to  
23 informers, as authorized by any Act enforced by the  
24 United States Customs Service; \$1,487,250,000; of which  
25 \$65,000,000 shall be available until expended for Oper-  
26 ation Hardline; of which \$28,000,000 shall remain avail-

1 able until expended for acquisition of aircraft and related  
2 operations and maintenance associated with Operation  
3 Gateway; and of which such sums as become available in  
4 the Customs User Fee Account, except sums subject to  
5 section 13031(f)(3) of the Consolidated Omnibus Rec-  
6 onciliation Act of 1985, as amended (19 U.S.C. 58c(f)(3)),  
7 shall be derived from that Account; of the total, not to  
8 exceed \$150,000 shall be available for payment for rental  
9 space in connection with preclearance operations, and not  
10 to exceed \$4,000,000 shall be available until expended for  
11 research and not to exceed \$1,000,000 shall be available  
12 until expended for conducting special operations pursuant  
13 to 19 U.S.C. 2081 and up to \$6,000,000 shall be available  
14 until expended for the procurement of automation infra-  
15 structure items, including hardware, software, and instal-  
16 lation: *Provided*, That uniforms may be purchased without  
17 regard to the general purchase price limitation for the cur-  
18 rent fiscal year: *Provided further*, That the United States  
19 Custom Service shall implement the General Aviation Tel-  
20 ephonic Entry program within 30 days of enactment of  
21 this Act: *Provided further*, That no funds available for sep-  
22 aration incentive payments as authorized by section 663  
23 of this Act may be obligated without the advance approval  
24 of the House and Senate Committees on Appropriations:  
25 *Provided further*, That the Spirit of St. Louis Airport in



1 St. Louis County, Missouri, shall be designated a port of  
2 entry: *Provided further*, That no funds under this Act may  
3 be used to provide less than 30 days public notice for any  
4 change in apparel regulations: *Provided further*, That  
5 \$750,000 shall be available for additional part-time and  
6 temporary positions in the Honolulu Customs District:  
7 *Provided further*, That of the funds appropriated  
8 \$2,500,000 may be made available for the Western Hemi-  
9 sphere Trade Center authorized by Public Law 103–182.

10 OPERATION AND MAINTENANCE, AIR AND MARINE

11 INTERDICTION PROGRAMS

12 For expenses, not otherwise provided for, necessary  
13 for the operation and maintenance of marine vessels, air-  
14 craft, and other related equipment of the Air and Marine  
15 Programs, including operational training and mission-re-  
16 lated travel, and rental payments for facilities occupied by  
17 the air or marine interdiction and demand reduction pro-  
18 grams, the operations of which include: the interdiction  
19 of narcotics and other goods; the provision of support to  
20 Customs and other Federal, State, and local agencies in  
21 the enforcement or administration of laws enforced by the  
22 Customs Service; and, at the discretion of the Commis-  
23 sioner of Customs, the provision of assistance to Federal,  
24 State, and local agencies in other law enforcement and  
25 emergency humanitarian efforts; \$83,363,000, which shall

1 remain available until expended: *Provided*, That no air-  
2 craft or other related equipment, with the exception of air-  
3 craft which is one of a kind and has been identified as  
4 excess to Customs requirements and aircraft which has  
5 been damaged beyond repair, shall be transferred to any  
6 other Federal agency, Department, or office outside of the  
7 Department of the Treasury, during fiscal year 1997 with-  
8 out the prior approval of the House and Senate Commit-  
9 tees on Appropriations.

10 CUSTOMS SERVICES AT SMALL AIRPORTS

11 (TO BE DERIVED FROM FEES COLLECTED)

12 Such sums as may be necessary for expenses for the  
13 provision of Customs services at certain small airports or  
14 other facilities when authorized by law and designated by  
15 the Secretary of the Treasury, including expenditures for  
16 the salary and expenses of individuals employed to provide  
17 such services, to be derived from fees collected by the Sec-  
18 retary pursuant to section 236 of Public Law 98-573 for  
19 each of these airports or other facilities when authorized  
20 by law and designated by the Secretary, and to remain  
21 available until expended.

22 HARBOR MAINTENANCE FEE COLLECTION

23 For administrative expenses related to the collection  
24 of the Harbor Maintenance Fee, pursuant to Public Law  
25 103-182, \$3,000,000, to be derived from the Harbor

1 Maintenance Trust Fund and to be transferred to and  
2 merged with the Customs “Salaries and Expenses” ac-  
3 count for such purposes.

4 BUREAU OF THE PUBLIC DEBT

5 ADMINISTERING THE PUBLIC DEBT

6 For necessary expenses connected with any public-  
7 debt issues of the United States; \$169,735,000: *Provided*,  
8 That the sum appropriated herein from the General Fund  
9 for fiscal year 1997 shall be reduced by not more than  
10 \$4,400,000 as definitive security issue fees and Treasury  
11 Direct Investor Account Maintenance fees are collected,  
12 so as to result in a final fiscal year 1997 appropriation  
13 from the General Fund estimated at \$165,335,000.

14 INTERNAL REVENUE SERVICE

15 PROCESSING, ASSISTANCE, AND MANAGEMENT

16 For necessary expenses of the Internal Revenue Serv-  
17 ice, not otherwise provided for; including processing tax  
18 returns; revenue accounting; providing assistance to tax-  
19 payers, management services, and inspection; including  
20 purchase (not to exceed 150 for replacement only for po-  
21 lice-type use) and hire of passenger motor vehicles (31  
22 U.S.C. 1343(b)); and services as authorized by 5 U.S.C.  
23 3109, at such rates as may be determined by the Commis-  
24 sioner; \$1,779,840,000, of which up to \$3,700,000 shall  
25 be for the Tax Counseling for the Elderly Program, and

1 of which not to exceed \$25,000 shall be for official recep-  
2 tion and representation expenses.

#### 3 TAX LAW ENFORCEMENT

4 For necessary expenses of the Internal Revenue Serv-  
5 ice for determining and establishing tax liabilities; tax and  
6 enforcement litigation; technical rulings; examining em-  
7 ployee plans and exempt organizations; investigation and  
8 enforcement activities; securing unfiled tax returns; col-  
9 lecting unpaid accounts; statistics of income and compli-  
10 ance research; the purchase (for police-type use, not to  
11 exceed 850), and hire of passenger motor vehicles (31  
12 U.S.C. 1343(b)); and services as authorized by 5 U.S.C.  
13 3109, at such rates as may be determined by the Commis-  
14 sioner \$4,104,211,000, of which not to exceed \$1,000,000  
15 shall remain available until September 30, 1999, for re-  
16 search.

#### 17 INFORMATION SYSTEMS

18 For necessary expenses for data processing and tele-  
19 communications support for Internal Revenue Service ac-  
20 tivities, including tax systems modernization and oper-  
21 ational information systems; the hire of passenger motor  
22 vehicles (31 U.S.C. 1343(b)); and services as authorized  
23 by 5 U.S.C. 3109, at such rates as may be determined  
24 by the Commissioner, \$1,323,075,000, of which no less  
25 than \$130,075,000 shall be available for Tax Systems  
26 Modernization (TSM) development and deployment which

1 shall be available until September 30, 1999, and of which  
2 no less than \$206,200,000 shall be available for TSM  
3 Operational Systems: *Provided*, That none of the funds  
4 made available for TSM Operational Systems shall be  
5 available after July 31, 1997, unless the Department of  
6 the Treasury has prepared a Request for Proposal which  
7 could be used as a base for a solicitation of a contract  
8 with an alternative or new Prime Contractor to manage,  
9 integrate, test and implement the TSM program: *Provided*  
10 *further*, That all activities associated with the development  
11 of a request for proposal, contract solicitation, and con-  
12 tract award for private sector assistance on TSM (both  
13 operational systems and development and deployment sys-  
14 tems), beyond private sector assistance which is currently  
15 under contract, shall be conducted by the Department of  
16 the Treasury's Modernization Management Board: *Pro-*  
17 *vided further*, That if the Internal Revenue Service deter-  
18 mines that it is unable to meet deadlines established here-  
19 in, the Secretary of the Treasury shall notify the Commit-  
20 tees on Appropriations of the House and the Senate of  
21 the delay: *Provided further*, That the Internal Revenue  
22 Service shall submit, by February 1, 1997, a timetable for  
23 implementing, by October 1, 1997, recommendations  
24 made by the General Accounting Office in its July 1995  
25 report, entitled: "Tax Systems Modernization: Manage-

1 ment and Technical Weaknesses Must Be Corrected If  
 2 Modernization Is To Succeed”: *Provided further*, That the  
 3 Internal Revenue Service shall submit, by December 1,  
 4 1996, a schedule to transfer, not later than July 31, 1997,  
 5 a majority of Tax Systems Modernization development,  
 6 deployment, management, integration, and testing, from  
 7 the Internal Revenue Service to the private sector.

#### 8 INFORMATION SYSTEMS

#### 9 (RESCISSION)

10 Of the funds made available under this heading for  
 11 Information Systems in Public Law 104–52,  
 12 \$115,000,000 are rescinded, in Public Law 103–123,  
 13 \$17,447,000 are rescinded, in Public Law 102–393,  
 14 \$15,000,000 are rescinded, and in Public Law 102–141,  
 15 \$27,000,000 are rescinded.

#### 16 ADMINISTRATIVE PROVISIONS—INTERNAL REVENUE

#### 17 SERVICE

18 SECTION 101. Not to exceed 5 percent of any appro-  
 19 priation made available in this Act to the Internal Revenue  
 20 Service may be transferred to any other Internal Revenue  
 21 Service appropriation upon the advance approval of the  
 22 House and Senate Committees on Appropriations.

23 SEC. 102. The Internal Revenue Service shall main-  
 24 tain a training program to insure that Internal Revenue  
 25 Service employees are trained in taxpayers’ rights, in deal-

1 ing courteously with the taxpayers, and in cross-cultural  
2 relations.

3 SEC. 103. The funds provided in this Act for the In-  
4 ternal Revenue Service shall be used to provide as a mini-  
5 mum, the fiscal year 1995 level of service, staffing, and  
6 funding for Taxpayer Services.

7 SEC. 104. No funds available in this Act to the Inter-  
8 nal Revenue Service for separation incentive payments as  
9 authorized by section 663 of this Act may be obligated  
10 without the advance approval of the House and Senate  
11 Committees on Appropriations.

12 SEC. 105. The Internal Revenue Service (IRS)  
13 may proceed with its field support reorganization in fiscal  
14 year 1997 after it submits its report, no earlier than  
15 March 1, 1997, to the Committees on Appropriations of  
16 the House and Senate only if the IRS maintains, in fiscal  
17 year 1997, the current level of taxpayer service employees  
18 that work on cases generated through walk in visits and  
19 telephone calls to IRS offices.

20 SEC. 106. Funds made available by this or any other  
21 Act to the Internal Revenue Service shall be available for  
22 improved facilities and increased manpower to provide suf-  
23 ficient and effective 1-800 help line for taxpayers. The  
24 Commissioner shall make the improvement of the IRS 1-  
25 800 help line service a priority and allocate resources nec-

1    essary to increase phone lines and staff to improve the  
2    IRS 1–800 help line service.

3           SEC. 107. No funds made available by this Act, or  
4    any other Act, to the Internal Revenue Service may be  
5    used to pay for the design and printing of more than two  
6    ink colors on the covers of income tax packages, and such  
7    ink colors must be the same colors as used to print the  
8    balance of the material in each package.

9           SEC. 108. Notwithstanding any other provision of  
10   law, no field support reorganization of the Internal Reve-  
11   nue Service shall be undertaken in Aberdeen, South Da-  
12   kota until the Internal Revenue Service toll-free help  
13   phone line assistance program reaches at least an 80 per-  
14   cent service level. The Commissioner shall submit to Con-  
15   gress a report and the GAO shall certify to Congress that  
16   the 80 percent service level has been met.

17                   UNITED STATES SECRET SERVICE

18                           SALARIES AND EXPENSES

19           For necessary expenses of the United States Secret  
20   Service, including purchase (not to exceed 702 vehicles for  
21   police-type use, of which 665 shall be for replacement  
22   only), and hire of passenger motor vehicles; hire of air-  
23   craft; training and assistance requested by State and local  
24   governments, which may be provided without reimburse-  
25   ment; services of expert witnesses at such rates as may



1 be determined by the Director; rental of buildings in the  
2 District of Columbia, and fencing, lighting, guard booths,  
3 and other facilities on private or other property not in  
4 Government ownership or control, as may be necessary to  
5 perform protective functions; for payment of per diem and/  
6 or subsistence allowances to employees where a protective  
7 assignment during the actual day or days of the visit of  
8 a protectee require an employee to work 16 hours per day  
9 or to remain overnight at his or her post of duty; the con-  
10 ducting of and participating in firearms matches; presen-  
11 tation of awards; and for travel of Secret Service employ-  
12 ees on protective missions without regard to the limita-  
13 tions on such expenditures in this or any other Act: *Pro-*  
14 *vided*, That approval is obtained in advance from the  
15 House and Senate Committees on Appropriations; for re-  
16 pairs, alterations, and minor construction at the James  
17 J. Rowley Secret Service Training Center; for research  
18 and development; for making grants to conduct behavioral  
19 research in support of protective research and operations;  
20 not to exceed \$20,000 for official reception and represen-  
21 tation expenses; not to exceed \$50,000 to provide technical  
22 assistance and equipment to foreign law enforcement orga-  
23 nizations in counterfeit investigations; for payment in ad-  
24 vance for commercial accommodations as may be nec-  
25 essary to perform protective functions; and for uniforms

1 without regard to the general purchase price limitation for  
2 the current fiscal year: *Provided further*, That 3 U.S.C.  
3 203(a) is amended by deleting “but not exceeding twelve  
4 hundred in number”; \$528,262,000, of which \$1,200,000  
5 shall be available as a grant for activities related to the  
6 investigations of missing and exploited children and shall  
7 remain available until expended.

8 SALARIES AND EXPENSES

9 (RESCISSION)

10 Of the funds made available under this heading in  
11 Public Law 104–52, \$7,600,000 are rescinded.

12 ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND

13 RELATED EXPENSES

14 (INCLUDING TRANSFER OF FUNDS)

15 For necessary expenses of construction, repair, alter-  
16 ation, and improvement of facilities, \$37,365,000, of  
17 which \$8,200,000 shall be available for the Rowley Secret  
18 Service Training Center, to remain available until ex-  
19 pended: *Provided*, That funds previously provided under  
20 the title, “Treasury Buildings and Annex Repair and Res-  
21 toration,” for the Secret Service’s Headquarters Building,  
22 shall be transferred to this account: *Provided further*, That  
23 funds for the Rowley Secret Service Training Center shall  
24 not be available until a prospectus authorizing such facili-  
25 ties is approved in accordance with the Public Buildings  
26 Act of 1959, as amended, except that funds may be ex-

1    pended for required expenses in connection with the devel-  
2    opment of a proposed prospectus.

3           GENERAL PROVISIONS—DEPARTMENT OF THE  
4   TREASURY

5           SECTION 111. Any obligation or expenditure by the  
6    Secretary in connection with law enforcement activities of  
7    a Federal agency or a Department of the Treasury law  
8    enforcement organization in accordance with 31 U.S.C.  
9    9703(g)(4)(B) from unobligated balances remaining in the  
10   Fund on September 30, 1997, shall be made in compliance  
11   with the reprogramming guidelines contained in the House  
12   and Senate reports accompanying this Act.

13          SEC. 112. Appropriations to the Treasury Depart-  
14   ment in this Act shall be available for uniforms or allow-  
15   ances therefor, as authorized by law (5 U.S.C. 5901), in-  
16   cluding maintenance, repairs, and cleaning; purchase of  
17   insurance for official motor vehicles operated in foreign  
18   countries; purchase of motor vehicles without regard to the  
19   general purchase price limitations for vehicles purchased  
20   and used overseas for the current fiscal year; entering into  
21   contracts with the Department of State for the furnishing  
22   of health and medical services to employees and their de-  
23   pendents serving in foreign countries; and services author-  
24   ized by 5 U.S.C. 3109.

1        SEC. 113. None of the funds appropriated by this  
2 title shall be used in connection with the collection of any  
3 underpayment of any tax imposed by the Internal Revenue  
4 Code of 1986 unless the conduct of officers and employees  
5 of the Internal Revenue Service in connection with such  
6 collection, including any private sector employees under  
7 contract to the Internal Revenue Service, complies with  
8 subsection (a) of section 805 (relating to communications  
9 in connection with debt collection), and section 806 (relat-  
10 ing to harassment or abuse), of the Fair Debt Collection  
11 Practices Act (15 U.S.C. 1692).

12       SEC. 114. The Internal Revenue Service shall insti-  
13 tute policies and procedures which will safeguard the con-  
14 fidentiality of taxpayer information.

15       SEC. 115. The funds provided to the Bureau of Alco-  
16 hol Tobacco and Firearms for fiscal year 1997 in this Act  
17 for the enforcement of the Federal Alcohol Administration  
18 Act shall be expended in a manner so as not to diminish  
19 enforcement efforts with respect to section 105 of the Fed-  
20 eral Alcohol Administration Act.

21       SEC. 116. Paragraph (3)(C) of section 9703(g) of  
22 title 31, United States Code, is amended—

23                (1) by striking in the third sentence “and at  
24                the end of each fiscal year thereafter”;

1           (2) by inserting in lieu thereof “1994, 1995,  
2           and 1996”; and

3           (3) by adding at the end the following new sen-  
4           tence: “At the end of fiscal year 1997, and at the  
5           end of each fiscal year thereafter, the Secretary shall  
6           reserve any amounts that are required to be retained  
7           in the Fund to ensure the availability of amounts in  
8           the subsequent fiscal year for purposes authorized  
9           under subsection (a).”

10          SEC. 117. Of the funds available to the Internal Reve-  
11       nue Service, \$13,000,000 shall be made available to con-  
12       tinue the private sector debt collection program which was  
13       initiated in fiscal year 1996 and \$13,000,000 shall be  
14       transferred to the Departmental Offices appropriation to  
15       initiate a new private sector debt collection program: *Pro-*  
16       *vided*, That the transfer provided herein shall be in addi-  
17       tion to any other transfer authority contained in this Act.

18          SEC. 118. Section 923(j) of title 18, United States  
19       Code, is amended by striking the period after the last sen-  
20       tence, and inserting the following: “, including the right  
21       of a licensee to conduct ‘curios or relics’ firearms transfers  
22       and business away from their business premises with an-  
23       other licensee without regard as to whether the location  
24       of where the business is conducted is located in the State  
25       specified on the license of either licensee.”.

1       This title may be cited as the “Treasury Department  
2 Appropriations Act, 1997”.

3                   TITLE II—POSTAL SERVICE

4                   PAYMENTS TO THE POSTAL SERVICE

5                   PAYMENT TO THE POSTAL SERVICE FUND

6       For payment to the Postal Service Fund for revenue  
7 forgone on free and reduced rate mail, pursuant to sub-  
8 sections (c) and (d) of section 2401 of title 39, United  
9 States Code, \$85,080,000: *Provided*, That mail for over-  
10 seas voting and mail for the blind shall continue to be free:  
11 *Provided further*, That 6-day delivery and rural delivery  
12 of mail shall continue at not less than the 1983 level: *Pro-*  
13 *vided further*, That none of the funds made available to  
14 the Postal Service by this Act shall be used to implement  
15 any rule, regulation, or policy of charging any officer or  
16 employee of any State or local child support enforcement  
17 agency, or any individual participating in a State or local  
18 program of child support enforcement, a fee for informa-  
19 tion requested or provided concerning an address of a  
20 postal customer: *Provided further*, That none of the funds  
21 provided in this Act shall be used to consolidate or close  
22 small rural and other small post offices in the fiscal year  
23 ending on September 30, 1997.

1           PAYMENT TO THE POSTAL SERVICE FUND FOR  
2                           NONFUNDED LIABILITIES

3           For payment to the Postal Service Fund for meeting  
4 the liabilities of the former Post Office Department to the  
5 Employees' Compensation Fund pursuant to 39 United  
6 States Code 2004, \$35,536,000.

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

10    COMPENSATION OF THE PRESIDENT AND THE WHITE  
11                           HOUSE OFFICE

12                           COMPENSATION OF THE PRESIDENT

13           For compensation of the President, including an ex-  
14 pense allowance at the rate of \$50,000 per annum as au-  
15 thorized by 3 U.S.C. 102, \$250,000: *Provided*, That none  
16 of the funds made available for official expenses shall be  
17 expended for any other purpose and any unused amount  
18 shall revert to the Treasury pursuant to section 1552 of  
19 title 31, United States Code: *Provided further*, That none  
20 of the funds made available for official expenses shall be  
21 considered as taxable to the President.

22                           SALARIES AND EXPENSES

23           For necessary expenses for the White House as au-  
24 thorized by law, including not to exceed \$3,850,000 for  
25 services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 105;

1 including subsistence expenses as authorized by 3 U.S.C.  
2 105, which shall be expended and accounted for as pro-  
3 vided in that section; hire of passenger motor vehicles,  
4 newspapers, periodicals, teletype news service, and travel  
5 (not to exceed \$100,000 to be expended and accounted  
6 for as provided by 3 U.S.C. 103); not to exceed \$19,000  
7 for official entertainment expenses, to be available for allo-  
8 cation within the Executive Office of the President;  
9 \$40,193,000: *Provided*, That \$420,000 of the funds ap-  
10 propriated may not be obligated until the Director of the  
11 Office of Administration has submitted, and the Commit-  
12 tees on Appropriations of the House and Senate have ap-  
13 proved, a report that identifies, evaluates, and prioritizes  
14 all computer systems investments planned for fiscal year  
15 1997, a milestone schedule for the development and imple-  
16 mentation of all projects included in the systems invest-  
17 ment plan, and a systems architecture plan.

18 EXECUTIVE RESIDENCE AT THE WHITE HOUSE

19 OPERATING EXPENSES

20 For the care, maintenance, repair and alteration, re-  
21 furnishing, improvement, heating and lighting, including  
22 electric power and fixtures, of the Executive Residence at  
23 the White House and official entertainment expenses of  
24 the President, \$7,827,000, to be expended and accounted  
25 for as provided by 3 U.S.C. 105, 109–110, 112–114.



1 SPECIAL ASSISTANCE TO THE PRESIDENT AND THE  
2 OFFICIAL RESIDENCE OF THE VICE PRESIDENT  
3 SALARIES AND EXPENSES

4 For necessary expenses to enable the Vice President  
5 to provide assistance to the President in connection with  
6 specially assigned functions, services as authorized by 5  
7 U.S.C. 3109 and 3 U.S.C. 106, including subsistence ex-  
8 penses as authorized by 3 U.S.C. 106, which shall be ex-  
9 pended and accounted for as provided in that section; and  
10 hire of passenger motor vehicles; \$3,280,000: *Provided*,  
11 That \$150,000 of the funds appropriated may not be obli-  
12 gated until the Director of the Office of Administration  
13 has submitted, and the Committees on Appropriations of  
14 the House and Senate have approved, a report that identi-  
15 fies, evaluates, and prioritizes all computer systems invest-  
16 ments planned for fiscal year 1997, a milestone schedule  
17 for the development and implementation of all projects in-  
18 cluded in the systems investment plan, and a systems ar-  
19 chitecture plan.

20 OPERATING EXPENSES

21 For the care, operation, refurnishing, improvement,  
22 heating and lighting, including electric power and fixtures,  
23 of the official residence of the Vice President, the hire of  
24 passenger motor vehicles, and not to exceed \$90,000 for  
25 official entertainment expenses of the Vice President, to

1 be accounted for solely on his certificate; \$324,000: *Pro-*  
 2 *vided*, That advances or repayments or transfers from this  
 3 appropriation may be made to any department or agency  
 4 for expenses of carrying out such activities: *Provided fur-*  
 5 *ther*, That \$8,000 of the funds appropriated may not be  
 6 obligated until the Director of the Office of Administration  
 7 has submitted for approval to the Committees on Appro-  
 8 priations of the House and Senate a report that identifies,  
 9 evaluates, and prioritizes all computer systems invest-  
 10 ments planned for fiscal year 1997, a milestone schedule  
 11 for the development and implementation of all projects in-  
 12 cluded in the systems investment plan, and a systems ar-  
 13 chitecture plan.

#### 14 COUNCIL OF ECONOMIC ADVISERS

##### 15 SALARIES AND EXPENSES

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

#### 19 OFFICE OF POLICY DEVELOPMENT

##### 20 SALARIES AND EXPENSES

21 For necessary expenses of the Office of Policy Devel-  
 22 opment, including services as authorized by 5 U.S.C.  
 23 3109, and 3 U.S.C. 107; \$3,867,000: *Provided*, That  
 24 \$45,000 of the funds appropriated may not be obligated  
 25 until the Director of the Office of Administration has sub-

mitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

#### NATIONAL SECURITY COUNCIL

##### SALARIES AND EXPENSES

For necessary expenses of the National Security Council, including services as authorized by 5 U.S.C. 3109, \$6,648,000: *Provided*, That \$3,000 of the funds appropriated may not be obligated until the Director of the Office of Administration has submitted, and the Committees on Appropriations of the House and Senate have approved, a report that identifies, evaluates, and prioritizes all computer systems investments planned for fiscal year 1997, a milestone schedule for the development and implementation of all projects included in the systems investment plan, and a systems architecture plan.

#### OFFICE OF ADMINISTRATION

##### SALARIES AND EXPENSES

For necessary expenses of the Office of Administration, \$26,100,000, including services as authorized by 5 U.S.C. 3109 and 3 U.S.C. 107, and hire of passenger

1 motor vehicles: *Provided*, That \$340,700 of the funds ap-  
 2 propriated may not be obligated until the Director of the  
 3 Office of Administration has submitted, and the Commit-  
 4 tees on Appropriations of the House and Senate have ap-  
 5 proved, a report that identifies, evaluates, and prioritizes  
 6 all computer systems investments planned for fiscal year  
 7 1997, a milestone schedule for the development and imple-  
 8 mentation of all projects included in the systems invest-  
 9 ment plan, and a systems architecture plan.

10 OFFICE OF MANAGEMENT AND BUDGET

11 SALARIES AND EXPENSES

12 For necessary expenses of the Office of Management  
 13 and Budget, including hire of passenger motor vehicles,  
 14 services as authorized by 5 U.S.C. 3109, \$55,573,000, of  
 15 which not to exceed \$5,000,000 shall be available to carry  
 16 out the provisions of 44 U.S.C. chapter 35: *Provided*,  
 17 That, as provided in 31 U.S.C. 1301(a), appropriations  
 18 shall be applied only to the objects for which appropria-  
 19 tions were made except as otherwise provided by law: *Pro-*  
 20 *vided further*, That none of the funds appropriated in this  
 21 Act for the Office of Management and Budget may be  
 22 used for the purpose of reviewing any agricultural market-  
 23 ing orders or any activities or regulations under the provi-  
 24 sions of the Agricultural Marketing Agreement Act of  
 25 1937 (7 U.S.C. 601 et seq.): *Provided further*, That none

1 of the funds made available for the Office of Management  
2 and Budget by this Act may be expended for the altering  
3 of the transcript of actual testimony of witnesses, except  
4 for testimony of officials of the Office of Management and  
5 Budget, before the House and Senate Committees on Ap-  
6 propriations or the House and Senate Committees on Vet-  
7 erans' Affairs or their subcommittees: *Provided further*,  
8 That this proviso shall not apply to printed hearings re-  
9 leased by the House and Senate Committees on Appro-  
10 priations or the House and Senate Committees on Veter-  
11 ans' Affairs.

12 OFFICE OF NATIONAL DRUG CONTROL POLICY

13 SALARIES AND EXPENSES

14 (INCLUDING TRANSFER OF FUNDS)

15 For necessary expenses of the Office of National  
16 Drug Control Policy; for research activities pursuant to  
17 title I of Public Law 100–690; not to exceed \$8,000 for  
18 official reception and representation expenses; and for par-  
19 ticipation in joint projects or in the provision of services  
20 on matters of mutual interest with nonprofit, research, or  
21 public organizations or agencies, with or without reim-  
22 bursement; \$35,838,000, of which \$19,000,000 shall re-  
23 main available until expended, consisting of \$1,000,000  
24 for policy research and evaluation and \$18,000,000 for the  
25 Counter-Drug Technology Assessment Center for

1 counternarcotics research and development projects of  
2 which \$1,000,000 shall be obligated for state conferences  
3 on model state drug laws: *Provided*, That the \$17,000,000  
4 for the Counter-Drug Technology Assessment Center shall  
5 be available for transfer to other Federal departments or  
6 agencies: *Provided further*, That the Office is authorized  
7 to accept, hold, administer, and utilize gifts, both real and  
8 personal, for the purpose of aiding or facilitating the work  
9 of the Office: *Provided further*, That not before January  
10 31, 1997, the Director of the Office of National Drug Con-  
11 trol Policy shall transfer all balances in the Special For-  
12 feiture Fund established by section 6073 of the Anti-Drug  
13 Abuse Act of 1988 (21 U.S.C. §1509) to the Treasury  
14 Forfeiture Fund (31 U.S.C. 9703(a)).

15                   FEDERAL DRUG CONTROL PROGRAMS

16       HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM

17                   (INCLUDING TRANSFER OF FUNDS)

18       For necessary expenses of the Office of National  
19 Drug Control Policy's High Intensity Drug Trafficking  
20 Areas Program, \$127,102,000 for drug control activities  
21 consistent with the approved strategy for each of the des-  
22 ignated High Intensity Drug Trafficking Areas, of which  
23 \$3,000,000 shall be used for a newly designated High In-  
24 tensity Drug Trafficking Area in Lake County, Indiana;  
25 of which \$6,000,000 shall be used for a newly designated  
26 High Intensity Drug Trafficking Area for the Gulf Coast

1 States of Louisiana, Alabama, and Mississippi; of which  
 2 \$8,000,000 shall be used for a newly designated High In-  
 3 tensity Drug Trafficking Area dedicated to combating  
 4 methamphetamine use, production and trafficking in a five  
 5 State area including Iowa, Missouri, Nebraska, South Da-  
 6 kota, and Kansas; of which \$3,000,000 shall be used for  
 7 a newly designated High Intensity Drug Trafficking Area  
 8 in the State of Colorado; of which \$3,000,000 shall be  
 9 used for a newly designated High Intensity Drug Traffick-  
 10 ing Area in the Pacific Northwest; of the total amount  
 11 appropriated, including transferred funds, no less than  
 12 \$71,000,000 shall be transferred to State and local enti-  
 13 ties for drug control activities, and up to \$69,207,000 may  
 14 be transferred to Federal agencies and departments at a  
 15 rate to be determined by the Director: *Provided*, That the  
 16 funds made available under this head shall be obligated  
 17 within 90 days of the date of enactment of this Act.

18       This title may be cited as the “Executive Office Ap-  
 19 propriations Act, 1997”.

## 20           TITLE IV—INDEPENDENT AGENCIES

### 21       COMMITTEE FOR PURCHASE FROM PEOPLE WHO ARE

#### 22                   BLIND OR SEVERELY DISABLED

#### 23                           SALARIES AND EXPENSES

24       For necessary expenses of the Committee for Pur-  
 25 chase From People Who Are Blind or Severely Disabled

1 established by the Act of June 23, 1971, Public Law 92–  
2 28; \$1,800,000.

3 FEDERAL ELECTION COMMISSION

4 SALARIES AND EXPENSES

5 For necessary expenses to carry out the provisions  
6 of the Federal Election Campaign Act of 1971, as amend-  
7 ed, \$28,165,000, of which no less than \$2,500,000 shall  
8 be available for internal automated data processing sys-  
9 tems, and of which not to exceed \$5,000 shall be available  
10 for reception and representation expenses.

11 FEDERAL LABOR RELATIONS AUTHORITY

12 SALARIES AND EXPENSES

13 For necessary expenses to carry out functions of the  
14 Federal Labor Relations Authority, pursuant to Reorga-  
15 nization Plan Numbered 2 of 1978, and the Civil Service  
16 Reform Act of 1978, including services as authorized by  
17 5 U.S.C. 3109, including hire of experts and consultants,  
18 hire of passenger motor vehicles, rental of conference  
19 rooms in the District of Columbia and elsewhere;  
20 \$21,588,000: *Provided*, That public members of the Fed-  
21 eral Service Impasses Panel may be paid travel expenses  
22 and per diem in lieu of subsistence as authorized by law  
23 (5 U.S.C. 5703) for persons employed intermittently in  
24 the Government service, and compensation as authorized  
25 by 5 U.S.C. 3109: *Provided further*, That notwithstanding



1 31 U.S.C. 3302, funds received from fees charged to non-  
2 Federal participants at labor-management relations con-  
3 ferences shall be credited to and merged with this account,  
4 to be available without further appropriation for the costs  
5 of carrying out these conferences.

6 GENERAL SERVICES ADMINISTRATION

7 FEDERAL BUILDINGS FUND

8 LIMITATIONS ON AVAILABILITY OF REVENUE

9 (INCLUDING TRANSFER OF FUNDS)

10 For additional expenses necessary to carry out the  
11 purpose of the Fund established pursuant to section  
12 210(f) of the Federal Property and Administrative Serv-  
13 ices Act of 1949, as amended (40 U.S.C. 490(f)),  
14 \$400,544,000, to be deposited into said Fund. The reve-  
15 nues and collections deposited into the Fund shall be avail-  
16 able for necessary expenses of real property management  
17 and related activities not otherwise provided for, including  
18 operation, maintenance, and protection of federally owned  
19 and leased buildings; rental of buildings in the District  
20 of Columbia; restoration of leased premises; moving gov-  
21 ernmental agencies (including space adjustments and tele-  
22 communications relocation expenses) in connection with  
23 the assignment, allocation and transfer of space; contrac-  
24 tual services incident to cleaning or servicing buildings,  
25 and moving; repair and alteration of federally owned build-  
26 ings including grounds, approaches and appurtenances;

1 care and safeguarding of sites; maintenance, preservation,  
2 demolition, and equipment; acquisition of buildings and  
3 sites by purchase, condemnation, or as otherwise author-  
4 ized by law; acquisition of options to purchase buildings  
5 and sites; conversion and extension of federally owned  
6 buildings; preliminary planning and design of projects by  
7 contract or otherwise; construction of new buildings (in-  
8 cluding equipment for such buildings); and payment of  
9 principal, interest, taxes, and any other obligations for  
10 public buildings acquired by installment purchase and pur-  
11 chase contract, in the aggregate amount of  
12 \$5,555,544,000 of which (1) not to exceed \$657,711,000  
13 shall remain available until expended for construction of  
14 additional projects and at maximum construction improve-  
15 ment costs (including funds for sites and expenses and as-  
16 sociated design and construction services) as follows:

17       New Construction:

18       California:

19               Fresno, Federal Building and U.S. Courthouse,  
20       \$6,595,000

21       Colorado:

22               Denver, Rogers Federal Building-U.S. Court-  
23       house, \$9,545,000

24       District of Columbia:

25               U.S. Courthouse Annex, \$5,703,000

1 Florida:

2 Miami, U.S. Courthouse, \$24,990,000

3 Orlando, U.S. Courthouse, \$9,514,000

4 Kentucky:

5 Covington, U.S. Courthouse, \$17,134,000

6 London, U.S. Courthouse, \$13,732,000

7 Montana:

8 Babb, Piegan Border Station, \$333,000

9 Sweetgrass, Border Station, \$1,059,000

10 Nevada:

11 Las Vegas, U.S. Courthouse, \$83,719,000

12 New York:

13 Brooklyn, U.S. Courthouse, \$169,000,000

14 Ohio:

15 Cleveland, U.S. Courthouse, \$128,559,000

16 Youngstown, U.S. Courthouse, \$15,813,000

17 Oregon:

18 Portland, Consolidated Law Federal Office

19 Building, \$4,750,000

20 Pennsylvania:

21 Erie, U.S. Courthouse Annex, \$3,300,000

22 Philadelphia, DVA-Federal Complex, Phase II,

23 \$13,765,000

24 South Carolina:

25 Columbia, U.S. Courthouse Annex, \$43,848,000

1 Texas:

2 Corpus Christi, U.S. Courthouse, \$24,161,000

3 Utah:

4 Salt Lake City, Moss U.S. Courthouse Annex  
5 and Alteration, \$11,474,000

6 Washington:

7 Blaine, U.S. Border Station, \$13,978,000

8 Oroville, U.S. Border Station, \$1,452,000

9 Seattle, U.S. Courthouse, \$16,853,000

10 Sumas, U.S. Border Station (Claim),  
11 \$1,177,000

12 Nationwide:

13 Non-prospectus construction projects,  
14 \$10,000,000

15 Security Enhancements, \$27,256,000:

16 *Provided*, That each of the immediately foregoing limits  
17 of costs on new construction projects may be exceeded to  
18 the extent that savings are affected in other such projects,  
19 but not to exceed 10 percent unless advance approval is  
20 obtained from the House and Senate Committees on Ap-  
21 propriations of a greater amount: *Provided further*, That  
22 the cost of future U.S. Courthouse annex projects shall  
23 reflect savings through improving design efficiencies, cur-  
24 tailing planned interior finishes, requiring more efficient  
25 use of courtroom and library space, and by otherwise lim-

1 iting space requirements: *Provided further*, That from  
2 funds available in the Federal Buildings Fund,  
3 \$20,000,000 shall be available until expended for environ-  
4 mental clean up activities at the Southeast Federal Center  
5 in the District of Columbia and \$81,000,000 shall be  
6 available until expended for design and construction activi-  
7 ties at the Consolidated Law Federal Office Building in  
8 Portland, Oregon: *Provided further*, That from funds  
9 available for non-prospectus construction projects,  
10 \$250,000 may be available until expended for the acquisi-  
11 tion, lease, construction, and equipping of flexiplace work  
12 telecommuting centers in West Virginia: *Provided further*,  
13 That all funds for direct construction projects shall expire  
14 on September 30, 1999: (2) not to exceed \$639,000,000  
15 shall remain available until expended, for repairs and al-  
16 terations which includes associated design and construc-  
17 tion services: *Provided further*, That funds in the Federal  
18 Buildings Fund for Repairs and Alterations shall, for pro-  
19 spectus projects, be limited to the amount by project as  
20 follows, except each project may be increased by an  
21 amount not to exceed 10 per centum unless advance ap-  
22 proval is obtained from the Committees on Appropriations  
23 of the House and Senate of a greater amount:

24       Repairs and alterations:

25       District of Columbia:

1 Ariel Rios Building, \$62,740,000

2 Justice Department, Phase 1 of 3, \$50,000,000

3 Lafayette Building, \$5,166,000

4 Hawaii:

5 Honolulu, Prince Jonah Kuhio Kalanianaʻole

6 Federal Building and U.S. Courthouse, \$4,140,000

7 Illinois:

8 Chicago, Everett M. Dirksen Federal Building,

9 \$18,844,000

10 Chicago, John C. Kluczynski, Jr. Federal

11 Building (IRS), \$13,414,000

12 Louisiana:

13 New Orleans, Customhouse, \$3,500,000

14 Maryland:

15 Montgomery County, White Oak environmental

16 clean up activities, \$10,000,000

17 Massachusetts:

18 Andover, IRS Regional Service Center,

19 \$812,000

20 New Hampshire:

21 Concord, J.C. Cleveland Federal Building,

22 \$8,251,000

23 New Jersey:

24 Camden, U.S. Post Office-Courthouse

25 \$11,096,000

1 New York:

2 Albany, James T. Foley Post Office-Court-  
3 house, \$3,880,000

4 Brookhaven, IRS Service Center, \$2,272,000

5 New York, Jacob K. Javits Federal Building,  
6 \$13,651,000

7 Pennsylvania:

8 Scranton, Federal Building-U.S. Courthouse,  
9 \$10,610,000

10 Rhode Island:

11 Providence, Federal Building-U.S. Courthouse,  
12 \$8,209,000

13 Texas:

14 Fort Worth, Federal Center, \$11,259,000

15 Nationwide:

16 Chlorofluorocarbons Program, \$23,456,000

17 Elevator Program, \$10,000,000

18 Energy Program, \$20,000,000

19 Security Enhancements, various buildings,  
20 \$2,700,000

21 Basic Repairs and Alterations, \$345,000,000:

22 *Provided further*, That additional projects for which  
23 prospectuses have been fully approved may be funded  
24 under this category only if advance approval is obtained  
25 from the Committees on Appropriations of the House and

1 Senate: *Provided further*, That the amounts provided in  
2 this or any prior Act for Repairs and Alterations may be  
3 used to fund costs associated with implementing security  
4 improvements to buildings necessary to meet the minimum  
5 standards for security in accordance with current law and  
6 in compliance with the reprogramming guidelines of the  
7 appropriate Committees of the House and Senate: *Pro-*  
8 *vided further*, That funds in the Federal Buildings Fund  
9 for Repairs and Alterations shall, for prospectus projects,  
10 be limited to the originally authorized amount, except each  
11 project may be increased by an amount not to exceed 10  
12 percent when advance approval is obtained from the Com-  
13 mittees on Appropriations of the House and Senate of a  
14 greater amount: *Provided further*, That the difference be-  
15 tween the funds appropriated and expended on any  
16 projects in this or any prior Act, under the heading “Re-  
17 pairs and Alterations”, may be transferred to Basic Re-  
18 pairs and Alterations or used to fund authorized increases  
19 in prospectus projects: *Provided further*, That from funds  
20 made available for Basic Repairs and Alterations,  
21 \$8,000,000 shall be made available for renovation of the  
22 Agricultural Research Service Laboratory in Ames, Iowa,  
23 which is currently occupied by the Animal and Plant  
24 Health Inspection Service: *Provided further*, That from  
25 funds made available for Basic Repairs and Alterations,



1 \$1,450,000 may be available for the renovation of the Pio-  
2 neer Courthouse located at 520 SW Morrison, in Portland,  
3 Oregon: *Provided further*, That from funds made available  
4 for Basic Repairs and Alterations, \$6,000,000 shall be  
5 used for necessary expenses associated with ongoing con-  
6 struction of the U.S. Courthouse in Montgomery, Ala-  
7 bama: *Provided further*, That from funds made available  
8 for Basic Repairs and Alterations, \$100,000 shall be  
9 transferred to the National Park Service “Construction”  
10 appropriation for restoration and maintenance of the  
11 multi-purpose field at Wallenberg Place in Washington,  
12 DC: *Provided further*, That all funds for repairs and alter-  
13 ations prospectus projects shall expire on September 30,  
14 1999, and remain in the Federal Buildings Fund except  
15 funds for projects as to which funds for design or other  
16 funds have been obligated in whole or in part prior to such  
17 date: *Provided further*, That the amount provided in this  
18 or any prior Act for Basic Repairs and Alterations may  
19 be used to pay claims against the Government arising  
20 from any projects under the heading “Repairs and Alter-  
21 ations” or used to fund authorized increases in prospectus  
22 projects: *Provided further*, That \$5,700,000 of the funds  
23 provided under this heading in Public Law 103–329, for  
24 the IRS Service Center, Holtsville, New York, shall be  
25 available until September 30, 1998; (3) not to exceed

1 \$173,075,000 for installment acquisition payments includ-  
2 ing payments on purchase contracts which shall remain  
3 available until expended: *Provided further*, That up to  
4 \$1,500,000 shall be available for a design prospectus of  
5 the Federal Building and U.S. Courthouse located at 811  
6 Grand Avenue in Kansas City, Missouri; (4) not to exceed  
7 \$2,343,795,000 for rental of space which shall remain  
8 available until expended; and (5) not to exceed  
9 \$1,552,651,000 for building operations which shall remain  
10 available until expended and of which \$8,000,000 shall be  
11 transferred to the “Policy and Operations” appropriation:  
12 *Provided further*, That funds available to the General Serv-  
13 ices Administration shall not be available for expenses in  
14 connection with any construction, repair, alteration, and  
15 acquisition project for which a prospectus, if required by  
16 the Public Buildings Act of 1959, as amended, has not  
17 been approved, except that necessary funds may be ex-  
18 pended for each project for required expenses in connec-  
19 tion with the development of a proposed prospectus: *Pro-*  
20 *vided further*, That the Administrator of General Services  
21 shall, at the earliest practicable date, initiate discussions  
22 with the Smithsonian Institution on the feasibility of  
23 transferring Federal Building 10B located at 600 Inde-  
24 pendence Avenue SW., Washington, DC to the Smithso-  
25 nian Institution at such price and under such terms and

1 conditions as determined appropriate by the Administrator  
2 and subject to the prior approval of the appropriate au-  
3 thorizing and appropriations committees of the Congress:  
4 *Provided further*, That funds provided in this Act under  
5 the heading “Security Enhancements, various buildings”  
6 may be used, by project in accordance with an approved  
7 prospectus: *Provided further*, That the Administrator is  
8 authorized in fiscal year 1997 and thereafter, to enter into  
9 and perform such leases, contracts, or other transactions  
10 with any agency or instrumentality of the United States,  
11 the several States, or the District of Columbia, or with  
12 any person, firm, association, or corporation, as may be  
13 necessary to implement the trade center plan at the Fed-  
14 eral Triangle Project and is hereby granted all the rights  
15 and authorities of the former Pennsylvania Avenue Devel-  
16 opment Corporation (PADC) with regard to property  
17 transferred from the PADC to the General Services Ad-  
18 ministration in fiscal year 1996: *Provided further*, That  
19 notwithstanding any other provision of law, the Adminis-  
20 trator of General Services is hereby authorized to use all  
21 funds transferred from the PADC or income earned on  
22 PADC properties for activities associated with carrying  
23 out the responsibilities of the PADC transferred to the  
24 Administrator of General Services and that any such in-  
25 come earned on or after April 1, 1996, shall be deposited

1 to the Pennsylvania Avenue Activities account and shall  
2 remain available until expended: *Provided further*, That  
3 any funds or income as may be deemed by the Adminis-  
4 trator as excess to the amount needed to fulfill the PADC  
5 responsibilities transferred to the Administrator of Gen-  
6 eral Services, shall be applied to any outstanding debt,  
7 with the exception of debt associated with the Ronald  
8 Reagan Building and International Trade Center, in-  
9 curred by the PADC in the course of acquiring real estate:  
10 *Provided further*, That with respect to real property trans-  
11 ferred from the PADC to the General Services Adminis-  
12 tration pursuant to section 313 of Public Law 104–134,  
13 Title III, General Provisions, the Administrator of General  
14 Services is hereafter authorized and directed to make pay-  
15 ments required by section 10(b) of the PADC Act of 1972,  
16 Public Law 92–578 in the same manner as previously paid  
17 by the PADC: *Provided further*, That for the purposes of  
18 this authorization, buildings constructed pursuant to the  
19 purchase contract authority of the Public Buildings  
20 Amendments of 1972 (40 U.S.C. 602a), buildings occu-  
21 pied pursuant to installment purchase contracts, and  
22 buildings under the control of another department or  
23 agency where alterations of such buildings are required  
24 in connection with the moving of such other department  
25 or agency from buildings then, or thereafter to be, under

1 the control of the General Services Administration shall  
2 be considered to be federally owned buildings: *Provided*  
3 *further*, That funds available in the Federal Buildings  
4 Fund may be expended for emergency repairs when ad-  
5 vance approval is obtained from the Committees on Appro-  
6 priations of the House and Senate: *Provided further*, That  
7 amounts necessary to provide reimbursable special services  
8 to other agencies under section 210(f)(6) of the Federal  
9 Property and Administrative Services Act of 1949, as  
10 amended (40 U.S.C. 490(f)(6)) and amounts to provide  
11 such reimbursable fencing, lighting, guard booths, and  
12 other facilities on private or other property not in Govern-  
13 ment ownership or control as may be appropriate to enable  
14 the United States Secret Service to perform its protective  
15 functions pursuant to 18 U.S.C. 3056, as amended, shall  
16 be available from such revenues and collections: *Provided*  
17 *further*, That revenues and collections and any other sums  
18 accruing to this Fund during fiscal year 1997, excluding  
19 reimbursements under section 210(f)(6) of the Federal  
20 Property and Administrative Services Act of 1949 (40  
21 U.S.C. 490(f)(6)) in excess of \$5,555,544,000 shall re-  
22 main in the Fund and shall not be available for expendi-  
23 ture except as authorized in appropriations Acts.

24 POLICY AND OPERATIONS

25 For expenses authorized by law, not otherwise pro-  
26 vided for, for Government-wide policy and oversight activi-

1 ties associated with asset management activities; utiliza-  
2 tion and donation of surplus personal property; transpor-  
3 tation management activities; procurement and supply  
4 management activities; Government-wide and internal re-  
5 sponsibilities relating to automated data management,  
6 telecommunications, information resources management,  
7 and related technology activities; utilization survey, deed  
8 compliance inspection, appraisal, environmental and cul-  
9 tural analysis, and land use planning functions pertaining  
10 to excess and surplus real property; agency-wide policy di-  
11 rection; Board of Contract Appeals; accounting, records  
12 management, and other support services incident to adju-  
13 dication of Indian Tribal Claims by the United States  
14 Court of Federal Claims; services as authorized by 5  
15 U.S.C. 3109; and not to exceed \$5,000 for official recep-  
16 tion and representation expenses; \$110,173,000.

17 OFFICE OF INSPECTOR GENERAL

18 For necessary expenses of the Office of Inspector  
19 General and services authorized by 5 U.S.C. 3109,  
20 \$33,863,000: *Provided*, That not to exceed \$5,000 shall  
21 be available for payment for information and detection of  
22 fraud against the Government, including payment for re-  
23 covery of stolen Government property: *Provided further*,  
24 That not to exceed \$2,500 shall be available for awards  
25 to employees of other Federal agencies and private citizens

1 in recognition of efforts and initiatives resulting in en-  
2 hanced Office of Inspector General effectiveness.

3 ALLOWANCES AND OFFICE STAFF FOR FORMER  
4 PRESIDENTS

5 For carrying out the provisions of the Act of August  
6 25, 1958, as amended (3 U.S.C. 102 note), and Public  
7 Law 95–138, \$2,180,000: *Provided*, That the Adminis-  
8 trator of General Services shall transfer to the Secretary  
9 of the Treasury such sums as may be necessary to carry  
10 out the provisions of such Acts.

11 EXPENSES, PRESIDENTIAL TRANSITION

12 For expenses necessary to carry out the Presidential  
13 Transition Act of 1963, as amended (3 U.S.C. 102 note),  
14 \$5,600,000.

15 GENERAL PROVISIONS—GENERAL SERVICES

16 ADMINISTRATION

17 SEC. 401. The appropriate appropriation or fund  
18 available to the General Services Administration shall be  
19 credited with the cost of operation, protection, mainte-  
20 nance, upkeep, repair, and improvement, included as part  
21 of rentals received from Government corporations pursu-  
22 ant to law (40 U.S.C. 129).

23 SEC. 402. Funds available to the General Services  
24 Administration shall be available for the hire of passenger  
25 motor vehicles.

1        SEC. 403. Funds in the Federal Buildings Fund  
2 made available for fiscal year 1997 for Federal Buildings  
3 Fund activities may be transferred between such activities  
4 only to the extent necessary to meet program require-  
5 ments: *Provided*, That any proposed transfers shall be ap-  
6 proved in advance by the Committees on Appropriations  
7 of the House and Senate.

8        SEC. 404. No funds made available by this Act shall  
9 be used to transmit a fiscal year 1998 request for United  
10 States Courthouse construction that does not meet the de-  
11 sign guide standards for construction as established by the  
12 General Services Administration, the Judicial Conference  
13 of the United States, and the Office of Management and  
14 Budget and does not reflect the priorities of the Judicial  
15 Conference of the United States as set out in its approved  
16 5-year construction plan: *Provided*, That the request must  
17 be accompanied by a standardized courtroom utilization  
18 study of each facility to be replaced or expanded.

19        SEC. 405. None of the funds provided in this Act may  
20 be used to increase the amount of occupiable square feet,  
21 provide cleaning services, security enhancements, or any  
22 other service usually provided through the Federal Build-  
23 ings Fund, to any agency which does not pay the re-  
24 quested rate per square foot assessment for space and  
25 services as determined by the General Services Adminis-



1 tration in compliance with the Public Buildings Amend-  
2 ments Act of 1972 (Public Law 92–313).

3       SEC. 406. The Administrator of the General Services  
4 is directed to ensure that the materials used for the facade  
5 on the United States Courthouse Annex, Savannah, Geor-  
6 gia project are compatible with the existing Savannah  
7 Federal Building-U.S. Courthouse facade, in order to en-  
8 sure compatibility of this new facility with the Savannah  
9 historic district and to ensure that the Annex will not en-  
10 danger the National Landmark status of the Savannah  
11 historic district.

12       SEC. 407. (a) Section 210 of the Federal Property  
13 and Administrative Services Act of 1949 (40 U.S.C. 490)  
14 is amended by adding at the end the following new sub-  
15 section:

16       “(1)(1) The Administrator may establish, acquire  
17 space for, and equip flexiplace work telecommuting centers  
18 (in this subsection referred to as ‘telecommuting centers’)  
19 for use by employees of Federal agencies, State and local  
20 governments, and the private sector in accordance with  
21 this subsection.

22       “(2) The Administrator may make any telecommut-  
23 ing center available for use by individuals who are not  
24 Federal employees to the extent the center is not being  
25 fully utilized by Federal employees. The Administrator

1 shall give Federal employees priority in using the tele-  
2 commuting centers.

3       “(3)(A) The Administrator shall charge user fees for  
4 the use of any telecommuting center. The amount of the  
5 user fee shall approximate commercial charges for com-  
6 parable space and services except that in no instance shall  
7 such fee be less than that necessary to pay the cost of  
8 establishing and operating the center, including the rea-  
9 sonable cost of renovation and replacement of furniture,  
10 fixtures, and equipment.

11       “(B) Amounts received by the Administrator after  
12 September 30, 1993, as user fees for use of any tele-  
13 commuting center may be deposited into the Fund estab-  
14 lished under subsection (f) of this section and may be used  
15 by the Administrator to pay costs incurred in the estab-  
16 lishment and operation of the center.

17       “(4) The Administrator may provide guidance, assist-  
18 ance, and oversight to any person regarding establishment  
19 and operation of alternative workplace arrangements, such  
20 as telecommuting, hoteling, virtual offices, and other dis-  
21 tributive work arrangements.

22       “(5) In considering whether to acquire any space,  
23 quarters, buildings, or other facilities for use by employees  
24 of any executive agency, the head of that agency shall con-  
25 sider whether the need for the facilities can be met using

1 alternative workplace arrangements referred to in para-  
2 graph (4).”.

3 (b) Section 13 of the Public Building Act of 1959,  
4 as amended, (107 Stat. 438; 40 U.S.C. 612) is amended—

5 (1) by striking “(xi)” and inserting in lieu  
6 thereof “(xii)”; and

7 (2) by striking “and (x)” and inserting in lieu  
8 thereof “(x) telecommuting centers and (xi)”.

9 SEC. 408. Notwithstanding any other provision of  
10 law, the Administrator of General Services is authorized  
11 and directed to acquire the land bounded by S.W. First  
12 Avenue, S.W. Second Avenue, S.W. Main Street, and S.W.  
13 Madison Street, Portland, Oregon, for the purposes of  
14 constructing the proposed Law Enforcement Center on the  
15 site.

16 SEC. 409. Section 2815 of Public Law 103–160, re-  
17 lating to the conveyance of real property at the Iowa Army  
18 Ammunition Plant, is amended—

19 (1) in subsection (a), by striking “may convey  
20 to” and inserting “shall convey, without reimburse-  
21 ment and if requested by,”; and

22 (2) by striking subsection (b) and inserting the  
23 following new subsection:

24 “(b) USE OF WATER AND SEWER LINES.—As part  
25 of the conveyance under subsection (a), the Secretary shall

1 permit the City to use existing water and sewer lines and  
2 sewage system at the Iowa Army Ammunition Plant for  
3 a three-year period beginning on the date of the convey-  
4 ance.”.

5 SEC. 410. (a) CONVEYANCE OF LAND.—

6 (1) ADMINISTRATOR OF GENERAL SERVICES.—

7 Subject to subsections (b) and (c), the Administrator  
8 of General Services (hereinafter in this section re-  
9 ferred to as the “Administrator”) shall convey, with-  
10 out compensation, to a nonprofit organization known  
11 as the “Beaver County Corporation for Economic  
12 Development” all right, title, and interest of the  
13 United States in and to those pieces or parcels of  
14 land in Hopewell Township, Pennsylvania, described  
15 in subsection (b), together with all improvements  
16 thereon and appurtenances thereto. The purpose of  
17 the conveyance is to provide a site for economic de-  
18 velopment in Hopewell Township.

19 (2) PROPERTY DESCRIPTION.—The land re-  
20 ferred to in paragraph (1) is the parcel of land in  
21 the township of Hopewell, county of Beaver, Penn-  
22 sylvania, bounded and described as follows:

23 (A) Beginning at the southwest corner at  
24 a point common to Lot No. 1, same plan, lands  
25 now or formerly of Frank and Catherine

Wutter, and the easterly right-of-way line of Pennsylvania Legislative Route No. 60 (Beaver Valley Expressway); thence proceeding by the easterly right-of-way of Pennsylvania Legislative Route No. 60 by the following three courses and distances:

(i) North 17 degrees, 14 minutes, 20 seconds West, 213.10 feet to a point.

(ii) North 72 degrees, 45 minutes, 40 seconds East, 30.00 feet to a point.

(iii) North 17 degrees, 14 minutes, 20 seconds West, 252.91 feet to a point; on a line dividing Lot No. 1 from the other part of Lot No. 1, said part now called Lot No. 5, same plan; thence by last mentioned dividing line, North 78 degrees, 00 minutes, 00 seconds East; 135.58 feet to a point, a cul-de-sac on Industrial Drive; thence by said cul-de-sac and the southerly side of Industrial Drive by the following courses and distances:

(I) By a curve to the right having a radius of 100.00 feet for an arc distance of 243.401 feet to a point.

1                   (II) Thence by a curve to the  
2 right having a radius of 100.00 feet  
3 for an arc distance of 86.321 feet to  
4 a point.

5                   (III) Thence by 78 degrees, 00  
6 minutes, 00 seconds East, 777.78 feet  
7 to a point.

8                   (IV) Thence, North 12 degrees,  
9 00 minutes, 00 seconds West, 74.71  
10 feet to a point.

11                  (V) Thence by a curve to the  
12 right, having a radius of 50.00 feet  
13 for an arc distance of 78.54 feet to a  
14 point.

15                  (VI) Thence North 78 degrees,  
16 00 minutes, 00 seconds East, 81.24  
17 feet to a point.

18                  (VII) Thence by a curve to the  
19 right, having a radius of 415.00 feet  
20 for an arc distance of 140.64 feet to  
21 a point.

22                  (VIII) Thence, South 82 degrees,  
23 35 minutes, 01 second East, 125.00  
24 feet to a point.

1 (IX) Thence, South 7 degrees, 24  
2 minutes, 59 seconds West, 5.00 feet  
3 to a point.

4 (X) Thence by a curve to the  
5 right, having a radius of 320.00 feet  
6 for an arc distance of 256.85 feet to  
7 a point.

8 (XI) Thence by a curve to the  
9 right having a radius of 50.00 feet for  
10 an arc distance of 44.18 feet to a  
11 point on the northerly side of Airport  
12 Road.

13 (B) Thence by the northerly side thereof  
14 by the following:

15 (i) South 14 degrees, 01 minutes, 54  
16 seconds, West, 56.94 feet to a point.

17 (ii) Thence by a curve to the right  
18 having a radius of 225.00 feet for an arc  
19 distance of 207.989 feet to a point.

20 (iii) Thence South 66 degrees, 59  
21 minutes, 45 seconds West, 192.08 feet to  
22 a point on the southern boundary of Lot  
23 No. 1, which line is also the line dividing  
24 Lot No. 1 from lands now or formerly, of  
25 Frank and Catherine Wutter.

1           (C) Thence by the same, South 75 degrees,  
2           01 minutes, 00 seconds West, 1,351.23 feet to  
3           a point at the place of beginning.

4           (3) DATE OF CONVEYANCE.—The date of the  
5           conveyance of property required under paragraph  
6           (1) shall be not later than the 90th day following the  
7           date of the enactment of this Act.

8           (4) CONVEYANCE TERMS.—

9           (A) TERMS AND CONDITIONS.—The con-  
10          veyance of property required under paragraph  
11          (1) shall be subject to such terms and condi-  
12          tions as may be determined by the Adminis-  
13          trator to be necessary to safeguard the interests  
14          of the United States. Such terms and condi-  
15          tions shall be consistent with the terms and  
16          conditions set forth in this section.

17          (B) QUITCLAIM DEED.—The conveyance of  
18          property required under paragraph (1) shall be  
19          by quitclaim deed.

20          (b) LIMITATION ON CONVEYANCE.—No part of any  
21          land conveyed under subsection (a) may be used, during  
22          the 30-year period beginning on the date of conveyance  
23          for any purpose other than economic development.

24          (c) REVERSIONARY INTEREST.—



1           (1) IN GENERAL.—The property conveyed  
2       under subsection (a) shall revert to the United  
3       States on any date in the 30-year period beginning  
4       on the date of such conveyance on which the prop-  
5       erty is used for a purpose other than economic devel-  
6       opment.

7           (2) ENFORCING REVERSION.—The Adminis-  
8       trator shall perform all acts necessary to enforce any  
9       reversion of property to the United States under this  
10      subsection.

11          (3) INVENTORY OF PUBLIC BUILDINGS SERV-  
12      ICE.—Property that reverts to the United States  
13      under this subsection shall be under the control of  
14      the General Services Administration.

15      SEC. 411. Notwithstanding any other provision of  
16      law, the land contained in block 111 in the Federal Dis-  
17      trict, Denver, Colorado, obtained pursuant to paragraphs  
18      (6) and (7) of section 12(b) of Public Law 94–204 (43  
19      U.S.C. 1611 note) shall not be subject to condemnation  
20      by any agency or instrumentality of the Federal Govern-  
21      ment, without the consent of the owner of that land.

1 JOHN F. KENNEDY ASSASSINATION RECORDS REVIEW  
2 BOARD

3 For necessary expenses to carry out the John F. Ken-  
4 nedy Assassination Records Collection Act of 1992,  
5 \$2,150,000.

6 MERIT SYSTEMS PROTECTION BOARD  
7 SALARIES AND EXPENSES  
8 (INCLUDING TRANSFER OF FUNDS)

9 For necessary expenses to carry out functions of the  
10 Merit Systems Protection Board pursuant to Reorganiza-  
11 tion Plan Numbered 2 of 1978 and the Civil Service Re-  
12 form Act of 1978, including services as authorized by 5  
13 U.S.C. 3109, rental of conference rooms in the District  
14 of Columbia and elsewhere, hire of passenger motor vehi-  
15 cles, and direct procurement of survey printing,  
16 \$23,923,000, together with not to exceed \$2,430,000 for  
17 administrative expenses to adjudicate retirement appeals  
18 to be transferred from the Civil Service Retirement and  
19 Disability Fund in amounts determined by the Merit Sys-  
20 tems Protection Board.

21 NATIONAL ARCHIVES AND RECORDS ADMINISTRATION  
22 OPERATING EXPENSES

23 For necessary expenses in connection with the admin-  
24 istration of the National Archives (including the Informa-  
25 tion Security Oversight Office) and records and related ac-

1 tivities, as provided by law, and for expenses necessary  
2 for the review and declassification of documents, and for  
3 the hire of passenger motor vehicles, \$196,963,000: *Pro-*  
4 *vided*, That the Archivist of the United States is author-  
5 ized to use any excess funds available from the amount  
6 borrowed for construction of the National Archives facil-  
7 ity, for expenses necessary to move into the facility.

8 ARCHIVES FACILITIES AND PRESIDENTIAL LIBRARIES

9 REPAIRS AND RESTORATION

10 For the repair, alteration, and improvement of ar-  
11 chives facilities and presidential libraries, and to provide  
12 adequate storage for holdings, \$16,229,000 to remain  
13 available until expended.

14 NATIONAL HISTORICAL PUBLICATIONS AND RECORDS

15 COMMISSION

16 GRANTS PROGRAM

17 For necessary expenses for allocations and grants for  
18 historical publications and records as authorized by 44  
19 U.S.C. 2504, as amended, \$5,000,000 to remain available  
20 until expended.

21 OFFICE OF GOVERNMENT ETHICS

22 SALARIES AND EXPENSES

23 For necessary expenses to carry out functions of the  
24 Office of Government Ethics pursuant to the Ethics in  
25 Government Act of 1978, as amended by Public Law 100–  
26 598, and the Ethics Reform Act of 1989, Public Law 101–

1 194, including services as authorized by 5 U.S.C. 3109,  
2 rental of conference rooms in the District of Columbia and  
3 elsewhere, hire of passenger motor vehicles, and not to ex-  
4 ceed \$1,500 for official reception and representation ex-  
5 penses; \$8,078,000.

6 OFFICE OF PERSONNEL MANAGEMENT

7 SALARIES AND EXPENSES

8 (INCLUDING TRANSFER OF TRUST FUNDS)

9 For necessary expenses to carry out functions of the  
10 Office of Personnel Management pursuant to Reorganiza-  
11 tion Plan Numbered 2 of 1978 and the Civil Service Re-  
12 form Act of 1978, including services as authorized by 5  
13 U.S.C. 3109; medical examinations performed for veterans  
14 by private physicians on a fee basis; rental of conference  
15 rooms in the District of Columbia and elsewhere; hire of  
16 passenger motor vehicles; not to exceed \$2,500 for official  
17 reception and representation expenses; advances for reim-  
18 bursements to applicable funds of the Office of Personnel  
19 Management and the Federal Bureau of Investigation for  
20 expenses incurred under Executive Order 10422 of Janu-  
21 ary 9, 1953, as amended; and payment of per diem and/  
22 or subsistence allowances to employees where Voting  
23 Rights Act activities require an employee to remain over-  
24 night at his or her post of duty; \$87,076,000, of which  
25 not to exceed \$1,000,000 shall be available for the estab-

1 lishment of health promotion and disease prevention pro-  
2 grams for Federal employees; and in addition \$94,736,000  
3 for administrative expenses, to be transferred from the ap-  
4 propriate trust funds of the Office of Personnel Manage-  
5 ment without regard to other statutes, including direct  
6 procurement of printing materials for annuitants, for the  
7 retirement and insurance programs, of which \$3,500,000  
8 shall be transferred at such times as the Office of Person-  
9 nel Management deems appropriate, and shall remain  
10 available until expended for the costs of automating the  
11 retirement recordkeeping systems, together with remain-  
12 ing amounts authorized in previous Acts for the record-  
13 keeping systems: *Provided*, That the provisions of this ap-  
14 propriation shall not affect the authority to use applicable  
15 trust funds as provided by section 8348(a)(1)(B) of title  
16 5, United States Code: *Provided further*, That, except as  
17 may be consistent with 5 U.S.C. 8902a(f)(1) and (i), no  
18 payment may be made from the Employees Health Bene-  
19 fits Fund to any physician, hospital, or other provider of  
20 health care services or supplies who is, at the time such  
21 services or supplies are provided to an individual covered  
22 under chapter 89 of title 5, United States Code, excluded,  
23 pursuant to section 1128 or 1128A of the Social Security  
24 Act (42 U.S.C. 1320a-7-1320a-7a), from participation in  
25 any program under title XVIII of the Social Security Act

## MANAGEMENT

25 SEC. 422. Paragraph (1) of section 8906(e) of title  
26 5, United States Code, is amended—

1           (1) by striking the last sentence of that para-  
2           graph and redesignating the remainder of that para-  
3           graph as (1)(A);

4           (2) by adding at the end of paragraph (1)(A)  
5           (as so designated) the following:

6           “(B) During each pay period in which an en-  
7           rollment continues under subparagraph (A)—

8                 “(i) employee and Government contribu-  
9                 tions required by this section shall be paid on  
10                a current basis; and

11               “(ii) if necessary, the head of the employ-  
12               ing agency shall approve advance payment, re-  
13               coverable in the same manner as under section  
14               5524a(c), of a portion of basic pay sufficient to  
15               pay current employee contributions.

16           “(C) Each agency shall establish procedures for  
17           accepting direct payments of employee contributions  
18           for the purposes of this paragraph.”.

19                         OFFICE OF INSPECTOR GENERAL

20                                 SALARIES AND EXPENSES

21   (INCLUDING TRANSFER OF TRUST FUNDS)

22           For necessary expenses of the Office of Inspector  
23           General in carrying out the provisions of the Inspector  
24           General Act, as amended, including services as authorized  
25           by 5 U.S.C. 3109, hire of passenger motor vehicles,

1 \$960,000; and in addition, not to exceed \$8,645,000 for  
2 administrative expenses to audit the Office of Personnel  
3 Management's retirement and insurance programs, to be  
4 transferred from the appropriate trust funds of the Office  
5 of Personnel Management, as determined by the Inspector  
6 General: *Provided*, That the Inspector General is author-  
7 ized to rent conference rooms in the District of Columbia  
8 and elsewhere.

9 GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEES

10 HEALTH BENEFITS

11 For payment of Government contributions with re-  
12 spect to retired employees, as authorized by chapter 89  
13 of title 5, United States Code, and the Retired Federal  
14 Employees Health Benefits Act (74 Stat. 849), as amend-  
15 ed, such sums as may be necessary.

16 GOVERNMENT PAYMENT FOR ANNUITANTS, EMPLOYEE

17 LIFE INSURANCE

18 For payment of Government contributions with re-  
19 spect to employees retiring after December 31, 1989, as  
20 required by chapter 87 of title 5, United States Code, such  
21 sums as may be necessary.

22 PAYMENT TO CIVIL SERVICE RETIREMENT AND

23 DISABILITY FUND

24 For financing the unfunded liability of new and in-  
25 creased annuity benefits becoming effective on or after Oc-



1 tober 20, 1969, as authorized by 5 U.S.C. 8348, and an-  
2 nnuities under special Acts to be credited to the Civil Serv-  
3 ice Retirement and Disability Fund, such sums as may  
4 be necessary: *Provided*, That annuities authorized by the  
5 Act of May 29, 1944, as amended, and the Act of August  
6 19, 1950, as amended (33 U.S.C. 771–75), may hereafter  
7 be paid out of the Civil Service Retirement and Disability  
8 Fund.

9 OFFICE OF SPECIAL COUNSEL

10 SALARIES AND EXPENSES

11 For necessary expenses to carry out functions of the  
12 Office of Special Counsel pursuant to Reorganization Plan  
13 Numbered 2 of 1978, the Civil Service Reform Act of  
14 1978 (Public Law 95–454), the Whistleblower Protection  
15 Act of 1989 (Public Law 101–12), Public Law 103–424,  
16 and the Uniformed Services Employment and Reemploy-  
17 ment Act of 1994 (Public Law 103–353), including serv-  
18 ices as authorized by 5 U.S.C. 3109, payment of fees and  
19 expenses for witnesses, rental of conference rooms in the  
20 District of Columbia and elsewhere, and hire of passenger  
21 motor vehicles; \$8,116,000.

22 UNITED STATES TAX COURT

23 SALARIES AND EXPENSES

24 For necessary expenses, including contract reporting  
25 and other services as authorized by 5 U.S.C. 3109,

1 \$33,781,000: *Provided*, That travel expenses of the judges  
2 shall be paid upon the written certificate of the judge.

3 This title may be cited as the “Independent Agencies  
4 Appropriations Act, 1997”.

## 5 TITLE V—GENERAL PROVISIONS

### 6 THIS ACT

7 SECTION 501. No part of any appropriation con-  
8 tained in this Act shall remain available for obligation be-  
9 yond the current fiscal year unless expressly so provided  
10 herein.

11 SEC. 502. The expenditure of any appropriation  
12 under this Act for any consulting service through procure-  
13 ment contract, pursuant to 5 U.S.C. 3109, shall be limited  
14 to those contracts where such expenditures are a matter  
15 of public record and available for public inspection, except  
16 where otherwise provided under existing law, or under ex-  
17 isting Executive order issued pursuant to existing law.

18 SEC. 503. Section 5131 of title 31, United States  
19 Code, is amended—

20 (1) by striking subsection (c); and

21 (2) by redesignating subsection (d) as sub-  
22 section (c).

23 SEC. 504. None of the funds made available by this  
24 Act shall be available for any activity or for paying the  
25 salary of any Government employee where funding an ac-

1 tivity or paying a salary to a Government employee would  
2 result in a decision, determination, rule, regulation, or pol-  
3 icy that would prohibit the enforcement of section 307 of  
4 the Tariff Act of 1930.

5 SEC. 505. None of the funds made available by this  
6 Act shall be available for the purpose of transferring con-  
7 trol over the Federal Law Enforcement Training Center  
8 located at Glynco, Georgia, and Artesia, New Mexico, out  
9 of the Treasury Department.

10 SEC. 506. No part of any appropriation contained in  
11 this Act shall be used for publicity or propaganda purposes  
12 within the United States not heretofore authorized by the  
13 Congress.

14 SEC. 507. No part of any appropriation contained in  
15 this Act shall be available for the payment of the salary  
16 of any officer or employee of the United States Postal  
17 Service, who—

18 (1) prohibits or prevents, or attempts or threat-  
19 ens to prohibit or prevent, any officer or employee  
20 of the United States Postal Service from having any  
21 direct oral or written communication or contact with  
22 any Member or committee of Congress in connection  
23 with any matter pertaining to the employment of  
24 such officer or employee or pertaining to the United  
25 States Postal Service in any way, irrespective of

1       whether such communication or contact is at the ini-  
2       tiative of such officer or employee or in response to  
3       the request or inquiry of such Member or committee;  
4       or

5           (2) removes, suspends from duty without pay,  
6       demotes, reduces in rank, seniority, status, pay, or  
7       performance of efficiency rating, denies promotion  
8       to, relocates, reassigns, transfers, disciplines, or dis-  
9       criminates in regard to any employment right, enti-  
10      tlement, or benefit, or any term or condition of em-  
11      ployment of, any officer or employee of the United  
12      States Postal Service, or attempts or threatens to  
13      commit any of the foregoing actions with respect to  
14      such officer or employee, by reason of any commu-  
15      nication or contact of such officer or employee with  
16      any Member or committee of Congress as described  
17      in paragraph (1).

18      SEC. 508. The Office of Personnel Management may,  
19      during the fiscal year ending September 30, 1997, accept  
20      donations of supplies, services, land, and equipment for  
21      the Federal Executive Institute and Management Develop-  
22      ment Centers to assist in enhancing the quality of Federal  
23      management.

24      SEC. 509. The United States Secret Service may,  
25      during the fiscal year ending September 30, 1997, and

1 hereafter, accept donations of money to offset costs in-  
2 curred while protecting former Presidents and spouses of  
3 former Presidents when the former President or spouse  
4 travels for the purpose of making an appearance or speech  
5 for a payment of money or any thing of value.

6       SEC. 510. No part of any appropriation contained in  
7 this Act shall be available to pay the salary for any person  
8 filling a position, other than a temporary position, for-  
9 merly held by an employee who has left to enter the Armed  
10 Forces of the United States and has satisfactorily com-  
11 pleted his period of active military or naval service and  
12 has within 90 days after his release from such service or  
13 from hospitalization continuing after discharge for a pe-  
14 riod of not more than 1 year made application for restora-  
15 tion to his former position and has been certified by the  
16 Office of Personnel Management as still qualified to per-  
17 form the duties of his former position and has not been  
18 restored thereto.

19       SEC. 511. None of the funds made available in this  
20 Act may be used to provide any non-public information  
21 such as mailing or telephone lists to any person or any  
22 organization outside of the Federal Government without  
23 the approval of the House and Senate Committees on Ap-  
24 propriations.

1        SEC. 512. No funds appropriated pursuant to this  
2 Act may be expended by an entity unless the entity agrees  
3 that in expending the assistance the entity will comply  
4 with sections 2 through 4 of the Act of March 3, 1933  
5 (41 U.S.C. 10a–10c, popularly known as the “Buy Amer-  
6 ican Act”).

7        SEC. 513. (a) PURCHASE OF AMERICAN-MADE  
8 EQUIPMENT AND PRODUCTS.—In the case of any equip-  
9 ment or products that may be authorized to be purchased  
10 with financial assistance provided under this Act, it is the  
11 sense of the Congress that entities receiving such assist-  
12 ance should, in expending the assistance, purchase only  
13 American-made equipment and products.

14        (b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In  
15 providing financial assistance under this Act, the Sec-  
16 retary of the Treasury shall provide to each recipient of  
17 the assistance a notice describing the statement made in  
18 subsection (a) by the Congress.

19        SEC. 514. If it has been finally determined by a court  
20 or Federal agency that any person intentionally affixed a  
21 label bearing a “Made in America” inscription, or any in-  
22 scription with the same meaning, to any product sold in  
23 or shipped to the United States that is not made in the  
24 United States, such person shall be ineligible to receive  
25 any contract or subcontract made with funds provided

1 pursuant to this Act, pursuant to the debarment, suspen-  
2 sion, and ineligibility procedures described in sections  
3 9.400 through 9.409 of title 48, Code of Federal Regula-  
4 tions.

5 SEC. 515. Except as otherwise specifically provided  
6 by law, not to exceed 50 percent of unobligated balances  
7 remaining available at the end of fiscal year 1997 from  
8 appropriations made available for salaries and expenses  
9 for fiscal year 1997 in this Act, shall remain available  
10 through September 30, 1998, for each such account for  
11 the purposes authorized: *Provided*, That a request shall  
12 be submitted to the House and Senate Committees on Ap-  
13 propriations for approval prior to the expenditure of such  
14 funds.

15 SEC. 516. Where appropriations in this Act are ex-  
16 pendable for travel expenses of employees and no specific  
17 limitation has been placed thereon, the expenditures for  
18 such travel expenses may not exceed the amount set forth  
19 in the budget estimates submitted for appropriations with-  
20 out the advance approval of the House and Senate Com-  
21 mittees on Appropriations: *Provided*, That this section  
22 shall not apply to travel performed by uncompensated offi-  
23 cials of local boards and appeal boards in the Selective  
24 Service System; to travel performed directly in connection  
25 with care and treatment of medical beneficiaries of the De-

1 partment of Veterans Affairs; to travel of the Office of  
2 Personnel Management in carrying out its observation re-  
3 sponsibilities of the Voting Rights Act; or to payments to  
4 interagency motor pools separately set forth in the budget  
5 schedules: *Provided further*, That this provision does not  
6 apply to accounts that do not contain an object identifica-  
7 tion for travel.

8 SEC. 517. Notwithstanding any other provision of law  
9 or regulation during the fiscal year ending September 30,  
10 1997, and thereafter:

11 (1) The authority of the special police officers  
12 of the Bureau of Engraving and Printing, in the  
13 Washington, DC Metropolitan area, extends to  
14 buildings and land under the custody and control of  
15 the Bureau; to buildings and land acquired by or for  
16 the Bureau through lease, unless otherwise provided  
17 by the acquisition agency; to the streets, sidewalks  
18 and open areas immediately adjacent to the Bureau  
19 along Wallenberg Place (15th Street) and 14th  
20 Street between Independence and Maine Avenues  
21 and C and D Streets between 12th and 14th  
22 Streets; to areas which include surrounding parking  
23 facilities used by Bureau employees, including the  
24 lots at 12th and C Streets, SW, Maine Avenue and  
25 Water Streets, SW, Maiden Lane, the Tidal Basin



1 and East Potomac Park; to the protection in transit  
2 of United States securities, plates and dies used in  
3 the production of United States securities, or other  
4 products or implements of the Bureau of Engraving  
5 and Printing which the Director of that agency so  
6 designates.

7 (2) The authority of the special police officers  
8 of the United States Mint extends to the buildings  
9 and land under the custody and control of the Mint;  
10 to the streets, sidewalks and open areas in the vicin-  
11 ity to such facilities; to surrounding parking facili-  
12 ties used by Mint employees; and to the protection  
13 in transit of bullion, coins, dies, and other property  
14 and assets of, or in the custody of, the Mint.

15 (3) The exercise of police authority by Bureau  
16 or Mint officers, with the exception of the exercise  
17 of authority upon property under the custody and  
18 control of the Bureau or the Mint, respectively, shall  
19 be deemed supplementary to the Federal police force  
20 with primary jurisdictional responsibility. This au-  
21 thority shall be in addition to any other law enforce-  
22 ment authority which has been provided to these of-  
23 ficers under other provisions of law or regulations.

24 SEC. 518. No funds appropriated by this Act shall  
25 be available to pay for an abortion, or the administrative

1 expenses in connection with any health plan under the  
2 Federal employees health benefit program which provides  
3 any benefits or coverage for abortions.

4 SEC. 519. The provision of section 518 shall not  
5 apply where the life of the mother would be endangered  
6 if the fetus were carried to term, or the pregnancy is the  
7 result of an act of rape or incest.

8 SEC. 520. No part of any appropriation made avail-  
9 able in this Act shall be used to implement Bureau of Al-  
10 cohool, Tobacco and Firearms Ruling TD ATF-360; Re:  
11 Notice Nos. 782, 780, 91F009P.

12 SEC. 521. Notwithstanding title 5, United States  
13 Code, Personal Service Contractors (PSC) employed by  
14 the Department of the Treasury shall be considered as  
15 Federal Government employees for purposes of making  
16 available Federal employee health and life insurance.

17 SEC. 522. Section 5131 of title 31, United States  
18 Code, is amended by striking subsection (c); and by re-  
19 designating subsection (d) as subsection (c).

20 SEC. 523. Section 5112(i)(4) of title 31, United  
21 States Code, is amended by adding at the end the follow-  
22 ing new subparagraph:

23 “(C) The Secretary may continue to mint and issue  
24 coins in accordance with the specifications contained in  
25 paragraphs (7), (8), (9), and (10) of subsection (a) and

1 paragraph (1)(A) of this subsection at the same time the  
2 Secretary in minting and issuing other bullion and proof  
3 gold coins under this subsection in accordance with such  
4 program procedures and coin specifications, designs, vari-  
5 eties, quantities, denominations, and inscriptions as the  
6 Secretary, in the Secretary's discretion, may prescribe  
7 from time to time.”: *Provided*, That profits generated  
8 from the sale of gold to the United States Mint for this  
9 program shall be considered as a receipt to be deposited  
10 into the General Fund of the Treasury.

11 SEC. 524. Section 5112 of title 31, United States  
12 Code, is amended by adding at the end the following new  
13 subsection:

14 “(k) The Secretary may mint and issue bullion and  
15 proof platinum coins in accordance with such specifica-  
16 tions, designs, varieties, quantities, denominations, and in-  
17 scriptions as the Secretary, in the Secretary's discretion,  
18 may prescribe from time to time.”: *Provided*, That the  
19 Secretary is authorized to use Government platinum re-  
20 serves stockpiled at the United States Mint as working  
21 inventory and shall ensure that reserves utilized are re-  
22 placed by the Mint.

23 SEC. 526. (a) REIMBURSEMENT OF CERTAIN ATTOR-  
24 NEY FEES AND COSTS.—

1           (1) IN GENERAL.—The Secretary of the Treas-  
2       ury shall pay from amounts appropriated in title I  
3       of this Act under the heading, “Departmental Of-  
4       fices, Salaries and Expenses”, up to \$500,000 to re-  
5       imburse former employees of the White House Trav-  
6       el Office whose employment in that Office was ter-  
7       minated on May 19, 1993, for any attorney fees and  
8       costs they incurred with respect to that termination.

9           (2) VERIFICATION REQUIRED.—The Secretary  
10      shall pay an individual in full under paragraph (1)  
11      upon submission by the individual of documentation  
12      verifying the attorney fees and costs.

13          (3) NO INFERENCE OF LIABILITY.—Liability of  
14      the United States shall not be inferred from enact-  
15      ment of or payment under this subsection.

16          (b) LIMITATION ON FILING OF CLAIMS.—The Sec-  
17      retary of the Treasury shall not pay any claim filed under  
18      this section that is filed later than 120 days after the date  
19      of the enactment of this Act.

20          (c) LIMITATION.—Payments under subsection (a)  
21      shall not include attorney fees or costs incurred with re-  
22      spect to any Congressional hearing or investigation into  
23      the termination of employment of the former employees  
24      of the White House Travel Office.

1       (d) REDUCTION.—The amount paid pursuant to this  
2 section to an individual for attorney fees and costs de-  
3 scribed in subsection (a) shall be reduced by any amount  
4 received before the date of the enactment of this Act, with-  
5 out obligation for repayment by the individual, for pay-  
6 ment of such attorney fees and costs (including any  
7 amount received from the funds appropriated for the indi-  
8 vidual in the matter relating to the “Office of the General  
9 Counsel” under the heading “Office of the Secretary” in  
10 title I of the Department of Transportation and Related  
11 Agencies Appropriations Act, 1994).

12       (e) PAYMENT IN FULL SETTLEMENT OF CLAIMS  
13 AGAINST THE UNITED STATES.—Payment under this sec-  
14 tion, when accepted by an individual described in sub-  
15 section (a), shall be in full satisfaction of all claims of,  
16 or on behalf of, the individual against the United States  
17 that arose out of the termination of the White House  
18 Travel Office employment of that individual on May 19,  
19 1993.

20       SEC. 527. None of the funds made available in this  
21 Act may be used by the Executive Office of the President  
22 to request from the Federal Bureau of Investigation any  
23 official background investigation report on any individual,  
24 except when it is made known to the Federal official hav-  
25 ing authority to obligate or expend such funds that—

1           (1) such individual has given his or her express  
2           written consent for such request not more than 6  
3           months prior to the date of such request and during  
4           the same presidential administration; or

5           (2) such request is required due to extraor-  
6           dinary circumstances involving national security.

7           SEC. 528. (a) CLOSING OF ALLEY.—The alley bisect-  
8           ing the property on which a facility is being constructed  
9           for use by the United States Government at 930 H Street,  
10          N.W., Washington, District of Columbia, is closed to the  
11          public, without regard to any contingencies.

12          (b) JURISDICTION.—The Administrator of General  
13          Services shall have administrative jurisdiction over, and  
14          shall hold title on behalf of the United States in, the alley,  
15          property, and facility referred to in subsection (a).

16          SEC. 529. (a) COMMEMORATIVE COIN PROGRAM RE-  
17          STRICTIONS.—Section 5112 of title 31, United States  
18          Code, as amended by sections 524 and 530 of this Act,  
19          is amended by adding at the end the following new sub-  
20          section:

21               “(m) COMMEMORATIVE COIN PROGRAM RESTRIC-  
22          TIONS.—

23               “(1) MAXIMUM NUMBER.—Beginning January  
24          1, 1999, the Secretary may mint and issue com-  
25          memorative coins under this section during any cal-

1       endar year with respect to not more than 2 com-  
2       memorative coin programs.

3               “(2) MINTAGE LEVELS.—

4                       “(A) IN GENERAL.—Except as provided in  
5       subparagraph (B), in carrying out any com-  
6       memorative coin program, the Secretary shall  
7       mint—

8                               “(i) not more than 750,000 clad half-  
9       dollar coins;

10                              “(ii) not more than 500,000 silver  
11       one-dollar coins; and

12                              “(iii) not more than 100,000 gold  
13       five-dollar or ten-dollar coins.

14                       “(B) EXCEPTION.—If the Secretary deter-  
15       mines, based on independent, market-based re-  
16       search conducted by a designated recipient or-  
17       ganization of a commemorative coin program,  
18       that the mintage levels described in subpara-  
19       graph (A) are not adequate to meet public de-  
20       mand for that commemorative coin, the Sec-  
21       retary may waive one or more of the require-  
22       ments of subparagraph (A) with respect to that  
23       commemorative coin program.

24                       “(C) DESIGNATED RECIPIENT ORGANIZA-  
25       TION DEFINED.—For purposes of this para-

1 graph, the term ‘designated recipient organiza-  
2 tion’ means any organization designated, under  
3 any provision of law, as the recipient of any  
4 surcharge imposed on the sale of any numis-  
5 matic item.”.

6 (b) RECOVERY OF MINT EXPENSES REQUIRED BE-  
7 FORE PAYMENT OF SURCHARGES TO ANY RECIPIENT OR-  
8 GANIZATION.—

9 (1) CLARIFICATION OF LAW RELATING TO DE-  
10 POSIT OF SURCHARGES IN THE NUMISMATIC PUBLIC  
11 ENTERPRISE FUND.—Section 5134(c)(2) of title 31,  
12 United States Code, is amended by inserting “, in-  
13 cluding amounts attributable to any surcharge im-  
14 posed with respect to the sale of any numismatic  
15 item” before the period.

16 (2) CONDITIONS ON PAYMENT OF SURCHARGES  
17 TO RECIPIENT ORGANIZATIONS.—Section 5134 of  
18 title 31, United States Code, is amended by adding  
19 at the end the following new subsection:

20 “(f) CONDITIONS ON PAYMENT OF SURCHARGES TO  
21 RECIPIENT ORGANIZATIONS.—

22 “(1) PAYMENT OF SURCHARGES.—Notwith-  
23 standing any other provision of law, no amount de-  
24 rived from the proceeds of any surcharge imposed on  
25 the sale of any numismatic item shall be paid from



1 the fund to any designated recipient organization  
2 unless—

3 “(A) all numismatic operation and pro-  
4 gram costs allocable to the program under  
5 which such numismatic item is produced and  
6 sold have been recovered; and

7 “(B) the designated recipient organization  
8 submits an audited financial statement that  
9 demonstrates to the satisfaction of the Sec-  
10 retary of the Treasury that, with respect to all  
11 projects or purposes for which the proceeds of  
12 such surcharge may be used, the organization  
13 has raised funds from private sources for such  
14 projects and purposes in an amount that is  
15 equal to or greater than the maximum amount  
16 the organization may receive from the proceeds  
17 of such surcharge.

18 “(2) ANNUAL AUDITS.—

19 “(A) ANNUAL AUDITS OF RECIPIENTS RE-  
20 QUIRED.—Each designated recipient organiza-  
21 tion that receives any payment from the fund of  
22 any amount derived from the proceeds of any  
23 surcharge imposed on the sale of any numis-  
24 matic item shall provide, as a condition for re-  
25 ceiving any such amount, for an annual audit,

1 in accordance with generally accepted govern-  
2 ment auditing standards by an independent  
3 public accountant selected by the organization,  
4 of all such payments to the organization begin-  
5 ning in the first fiscal year of the organization  
6 in which any such amount is received and con-  
7 tinuing until all amounts received by such orga-  
8 nization from the fund with respect to such sur-  
9 charges are fully expended or placed in trust.

10 “(B) MINIMUM REQUIREMENTS FOR AN-  
11 NUAL AUDITS.—At a minimum, each audit of a  
12 designated recipient organization pursuant to  
13 subparagraph (A) shall report—

14 “(i) the amount of payments received  
15 by the designated recipient organization  
16 from the fund during the fiscal year of the  
17 organization for which the audit is con-  
18 ducted that are derived from the proceeds  
19 of any surcharge imposed on the sale of  
20 any numismatic item;

21 “(ii) the amount expended by the des-  
22 ignated recipient organization from the  
23 proceeds of such surcharges during the fis-  
24 cal year of the organization for which the  
25 audit is conducted; and

1           “(iii) whether all expenditures by the  
2           designated recipient organization during  
3           the fiscal year of the organization for  
4           which the audit is conducted from the pro-  
5           ceeds of such surcharges were for author-  
6           ized purposes.

7           “(C) RESPONSIBILITY OF ORGANIZATION  
8           TO ACCOUNT FOR EXPENDITURES OF SUR-  
9           CHARGES.—Each designated recipient organiza-  
10          tion that receives any payment from the fund of  
11          any amount derived from the proceeds of any  
12          surcharge imposed on the sale of any numis-  
13          matic item shall take appropriate steps, as a  
14          condition for receiving any such payment, to en-  
15          sure that the receipt of the payment and the ex-  
16          penditure of the proceeds of such surcharge by  
17          the organization in each fiscal year of the orga-  
18          nization can be accounted for separately from  
19          all other revenues and expenditures of the orga-  
20          nization.

21          “(D) SUBMISSION OF AUDIT REPORT.—  
22          Not later than 90 days after the end of any fis-  
23          cal year of a designated recipient organization  
24          for which an audit is required under subpara-  
25          graph (A), the organization shall—

1 “(i) submit a copy of the report to the  
2 Secretary of the Treasury; and

3 “(ii) make a copy of the report avail-  
4 able to the public.

5 “(E) USE OF SURCHARGES FOR AUDITS.—  
6 Any designated recipient organization that re-  
7 ceives any payment from the fund of any  
8 amount derived from the proceeds of any sur-  
9 charge imposed on the sale of any numismatic  
10 item may use the amount received to pay the  
11 cost of an audit required under subparagraph  
12 (A).

13 “(F) WAIVER OF PARAGRAPH.—The Sec-  
14 retary of the Treasury may waive the applica-  
15 tion of any subparagraph of this paragraph to  
16 any designated recipient organization for any  
17 fiscal year after taking into account the amount  
18 of surcharges that such organization received or  
19 expended during such year.

20 “(G) NONAPPLICABILITY TO FEDERAL EN-  
21 TITIES.—This paragraph shall not apply to any  
22 Federal agency or department or any independ-  
23 ent establishment in the executive branch that  
24 receives any payment from the fund of any  
25 amount derived from the proceeds of any sur-

1 charge imposed on the sale of any numismatic  
2 item.

3 “(H) AVAILABILITY OF BOOKS AND  
4 RECORDS.—An organization that receives any  
5 payment from the fund of any amount derived  
6 from the proceeds of any surcharge imposed on  
7 the sale of any numismatic item shall provide,  
8 as a condition for receiving any such payment,  
9 to the Inspector General of the Department of  
10 the Treasury or the Comptroller General of the  
11 United States, upon the request of such Inspec-  
12 tor General or the Comptroller General, all  
13 books, records, and work papers belonging to or  
14 used by the organization, or by any independent  
15 public accountant who audited the organization  
16 in accordance with subparagraph (A), which  
17 may relate to the receipt or expenditure of any  
18 such amount by the organization.

19 “(3) USE OF AGENTS OR ATTORNEYS TO IN-  
20 FLUENCE COMMEMORATIVE COIN LEGISLATION.—No  
21 portion of any payment from the fund to any des-  
22 ignated recipient organization of any amount derived  
23 from the proceeds of any surcharge imposed on the  
24 sale of any numismatic item may be used, directly  
25 or indirectly, by the organization to compensate any

1 agent or attorney for services rendered to support or  
2 influence in any way legislative action of the Con-  
3 gress relating to such numismatic item.

4 “(4) DESIGNATED RECIPIENT ORGANIZATION  
5 DEFINED.—For purposes of this subsection, the  
6 term ‘designated recipient organization’ means any  
7 organization designated, under any provision of law,  
8 as the recipient of any surcharge imposed on the  
9 sale of any numismatic item.”.

10 (3) SCOPE OF APPLICATION.—The amendments  
11 made by this section shall apply with respect to the  
12 proceeds of any surcharge imposed on the sale of  
13 any numismatic item that are deposited in the Nu-  
14 mismatic Public Enterprise Fund after the date of  
15 the enactment of this Act.

16 (4) REPEAL OF EXISTING RECIPIENT REPORT  
17 REQUIREMENT.—Section 303 of Public Law 103–  
18 186 (31 U.S.C. 5112 note) is repealed.

19 (c) QUARTERLY FINANCIAL REPORTS.—Section  
20 5134 of title 31, United States Code, is amended by add-  
21 ing at the end the following new subsection:

22 “(g) QUARTERLY FINANCIAL REPORTS.—

23 “(1) IN GENERAL.—Not later than the 30th  
24 day of each month following each calendar quarter  
25 through and including the final period of sales with

1       respect to any commemorative coin program author-  
2       ized on or after the date of enactment of the Treas-  
3       ury, Postal Service, and General Government Appro-  
4       priations Act, 1997, the Mint shall submit to the  
5       Congress a quarterly financial report in accordance  
6       with this subsection.

7               “(2) REQUIREMENTS.—Each report submitted  
8       under paragraph (1) shall include, with respect to  
9       the calendar quarter at issue—

10               “(A) a detailed financial statement, pre-  
11       pared in accordance with generally accepted ac-  
12       counting principles, that includes financial in-  
13       formation specific to that quarter, as well as cu-  
14       mulative financial information relating to the  
15       entire program;

16               “(B) a detailed accounting of—

17               “(i) all costs relating to marketing ef-  
18       forts;

19               “(ii) all funds projected for marketing  
20       use;

21               “(iii) all costs for employee travel re-  
22       lating to the promotion of commemorative  
23       coin programs;

1                   “(iv) all numismatic items minted,  
2                   sold, not sold, and rejected during the pro-  
3                   duction process; and

4                   “(v) the costs of melting down all re-  
5                   jected and unsold products;

6                   “(C) adequate market-based research for  
7                   all commemorative coin programs; and

8                   “(D) a description of the efforts of the  
9                   Mint in keeping the sale price of numismatic  
10                  items as low as practicable.”.

11           (d) CITIZENS COMMEMORATIVE COIN ADVISORY  
12 COMMITTEE.—

13           (1) FIXED TERMS FOR MEMBERS.—Section  
14           5135(a)(4) of title 31, United States Code, is  
15           amended to read as follows:

16           “(4) TERMS.—Each member appointed under  
17           clause (i) or (iii) of paragraph (3)(A) shall be ap-  
18           pointed for a term of 4 years.”.

19           (2) CHAIRPERSON.—Section 5135(a) of title  
20           31, United States Code, is amended by adding at  
21           the end the following new paragraph:

22           “(7) CHAIRPERSON.—

23           “(A) IN GENERAL.—Subject to subpara-  
24           graph (B), the Chairperson of the Advisory  
25           Committee shall be elected by the members of



1 the Advisory Committee from among such  
2 members.

3 “(B) EXCEPTION.—The member appointed  
4 pursuant to paragraph (3)(A)(ii) (or the alter-  
5 nate to that member) may not serve as the  
6 Chairperson of the Advisory Committee, begin-  
7 ning on June 1, 1999.”.

8 (e) EFFECTIVE DATE.—This section and the amend-  
9 ments made by this section shall take effect on the date  
10 of enactment of this Act.

## 11 **TITLE VI—GENERAL** 12 **PROVISIONS**

### 13 DEPARTMENTS, AGENCIES, AND CORPORATIONS

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

18 SEC. 602. No department, agency, or instrumentality  
19 of the United States receiving appropriated funds under  
20 this or any other Act for fiscal year 1997 shall obligate  
21 or expend any such funds, unless such department, agen-  
22 cy, or instrumentality has in place, and will continue to  
23 administer in good faith, a written policy designed to en-  
24 sure that all of its workplaces are free from the illegal  
25 use, possession, or distribution of controlled substances

1 (as defined in the Controlled Substances Act) by the offi-  
2 cers and employees of such department, agency, or instru-  
3 mentality.

4 SEC. 603. Notwithstanding 31 U.S.C. 1345, any  
5 agency, department or instrumentality of the United  
6 States which provides or proposes to provide child care  
7 services for Federal employees may reimburse any Federal  
8 employee or any person employed to provide such services  
9 for travel, transportation, and subsistence expenses in-  
10 curred for training classes, conferences or other meetings  
11 in connection with the provision of such services: *Provided,*  
12 That any per diem allowance made pursuant to this sec-  
13 tion shall not exceed the rate specified in regulations pre-  
14 scribed pursuant to section 5707 of title 5, United States  
15 Code.

16 SEC. 604. Unless otherwise specifically provided, the  
17 maximum amount allowable during the current fiscal year  
18 in accordance with section 16 of the Act of August 2, 1946  
19 (60 Stat. 810), for the purchase of any passenger motor  
20 vehicle (exclusive of buses, ambulances, law enforcement,  
21 and undercover surveillance vehicles), is hereby fixed at  
22 \$8,100 except station wagons for which the maximum  
23 shall be \$9,100: *Provided,* That these limits may be ex-  
24 ceeded by not to exceed \$3,700 for police-type vehicles,  
25 and by not to exceed \$4,000 for special heavy-duty vehi-

cles: *Provided further*, That the limits set forth in this section may not be exceeded by more than 5 percent for electric or hybrid vehicles purchased for demonstration under the provisions of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976: *Provided further*, That the limits set forth in this section may be exceeded by the incremental cost of clean alternative fuels vehicles acquired pursuant to Public Law 101–549 over the cost of comparable conventionally fueled vehicles.

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

SEC. 606. Unless otherwise specified during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in the continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States

1 on the date of enactment of this Act who, being eligible  
2 for citizenship, has filed a declaration of intention to be-  
3 come a citizen of the United States prior to such date and  
4 is actually residing in the United States, (3) is a person  
5 who owes allegiance to the United States, (4) is an alien  
6 from Cuba, Poland, South Vietnam, the countries of the  
7 former Soviet Union, or the Baltic countries lawfully ad-  
8 mitted to the United States for permanent residence, (5)  
9 is a South Vietnamese, Cambodian, or Laotian refugee pa-  
10 roled in the United States after January 1, 1975, or (6)  
11 is a national of the People's Republic of China who  
12 qualifys for adjustment of status pursuant to the Chinese  
13 Student Protection Act of 1992: *Provided*, That for the  
14 purpose of this section, an affidavit signed by any such  
15 person shall be considered prima facie evidence that the  
16 requirements of this section with respect to his or her sta-  
17 tus have been complied with: *Provided further*, That any  
18 person making a false affidavit shall be guilty of a felony,  
19 and, upon conviction, shall be fined no more than \$4,000  
20 or imprisoned for not more than 1 year, or both: *Provided*  
21 *further*, That the above penal clause shall be in addition  
22 to, and not in substitution for, any other provisions of ex-  
23 isting law: *Provided further*, That any payment made to  
24 any officer or employee contrary to the provisions of this  
25 section shall be recoverable in action by the Federal Gov-

1 ernment. This section shall not apply to citizens of Ire-  
2 land, Israel, or the Republic of the Philippines, or to na-  
3 tionals of those countries allied with the United States in  
4 the current defense effort, or to international broadcasters  
5 employed by the United States Information Agency, or to  
6 temporary employment of translators, or to temporary em-  
7 ployment in the field service (not to exceed 60 days) as  
8 a result of emergencies.

9       SEC. 607. Appropriations available to any depart-  
10 ment or agency during the current fiscal year for nec-  
11 essary expenses, including maintenance or operating ex-  
12 penses, shall also be available for payment to the General  
13 Services Administration for charges for space and services  
14 and those expenses of renovation and alteration of build-  
15 ings and facilities which constitute public improvements  
16 performed in accordance with the Public Buildings Act of  
17 1959 (73 Stat. 749), the Public Buildings Amendments  
18 of 1972 (87 Stat. 216), or other applicable law.

19       SEC. 608. In addition to funds provided in this or  
20 any other Act, all Federal agencies are authorized to re-  
21 ceive and use funds resulting from the sale of materials,  
22 including Federal records disposed of pursuant to a  
23 records schedule recovered through recycling or waste pre-  
24 vention programs. Such funds shall be available until ex-  
25 pended for the following purposes:

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

6           (2) Other Federal agency environmental man-  
7           agement programs, including, but not limited to, the  
8           development and implementation of hazardous waste  
9           management and pollution prevention programs.

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

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

1 funds, the limitations on administrative expenses shall be  
2 correspondingly reduced.

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

8 SEC. 611. For the fiscal year ending September 30,  
9 1997, and thereafter, any department or agency to which  
10 the Administrator of General Services has delegated the  
11 authority to operate, maintain or repair any building or  
12 facility pursuant to section 205(d) of the Federal Property  
13 and Administrative Services Act of 1949, as amended,  
14 shall retain that portion of the GSA rental payment avail-  
15 able for operation, maintenance or repair of the building  
16 or facility, as determined by the Administrator, and ex-  
17 pend such funds directly for the operation, maintenance  
18 or repair of the building or facility. Any funds retained  
19 under this section shall remain available until expended  
20 for such purposes.

21 SEC. 612. (a) IN GENERAL.—Section 1306 of title  
22 31, United States Code, is amended to read as follows:

23 **“§ 1306. Use of foreign credits**

24 “(a) IN GENERAL.—Foreign credits (including cur-  
25 rencies) owed to or owned by the United States may be

1 used by any agency for any purpose for which appropria-  
2 tions are made for the agency for the current fiscal year  
3 (including the carrying out of Acts requiring or authoriz-  
4 ing the use of such credits), but only when reimbursement  
5 therefor is made to the Treasury from applicable appro-  
6 priations of the agency.

7 “(b) EXCEPTION TO REIMBURSEMENT REQUIRE-  
8 MENT.—Credits described in subsection (a) that are re-  
9 ceived as exchanged allowances, or as the proceeds of the  
10 sale of personal property, may be used in whole or partial  
11 payment for the acquisition of similar items, to the extent  
12 and in the manner authorized by law, without reimburse-  
13 ment to the Treasury.”.

14 (b) APPLICABILITY.—The amendment made by this  
15 section shall take effect on the date of the enactment of  
16 this Act and shall apply thereafter.

17 SEC. 613. No part of any appropriation contained in  
18 this or any other Act shall be available for interagency  
19 financing of boards (except Federal Executive Boards),  
20 commissions, councils, committees, or similar groups  
21 (whether or not they are interagency entities) which do  
22 not have a prior and specific statutory approval to receive  
23 financial support from more than one agency or instru-  
24 mentality.



1        SEC. 614. Funds made available by this or any other  
2 Act to the “Postal Service Fund” (39 U.S.C. 2003) shall  
3 be available for employment of guards for all buildings and  
4 areas owned or occupied by the Postal Service and under  
5 the charge and control of the Postal Service, and such  
6 guards shall have, with respect to such property, the pow-  
7 ers of special policemen provided by the first section of  
8 the Act of June 1, 1948, as amended (62 Stat. 281; 40  
9 U.S.C. 318), and, as to property owned or occupied by  
10 the Postal Service, the Postmaster General may take the  
11 same actions as the Administrator of General Services  
12 may take under the provisions of sections 2 and 3 of the  
13 Act of June 1, 1948, as amended (62 Stat. 281; 40 U.S.C.  
14 318a, 318b), attaching thereto penal consequences under  
15 the authority and within the limits provided in section 4  
16 of the Act of June 1, 1948, as amended (62 Stat. 281;  
17 40 U.S.C. 318c).

18        SEC. 615. None of the funds made available pursuant  
19 to the provisions of this Act shall be used to implement,  
20 administer, or enforce any regulation which has been dis-  
21 approved pursuant to a resolution of disapproval duly  
22 adopted in accordance with the applicable law of the Unit-  
23 ed States.

24        SEC. 616. (a) Notwithstanding any other provision  
25 of law, and except as otherwise provided in this section,

1 no part of any of the funds appropriated for the fiscal  
2 year ending on September 30, 1997, by this or any other  
3 Act, may be used to pay any prevailing rate employee de-  
4 scribed in section 5342(a)(2)(A) of title 5, United States  
5 Code—

6 (1) during the period from the date of expira-  
7 tion of the limitation imposed by section 616 of the  
8 Treasury, Postal Service and General Government  
9 Appropriations Act, 1996, until the normal effective  
10 date of the applicable wage survey adjustment that  
11 is to take effect in fiscal year 1997, in an amount  
12 that exceeds the rate payable for the applicable  
13 grade and step of the applicable wage schedule in  
14 accordance with such section 616; and

15 (2) during the period consisting of the remain-  
16 der of fiscal year 1997, in an amount that exceeds,  
17 as a result of a wage survey adjustment, the rate  
18 payable under paragraph (1) by more than the sum  
19 of—

20 (A) the percentage adjustment taking ef-  
21 fect in fiscal year 1997 under section 5303 of  
22 title 5, United States Code, in the rates of pay  
23 under the General Schedule; and

24 (B) the difference between the overall aver-  
25 age percentage of the locality-based comparabil-

1           ity payments taking effect in fiscal year 1997  
2           under section 5304 of such title (whether by  
3           adjustment or otherwise), and the overall aver-  
4           age percentage of such payments which was ef-  
5           fective in fiscal year 1996 under such section.

6           (b) Notwithstanding any other provision of law, no  
7   prevailing rate employee described in subparagraph (B) or  
8   (C) of section 5342(a)(2) of title 5, United States Code,  
9   and no employee covered by section 5348 of such title,  
10   may be paid during the periods for which subsection (a)  
11   is in effect at a rate that exceeds the rates that would  
12   be payable under subsection (a) were subsection (a) appli-  
13   cable to such employee.

14          (c) For the purposes of this section, the rates payable  
15   to an employee who is covered by this section and who  
16   is paid from a schedule not in existence on September 30,  
17   1996, shall be determined under regulations prescribed by  
18   the Office of Personnel Management.

19          (d) Notwithstanding any other provision of law, rates  
20   of premium pay for employees subject to this section may  
21   not be changed from the rates in effect on September 30,  
22   1996, except to the extent determined by the Office of  
23   Personnel Management to be consistent with the purpose  
24   of this section.

1       (e) This section shall apply with respect to pay for  
2 service performed after September 30, 1996.

3       (f) For the purpose of administering any provision  
4 of law (including section 8431 of title 5, United States  
5 Code, and any rule or regulation that provides premium  
6 pay, retirement, life insurance, or any other employee ben-  
7 efit) that requires any deduction or contribution, or that  
8 imposes any requirement or limitation on the basis of a  
9 rate of salary or basic pay, the rate of salary or basic pay  
10 payable after the application of this section shall be treat-  
11 ed as the rate of salary or basic pay.

12       (g) Nothing in this section shall be considered to per-  
13 mit or require the payment to any employee covered by  
14 this section at a rate in excess of the rate that would be  
15 payable were this section not in effect.

16       (h) The Office of Personnel Management may provide  
17 for exceptions to the limitations imposed by this section  
18 if the Office determines that such exceptions are necessary  
19 to ensure the recruitment or retention of qualified employ-  
20 ees.

21       SEC. 617. During the period in which the head of  
22 any department or agency, or any other officer or civilian  
23 employee of the Government appointed by the President  
24 of the United States, holds office, no funds may be obli-  
25 gated or expended in excess of \$5,000 to furnish or re-

1 decorate the office of such department head, agency head,  
2 officer or employee, or to purchase furniture or make im-  
3 provements for any such office, unless advance notice of  
4 such furnishing or redecoration is expressly approved by  
5 the Committees on Appropriations of the House and Sen-  
6 ate. For the purposes of this section, the word “office”  
7 shall include the entire suite of offices assigned to the indi-  
8 vidual, as well as any other space used primarily by the  
9 individual or the use of which is directly controlled by the  
10 individual.

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

18 SEC. 619. Notwithstanding section 1346 of title 31,  
19 United States Code, or section 613 of this Act, funds  
20 made available for fiscal year 1997 by this or any other  
21 Act shall be available for the interagency funding of na-  
22 tional security and emergency preparedness telecommuni-  
23 cations initiatives which benefit multiple Federal depart-  
24 ments, agencies, or entities, as provided by Executive  
25 Order Numbered 12472 (April 3, 1984).

1        SEC. 620. (a) None of the funds appropriated by this  
2 or any other Act may be obligated or expended by any  
3 Federal department, agency, or other instrumentality for  
4 the salaries or expenses of any employee appointed to a  
5 position of a confidential or policy-determining character  
6 excepted from the competitive service pursuant to section  
7 3302 of title 5, United States Code, without a certification  
8 to the Office of Personnel Management from the head of  
9 the Federal department, agency, or other instrumentality  
10 employing the Schedule C appointee that the Schedule C  
11 position was not created solely or primarily in order to  
12 detail the employee to the White House.

13        (b) The provisions of this section shall not apply to  
14 Federal employees or members of the armed services de-  
15 tailed to or from—

16            (1) the Central Intelligence Agency;

17            (2) the National Security Agency;

18            (3) the Defense Intelligence Agency;

19            (4) the offices within the Department of De-  
20 fense for the collection of specialized national foreign  
21 intelligence through reconnaissance programs;

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

24            (6) any agency, office, or unit of the Army,  
25 Navy, Air Force, and Marine Corps, the Federal Bu-

1       reau of Investigation and the Drug Enforcement Ad-  
2       ministration of the Department of Justice, the De-  
3       partment of Transportation, the Department of the  
4       Treasury, and the Department of Energy perform-  
5       ing intelligence functions; and

6               (7) the Director of Central Intelligence.

7       SEC. 621. No department, agency, or instrumentality  
8       of the United States receiving appropriated funds under  
9       this or any other Act for fiscal year 1997 shall obligate  
10      or expend any such funds, unless such department, agency  
11      or instrumentality has in place, and will continue to ad-  
12      minister in good faith, a written policy designed to ensure  
13      that all of its workplaces are free from discrimination and  
14      sexual harassment and that all of its workplaces are not  
15      in violation of title VII of the Civil Rights Act of 1964,  
16      as amended, the Age Discrimination in Employment Act  
17      of 1967, and the Rehabilitation Act of 1973.

18      SEC. 622. No part of any appropriation contained in  
19      this Act may be used to pay for the expenses of travel  
20      of employees, including employees of the Executive Office  
21      of the President, not directly responsible for the discharge  
22      of official governmental tasks and duties: *Provided*, That  
23      this restriction shall not apply to the family of the Presi-  
24      dent, Members of Congress or their spouses, Heads of  
25      State of a foreign country or their designees, persons pro-

1 viding assistance to the President for official purposes, or  
2 other individuals so designated by the President.

3 SEC. 623. Notwithstanding any provision of law, the  
4 President, or his designee, must certify to Congress, annu-  
5 ally, that no person or persons with direct or indirect re-  
6 sponsibility for administering the Executive Office of the  
7 President's Drug-Free Workplace Plan are themselves  
8 subject to a program of individual random drug testing.

9 SEC. 624. (a) None of the funds made available in  
10 this Act or any other Act may be obligated or expended  
11 for any employee training when it is made known to the  
12 Federal official having authority to obligate or expend  
13 such funds that such employee training—

14 (1) does not meet identified needs for knowl-  
15 edge, skills, and abilities bearing directly upon the  
16 performance of official duties;

17 (2) contains elements likely to induce high lev-  
18 els of emotional response or psychological stress in  
19 some participants;

20 (3) does not require prior employee notification  
21 of the content and methods to be used in the train-  
22 ing and written end of course evaluation;

23 (4) contains any methods or content associated  
24 with religious or quasi-religious belief systems or  
25 “new age” belief systems as defined in Equal Em-



1       employment Opportunity Commission Notice N-  
2       915.022, dated September 2, 1988;

3           (5) is offensive to, or designed to change, par-  
4       ticipants' personal values or lifestyle outside the  
5       workplace; or

6           (6) includes content related to human  
7       immunodeficiency virus/acquired immune deficiency  
8       syndrome (HIV/AIDS) other than that necessary to  
9       make employees more aware of the medical ramifica-  
10      tions of HIV/AIDS and the workplace rights of  
11      HIV-positive employees.

12      (b) Nothing in this section shall prohibit, restrict, or  
13      otherwise preclude an agency from conducting training  
14      bearing directly upon the performance of official duties.

15      SEC. 625. No funds appropriated in this or any other  
16      Act for fiscal year 1997 may be used to implement or en-  
17      force the agreements in Standard Forms 312 and 4355  
18      of the Government or any other nondisclosure policy,  
19      form, or agreement if such policy, form, or agreement does  
20      not contain the following provisions: "These restrictions  
21      are consistent with and do not supersede, conflict with,  
22      or otherwise alter the employee obligations, rights, or li-  
23      abilities created by Executive Order 12356; section 7211  
24      of title 5, United States Code (governing disclosures to  
25      Congress); section 1034 of title 10, United States Code,

1 as amended by the Military Whistleblower Protection Act  
2 (governing disclosure to Congress by members of the mili-  
3 tary); section 2302(b)(8) of title 5, United States Code,  
4 as amended by the Whistleblower Protection Act (govern-  
5 ing disclosures of illegality, waste, fraud, abuse or public  
6 health or safety threats); the Intelligence Identities Pro-  
7 tection Act of 1982 (50 U.S.C. 421 et seq.) (governing  
8 disclosures that could expose confidential Government  
9 agents); and the statutes which protect against disclosure  
10 that may compromise the national security, including sec-  
11 tions 641, 793, 794, 798, and 952 of title 18, United  
12 States Code, and section 4(b) of the Subversive Activities  
13 Act of 1950 (50 U.S.C. section 783(b)). The definitions,  
14 requirements, obligations, rights, sanctions, and liabilities  
15 created by said Executive Order and listed statutes are  
16 incorporated into this agreement and are controlling.”:  
17 *Provided*, That notwithstanding the preceding paragraph,  
18 a nondisclosure policy form or agreement that is to be exe-  
19 cuted by a person connected with the conduct of an intel-  
20 ligence or intelligence-related activity, other than an em-  
21 ployee or officer of the United States Government, may  
22 contain provisions appropriate to the particular activity  
23 for which such document is to be used. Such form or  
24 agreement shall, at a minimum, require that the person  
25 will not disclose any classified information received in the

1 course of such activity unless specifically authorized to do  
2 so by the United States Government. Such nondisclosure  
3 forms shall also make it clear that they do not bar disclo-  
4 sures to Congress or to an authorized official of an execu-  
5 tive agency or the Department of Justice that are essential  
6 to reporting a substantial violation of law.

7       SEC. 626. (a) None of the funds appropriated by this  
8 or any other Act may be expended by any Federal Agency  
9 to procure any product or service subject to section 5124  
10 of Public Law 104–106 and that will be available under  
11 the procurement by the Administrator of General Services  
12 known as “FTS2000” unless—

13           (1) such product or service is procured by the  
14 Administrator of General Services as part of the  
15 procurement known as “FTS2000”; or

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

18               (A) that agency’s requirements for such  
19 procurement are unique and cannot be satisfied  
20 by property and service procured by the Admin-  
21 istrator of General Services as part of the pro-  
22 curement known as “FTS2000”; and

23               (B) the agency procurement, pursuant to  
24 such delegation, would be cost-effective and

1           would not adversely affect the cost-effectiveness  
2           of the FTS2000 procurement.

3           (b) After December 31, 1998, subsection (a) shall  
4           apply only if the Administrator of General Services has  
5           reported that the FTS2000 procurement is producing  
6           prices that allow the Government to satisfy its require-  
7           ments for such procurement in the most cost-effective  
8           manner.

9           SEC. 627. Subsection (f) of section 403 of Public Law  
10          103–356 is amended by deleting “October 1, 1999” and  
11          inserting “October 1, 2001”.

12          SEC. 628. (a) IN GENERAL.—Notwithstanding any  
13          other provision of law, none of the funds made available  
14          by this Act for the Department of the Treasury shall be  
15          available for any activity or for paying the salary of any  
16          Government employee where funding an activity or paying  
17          a salary to a Government employee would result in a deci-  
18          sion, determination, rule, regulation, or policy that would  
19          permit the Secretary of the Treasury to make any loan  
20          or extension of credit under section 5302 of title 31, Unit-  
21          ed States Code, with respect to a single foreign entity or  
22          government of a foreign country (including agencies or  
23          other entities of that government)—

24                  (1) with respect to a loan or extension of credit  
25          for more than 60 days, unless the President certifies

1 to the Committee on Banking, Housing, and Urban  
2 Affairs of the Senate and the Committee on Banking  
3 and Financial Services of the House of Representa-  
4 tives that—

5 (A) there is no projected cost (as that term  
6 is defined in section 502 of the Federal Credit  
7 Reform Act of 1990) to the United States from  
8 the proposed loan or extension of credit; and

9 (B) any proposed obligation or expenditure  
10 of United States funds to or on behalf of the  
11 foreign government is adequately backed by an  
12 assured source of repayment to ensure that all  
13 United States funds will be repaid; and

14 (2) other than as provided by an Act of Con-  
15 gress, if that loan or extension of credit would result  
16 in expenditures and obligations, including contingent  
17 obligations, aggregating more than \$1,000,000,000  
18 with respect to that foreign country for more than  
19 180 days during the 12-month period beginning on  
20 the date on which the first such action is taken.

21 (b) WAIVER OF LIMITATIONS.—The President may  
22 exceed the dollar and time limitations in subsection (a)(2)  
23 if he certifies in writing to the Congress that a financial  
24 crisis in that foreign country poses a threat to vital United

1 States economic interests or to the stability of the inter-  
2 national financial system.

3 (c) EXPEDITED PROCEDURES FOR A RESOLUTION OF  
4 DISAPPROVAL.—A presidential certification pursuant to  
5 subsection (b) shall not take effect, if the Congress, within  
6 30 calendar days after receiving such certification, enacts  
7 a joint resolution of disapproval, as described in paragraph  
8 (5) of this subsection.

9 (1) REFERENCE TO COMMITTEES.—All joint  
10 resolutions introduced in the Senate to disapprove  
11 the certification shall be referred to the Committee  
12 on Banking, Housing, and Urban Affairs, and in the  
13 House of Representatives, to the appropriate com-  
14 mittees.

15 (2) DISCHARGE OF COMMITTEES.—(A) If the  
16 committee of either House to which a resolution has  
17 been referred has not reported it at the end of 15  
18 days after its introduction, it is in order to move ei-  
19 ther to discharge the committee from further consid-  
20 eration of the joint resolution or to discharge the  
21 committee from further consideration of any other  
22 resolution introduced with respect to the same mat-  
23 ter, except no motion to discharge shall be in order  
24 after the committee has reported a joint resolution  
25 with respect to the same matter.

1           (B) A motion to discharge may be made only by  
2           an individual favoring the resolution, and is privi-  
3           leged in the Senate; and debate thereon shall be lim-  
4           ited to not more than 1 hour, the time to be divided  
5           in the Senate equally between, and controlled by, the  
6           majority leader and the minority leader or their des-  
7           ignees.

8           (3) FLOOR CONSIDERATION IN THE SENATE.—

9           (A) A motion in the Senate to proceed to the consid-  
10          eration of a resolution shall be privileged.

11          (B) Debate in the Senate on a resolution, and  
12          all debatable motions and appeals in connection  
13          therewith, shall be limited to not more than 4 hours,  
14          to be equally divided between, and controlled by, the  
15          majority leader and the minority leader or their des-  
16          ignees.

17          (C) Debate in the Senate on any debatable mo-  
18          tion or appeal in connection with a resolution shall  
19          be limited to not more than 20 minutes, to be equal-  
20          ly divided between, and controlled by, the mover and  
21          the manager of the resolution, except that in the  
22          event the manager of the resolution is in favor of  
23          any such motion or appeal, the time in opposition  
24          thereto, shall be controlled by the minority leader or  
25          his designee. Such leaders, or either of them, may,

1 from time under their control on the passage of a  
2 resolution, allot additional time to any Senator dur-  
3 ing the consideration of any debatable motion or ap-  
4 peal.

5 (D) A motion in the Senate to further limit de-  
6 bate on a resolution, debatable motion, or appeal is  
7 not debatable. No amendment to, or motion to re-  
8 commit, a resolution is in order in the Senate.

9 (4) In the case of a resolution, if prior to the  
10 passage by one House of a resolution of that House,  
11 that House receives a resolution with respect to the  
12 same matter from the other House, then—

13 (A) the procedure in that House shall be  
14 the same as if no resolution had been received  
15 from the other House; but

16 (B) the vote on final passage shall be on  
17 the resolution of the other House.

18 (5) For purposes of this subsection, the term  
19 “joint resolution” means only a joint resolution of  
20 the 2 Houses of Congress, the matter after the re-  
21 solving clause of which is as follows: “That the Con-  
22 gress disapproves the action of the President under  
23 section 628(c) of the Treasury, Postal Service, and  
24 General Government Appropriations Act, 1997, no-  
25 tice of which was submitted to the Congress on



1       \_\_\_\_\_.”, with the blank space being filled  
2       with the appropriate date.

3       (d) APPLICABILITY.—This section—

4           (1) shall not apply to any action taken as part  
5       of the program of assistance to Mexico announced  
6       by the President on January 31, 1995; and

7           (2) shall remain in effect through fiscal year  
8       1997.

9       SEC. 629. (a) TECHNICAL AMENDMENT.—Section  
10   640 of Public Law 104–52 (109 Stat. 513) is amended  
11   by striking “Service performed” and inserting “Hereafter,  
12   service performed”.

13       (b) EFFECTIVE DATE.—The amendment made by  
14   subsection (a) shall take effect as if included in Public  
15   Law 104–52 on the date of its enactment.

16       SEC. 630. Notwithstanding any other provision of  
17   law, no part of any appropriation contained in this Act  
18   for any fiscal year shall be available for paying Sunday  
19   premium or differential pay to any employee unless such  
20   employee actually performed work during the time cor-  
21   responding to such premium or differential pay.

22       SEC. 631. No part of any funds appropriated in this  
23   or any other Act shall be used by an agency of the execu-  
24   tive branch, other than for normal and recognized execu-  
25   tive-legislative relationships, for publicity or propaganda

1 purposes, and for the preparation, distribution or use of  
2 any kit, pamphlet, booklet, publication, radio, television or  
3 film presentation designed to support or defeat legislation  
4 pending before the Congress, except in presentation to the  
5 Congress itself.

6 SEC. 632. (a) The United States Courthouse under  
7 construction at 1030 Southwest 3d Avenue in Portland,  
8 Oregon, shall be known and designated as the “Mark O.  
9 Hatfield United States Courthouse”.

10 (b) Any reference in a law, map, regulation, docu-  
11 ment, paper, or other record of the United States to the  
12 courthouse referred to in section 901 shall be deemed to  
13 be a reference to the “Mark O. Hatfield United States  
14 Courthouse”.

15 (c) This section shall take effect on January 2, 1997.

16 SEC. 633. SURVIVOR ANNUITY RESUMPTION UPON  
17 TERMINATION OF MARRIAGE.—(a) AMENDMENTS.—

18 (1) CIVIL SERVICE RETIREMENT SYSTEM.—Sec-  
19 tion 8341(e) of title 5, United States Code, is  
20 amended by adding at the end the following:

21 “(4) If the annuity of a child under this subchapter  
22 terminates under paragraph (3)(E) because of marriage,  
23 then, if such marriage ends, such annuity shall resume  
24 on the first day of the month in which it ends, but only  
25 if—

1           “(A) any lump sum paid is returned to the  
2       Fund; and

3           “(B) that individual is not otherwise ineligible  
4       for such annuity.”.

5           (2) FEDERAL EMPLOYEES’ RETIREMENT SYS-  
6       TEM.—Section 8443(b) of such title is amended by  
7       adding at the end the following: “If the annuity of  
8       a child under this subchapter terminates under sub-  
9       paragraph (E) because of marriage, then, if such  
10      marriage ends, such annuity shall resume on the  
11      first day of the month in which it ends, but only if  
12      any lump sum paid is returned to the Fund, and  
13      that individual is not otherwise ineligible for such  
14      annuity.”.

15          (3) FEDERAL EMPLOYEES HEALTH BENE-  
16      FITS.—Section 8908 of title 5, United States Code,  
17      is amended by adding at the end of the following  
18      new subsection:

19          “(d) A surviving child whose survivor annuity under  
20      section 8341(e) or 8443(b) was terminated and is later  
21      restored under paragraph (4) of section 8341(e) or the  
22      last sentence of section 8443(b) may, under regulations  
23      prescribed by the Office, enroll in a health benefits plan  
24      described by section 8903 or 8903a if such surviving child

1 was covered by any such plan immediately before such an-  
2 nuity was terminated.”.

3 (b) APPLICABILITY.—The amendments made by sub-  
4 section (a) shall apply with respect to any termination of  
5 marriage taking effect before, on, or after the date of en-  
6 actment of this Act, except that benefits shall be payable  
7 only with respect to amounts accruing for periods begin-  
8 ning on the first day of the month beginning after the  
9 later of such termination of marriage or such date of en-  
10 actment.

11 SEC. 634. AVAILABILITY OF ANNUAL LEAVE FOR  
12 EMPLOYEES AFFECTED BY REDUCTION IN FORCE.—Sec-  
13 tion 6302 of title 5, United States Code, is amended by  
14 adding at the end of the following new subsection:

15 “(g) An employee who is being involuntarily sepa-  
16 rated from an agency due to a reduction in force or trans-  
17 fer of function under subchapter I of chapter 35 may elect  
18 to use annual leave to the employee’s credit to remain on  
19 the agency’s rolls after the date the employee would other-  
20 wise have been separated if, and only to the extent that,  
21 such additional time in a pay status will enable the em-  
22 ployee to qualify for an immediate annuity under section  
23 8336, 8412, 8414, or to qualify to carry health benefits  
24 coverage into retirement under section 8905(b).”.

1        SEC. 635. Section 207(e)(6)(B) of title 18, United  
2 States Code, is amended by striking “level V of the Execu-  
3 tive Schedule” and inserting “level 5 of the Senior Execu-  
4 tive Service”.

5        SEC. 636. REIMBURSEMENTS RELATING TO PROFES-  
6 SIONAL LIABILITY INSURANCE.—(a) AUTHORITY.—Not-  
7 withstanding any other provision of law, amounts appro-  
8 priated by this Act (or any other Act for fiscal year 1997  
9 or any fiscal year thereafter) for salaries and expenses  
10 may be used to reimburse any qualified employee for not  
11 to exceed one-half the costs incurred by such employee for  
12 professional liability insurance. A payment under this sec-  
13 tion shall be contingent upon the submission of such infor-  
14 mation or documentation as the employing agency may re-  
15 quire.

16        (b) QUALIFIED EMPLOYEE.—For purposes of this  
17 section, the term “qualified employee” means an agency  
18 employee whose position is that of—

19            (1) a law enforcement officer; or

20            (2) a supervisor or management official.

21        (c) DEFINITIONS.—For purposes of this section—

22            (1) the term “agency” means an Executive  
23 agency, as defined by section 105 of title 5, United  
24 States Code, and any agency of the Legislative  
25 Branch of Government including any office or com-

1 mittee of the Senate or the House of Representa-  
2 tives;

3 (2) the term “law enforcement officer” means  
4 an employee, the duties of whose position are pri-  
5 marily the investigation, apprehension, prosecution,  
6 or detention of individuals suspected or convicted of  
7 offenses against the criminal laws of the United  
8 States, including any law enforcement officer under  
9 section 8331(20) or 8401(17) of such title 5, or  
10 under section 4823 of title 22, United States Code;

11 (3) the terms “supervisor” and “management  
12 official” have the respective meanings given them by  
13 section 7103(a) of such title 5, and

14 (4) the term “professional liability insurance”  
15 means insurance which provides coverage for—

16 (A) legal liability for damages due to inju-  
17 ries to other persons, damage to their property,  
18 or other damage or loss to such other persons  
19 (including the expenses of litigation and settle-  
20 ment) resulting from or arising out of any  
21 tortious act, error, or omission of the covered  
22 individual (whether common law, statutory, or  
23 constitutional) while in the performance of such  
24 individual’s official duties as a qualified em-  
25 ployee; and

1           (B) the cost of legal representation for the  
2 covered individual in connection with any ad-  
3 ministrative or judicial proceeding (including  
4 any investigation or disciplinary proceeding) re-  
5 lating to any act, error, or omission of the cov-  
6 ered individual while in the performance of such  
7 individual's official duties as a qualified em-  
8 ployee, and other legal costs and fees relating  
9 to any such administrative or judicial proceed-  
10 ing.

11       (d) APPLICABILITY.—The amendments made by this  
12 section shall take effect on the date of the enactment of  
13 this Act and shall apply thereafter.

14       SEC. 637. For purposes of each provision of law  
15 amended by section 704(a)(2) of the Ethics Reform Act  
16 of 1989 (5 U.S.C. 5318 note), no adjustment under sec-  
17 tion 5303 of title 5, United States Code, shall be consid-  
18 ered to have taken effect in fiscal year 1997 in the rates  
19 of basic pay for the statutory pay systems.

20       SEC. 638. For FY 1997, the Secretary of the  
21 Treasury is authorized to use funds made available to the  
22 FSLIC Resolution Fund under P.L. 103–327, not to ex-  
23 ceed \$26,100,000, to reimburse the Department of Jus-  
24 tice for the reasonable expenses of litigation that are in-

1 curred in the defense of claims against the U.S. arising  
2 from FIRREA and its implementation.

3 SEC. 639. Section 608 of Public Law 104–52 is  
4 amended in the first sentence by inserting before the pe-  
5 riod, “, including Federal records disposed of pursuant to  
6 a records schedule”.

7 SEC. 640. In reviewing and analyzing the contracting  
8 out, outsourcing or privatization of business and adminis-  
9 trative functions, and in implementing 40 U.S.C. sections  
10 1413 and 1423, and other provisions, in title LI of the  
11 National Defense Authorization Act for fiscal year 1996  
12 (the Information Technology Management Reform Act)—

13 (1) the Director of the Office of Management  
14 and Budget and the heads of the executive agencies  
15 may have studies, analyses, reviews and other man-  
16 agement assistance performed by the private sector;

17 (2) the reviews, analyses, and studies called for  
18 by 40 U.S.C. section 1413(b)(2) (B) and (C) shall  
19 be completed and reported to the Agency Head with-  
20 in 180 days, or less measured from when a study  
21 analysis or review is initiated unless the Agency  
22 Head determines additional time is needed;

23 (3) in accordance with principles and rules gov-  
24 erning organizational conflicts of interest, persons  
25 involved in a particular study may not compete for



1 any work that is to be or is outsourced as a result  
2 of that study; and

3 (4) this section will apply with respect to stud-  
4 ies occurring on or after the date of enactment of  
5 this subsection and completed before September 1,  
6 1999 and the Comptroller General of the United  
7 States shall review and provide an assessment of  
8 this program by January 1, 1999.

9 SEC. 641. (a) SECTION 1—AUTHORIZATION OF AP-  
10 PROPRIATIONS.—Section 8(a)(1) of the Whistleblower  
11 Protection Act of 1989 (5 U.S.C. 5509 note, Public Law  
12 101–12, April 10, 1989, 103 Stat. 34, as amended Public  
13 Law 103–424, Section 1, October 29, 1994, 108 Stat.  
14 4361), is amended by striking the words: “1993, 1994,  
15 1995, 1996, and 1997,” and inserting in lieu thereof  
16 “1998, 1999, 2000, 2001, and 2002”.

17 (b) SECTION 2—EFFECTIVE DATE.—This Act shall  
18 take effect on October 1, 1998.

19 SEC. 642. (a) SECTION 1.—AUTHORIZATION OF AP-  
20 PROPRIATIONS.—Section 8(a)(1) of the Whistleblower  
21 Protection Act of 1989 (5 U.S.C. 5509 note; Public Law  
22 103–424; 103 Stat. 34) is amended by striking out:  
23 “1993, 1994, 1995, 1996, and 1997,” and inserting in  
24 lieu thereof “1998, 1999, 2000, 2001, and 2002”.

1       (b) SECTION 2—EFFECTIVE DATE.—This Act shall  
2 take effect on October 1, 1998.

3       SEC. 643. MODIFICATIONS OF NATIONAL COMMIS-  
4 SION ON RESTRUCTURING THE INTERNAL REVENUE  
5 SERVICE.—(a) QUORUM.—Paragraph (4) of section  
6 637(b) of the Treasury, Postal Service, and General Gov-  
7 ernment Appropriations Act, 1996 (Public Law 104–52,  
8 109 Stat. 510) is amended by striking “Seven” and insert-  
9 ing “Nine”.

10       (b) CO-CHAIRS.—

11           (1) IN GENERAL.—Paragraph (3) of section  
12 637(b) of such Act is amended—

13               (A) by striking “a Chairman” and insert-  
14 ing “Co-Chairs”, and

15               (B) by striking “Chairman” in the heading  
16 and inserting “Co-Chairs”.

17       (2) CONFORMING AMENDMENTS.—(A) Para-  
18 graph (5)(B) of section 637(b) of such Act is  
19 amended by striking “a Chairman” and inserting  
20 “Co-Chairs”.

21           (B) Subsections (b)(4), (d)(1)(B), (d)(3), and  
22 (e)(1) of section 637 of such Act are each amended  
23 by striking “Chairman” each place it appears and  
24 inserting “Co-Chairs”.

1       (c) GIFTS.—Section 637(d) of such Act is amended  
2 by adding at the end the following new paragraph:

3           “(6) GIFTS.—The Commission may accept, use,  
4 and dispose of gifts or donations of services or prop-  
5 erty in carrying out its duties under this section.”

6       (d) TRAVEL EXPENSES.—Section 637(f)(2) of such  
7 Act is amended by striking “shall” and inserting “may”.

8       (e) TIME FOR FILING REPORT.—

9       (1) IN GENERAL.—Paragraph (1) of section 637(g)  
10 of such Act is amended by striking “one year” and insert-  
11 ing “15 months”.

12       (2) CONFORMING AMENDMENT.—Subparagraph (A)  
13 of section 637(c)(1) of such Act is amended by striking  
14 “one year” and inserting “15 months”.

15       (f) EFFECTIVE DATE.—The amendments made by  
16 this section shall take effect as if included in the provisions  
17 of the Treasury, Postal Service, and General Government  
18 Appropriations Act, 1996.

19       SEC. 644. (a) IN GENERAL.—Section 202(a) of title  
20 39, United States Code, is amended by striking “\$10,000  
21 a year” and inserting “\$30,000 a year”.

22       (b) EFFECTIVE DATE.—Subsection (a) shall take ef-  
23 fect at the beginning of the next applicable pay period be-  
24 ginning after the date of the enactment of this Act.

1       SEC. 645. (a) IN GENERAL.—No later than Septem-  
2   ber 30, 1997, the Director of the Office of Management  
3   and Budget shall submit to the Congress a report that  
4   provides—

5           (1) estimates of the total annual costs and ben-  
6       efits of Federal regulatory programs, including  
7       quantitative and nonquantitative measures of regu-  
8       latory costs and benefits;

9           (2) estimates of the costs and benefits (includ-  
10      ing quantitative and nonquantitative measures) of  
11      each rule that is likely to have a gross annual effect  
12      on the economy of \$100,000,000 or more in in-  
13      creased costs;

14          (3) an assessment of the direct and indirect im-  
15      pacts of Federal rules on the private sector, State  
16      and local government, and the Federal Government;  
17      and

18          (4) recommendations from the Director and a  
19      description of significant public comments to reform  
20      or eliminate any Federal regulatory program or pro-  
21      gram element that is inefficient, ineffective, or is not  
22      a sound use of the Nation's resources.

23       (b) NOTICE.—The Director shall provide public no-  
24   tice and an opportunity to comment on the report under  
25   subsection (a) before the report is issued in final form.

1       SEC. 646. Subsection (b) of section 404 of Public  
2 Law 103–356 is amended by deleting “September 30,  
3 1997” and inserting “December 31, 1999”.

4       SEC. 647. (a) Notwithstanding any other provision  
5 of law, the Secretary shall, on behalf of the United States,  
6 transfer to the University of Miami, without charge, title  
7 to the real property and improvements that as of the date  
8 of the enactment of this Act constitute the Federal facility  
9 known as the Perrine Primate Center, subject to the con-  
10 dition that, during the 10-year period beginning on the  
11 date of the transfer—

12               (1) the University will provide for the continued  
13 use of the real property and improvements as an  
14 animal research facility, including primates, and  
15 such use will be the exclusive use of the property  
16 (with such incidental exceptions as the Secretary  
17 may approve); or

18               (2) the real property and improvements will be  
19 used for research-related purposes other than the  
20 purpose specified in paragraph (1) (or for both of  
21 such purposes), if the Secretary and the University  
22 enter into an agreement accordingly.

23       (b) The conveyance under subsection (a) shall not be-  
24 come effective unless the conveyance specifies that, if the  
25 University of Miami engages in a material breach of the

1 conditions specified in such subsection, title to the real  
2 property and improvements involved reverts to the United  
3 States at the election of the Secretary.

4 (c) The real property referred to in subsections (a)  
5 and (b) is located in the county of Dade in the State of  
6 Florida, and is a parcel consisting of the northernmost  
7 30 acre-parcel of the area. The exact acreage and legal  
8 description used for purposes of the transfer under sub-  
9 section (a) shall be in accordance with a survey that is  
10 satisfactory to the Secretary.

11 (d) For the purposes of this section—

12 (1) the term “Secretary” means the Secretary  
13 of Health and Human Services; and

14 (2) the term “University of Miami” means the  
15 University of Miami located in the State of Florida.

16 SEC. 648. (a) INCREASED PENALTIES FOR COUN-  
17 TERFEITING VIOLATIONS.—Sections 474 and 474A of  
18 title 18, United States Code, are amended by striking  
19 “class C felony” each place that term appears and insert-  
20 ing “class B felony”.

21 (b) CRIMINAL PENALTY FOR PRODUCTION, SALE,  
22 TRANSPORTATION, POSSESSION OF FICTITIOUS FINAN-  
23 CIAL INSTRUMENTS PURPORTING TO BE THOSE OF THE  
24 STATES, OF POLITICAL SUBDIVISIONS, AND OF PRIVATE  
25 ORGANIZATIONS.—

1           (1) IN GENERAL.—Chapter 25 of title 18, Unit-  
2       ed States Code, is amended by inserting after sec-  
3       tion 513, the following new section:

4   **“§ 514. Fictitious obligations**

5       “(a) Whoever, with the intent to defraud—

6           “(1) draws, prints, processes, produces, pub-  
7       lishes, or otherwise makes, or attempts or causes the  
8       same, within the United States;

9           “(2) passes, utters, presents, offers, brokers, is-  
10      sues, sells, or attempts or causes the same, or with  
11      like intent possesses, within the United States; or

12          “(3) utilizes interstate or foreign commerce, in-  
13      cluding the use of the mails or wire, radio, or other  
14      electronic communication, to transmit, transport,  
15      ship, move, transfer, or attempts or causes the same,  
16      to, from, or through the United States,

17      any false or fictitious instrument, document, or other item  
18      appearing, representing, purporting, or contriving through  
19      scheme or artifice, to be an actual security or other finan-  
20      cial instrument issued under the authority of the United  
21      States, a foreign government, a State or other political  
22      subdivision of the United States, or an organization, shall  
23      be guilty of a class B felony.

1       “(b) For purposes of this section, any term used in  
2 this section that is defined in section 513(c) has the same  
3 meaning given such term in section 513(c).

4       “(c) The United States Secret Service, in addition to  
5 any other agency having such authority, shall have author-  
6 ity to investigate offenses under this section.”.

7               (2) TECHNICAL AMENDMENT.—The analysis for  
8 chapter 25 of title 18, United States Code, is  
9 amended by inserting after the item relating to sec-  
10 tion 513 the following:

“514. Fictitious obligations.”.

11       (c) PERIOD OF EFFECT.—This section and the  
12 amendments made by this section shall become effective  
13 on the date of enactment of this Act and shall remain in  
14 effect during each fiscal year following that date of enact-  
15 ment.

16       SEC. 649. None of the funds appropriated by this Act  
17 may be used by an agency to provide a Federal employee’s  
18 home address to any labor organization except when it is  
19 made known to the Federal official having authority to  
20 obligate or expend such funds that the employee has au-  
21 thorized such disclosure or that such disclosure has been  
22 ordered by a court of competent jurisdiction.

23       SEC. 650. (a) No later than 45 days after the date  
24 of the enactment of this Act, the Inspector General of each



1 Federal department or agency that uses administratively  
2 uncontrollable overtime in the pay of any employee shall—

3 (1) conduct an audit on the use of administra-  
4 tively uncontrollable overtime by employees of such  
5 department or agency, which shall include—

6 (A) an examination of the policies, extent,  
7 costs, and other relevant aspects of the use of  
8 administratively uncontrollable overtime at the  
9 department or agency; and

10 (B) a determination of whether the eligi-  
11 bility criteria of the department or agency and  
12 payment of administratively uncontrollable over-  
13 time comply with Federal statutory and regu-  
14 latory requirements; and

15 (2) submit a report of the findings and conclu-  
16 sions of such audit to—

17 (A) the Office of Personnel Management;

18 (B) the Governmental Affairs Committee  
19 of the Senate; and

20 (C) the Government Reform and Oversight  
21 Committee of the House of Representatives.

22 (b) No later than 30 days after the submission of the  
23 report under subsection (a), the Office of Personnel Man-  
24 agement shall issue revised guidelines to all Federal de-  
25 partments and agencies that—

1           (1) limit the use of administratively uncontrol-  
2           lable overtime to employees meeting the statutory in-  
3           tent of section 5545(c)(2) of title 5, United States  
4           Code; and

5           (2) expressly prohibit the use of administra-  
6           tively uncontrollable overtime for—

7                   (A) customary or routine work duties; and

8                   (B) work duties that are primarily admin-  
9           istrative in nature, or occur in noncompelling  
10          circumstances.

11       SEC. 651. Notwithstanding section 8116 of title 5,  
12       United States Code, and in addition to any payment made  
13       under 5 U.S.C. 8101 et seq., beginning in fiscal year 1997  
14       and thereafter, the head of any department or agency is  
15       authorized to pay from appropriations made available to  
16       the department or agency a death gratuity to the personal  
17       representative (as that term is defined by applicable law)  
18       of a civilian employee of that department or agency whose  
19       death resulted from an injury sustained in the line of duty  
20       on or after August 2, 1990: *Provided*, That payments  
21       made pursuant to this section, in combination with the  
22       payments made pursuant to sections 8133(f) and 8134(a)  
23       of such title 5 and section 312 of Public Law 103–332  
24       (108 Stat. 2537), may not exceed a total of \$10,000 per  
25       employee.

1       SEC. 653. (a) AUTHORIZATION.—The Secretary of  
2 the Treasury is authorized to establish scientific certifi-  
3 cation standards for explosives detection canines, and shall  
4 provide, on a reimbursable basis, for the certification of  
5 explosives detection canines employed by Federal agencies,  
6 or other agencies providing explosives detection services at  
7 airports in the United States.

8       (b) AUTHORIZATION OF APPROPRIATIONS.—There  
9 are authorized to be appropriated such sums as may be  
10 necessary to carry out the purposes of this section.

11       SEC. 654. NATIONAL REPOSITORY FOR INFORMA-  
12 TION ON EXPLOSIVES INCIDENTS AND ARSON.

13               (a) Section 846 of title 18, United States Code,  
14 is amended by—

15                       (1) designating the existing section as sub-  
16 section (a); and

17                       (2) by adding the following new subsection

18               (b) to read as follows:

19               “(b) The Secretary is authorized to establish a  
20 national repository of information on incidents in-  
21 volving arson and the suspected criminal misuse of  
22 explosives. All Federal agencies having information  
23 concerning such incidents shall report the informa-  
24 tion to the Secretary pursuant to such regulations as  
25 deemed necessary to carry out the provisions of this

1 subsection. The repository shall also contain infor-  
2 mation on incidents voluntarily reported to the Sec-  
3 retary by State and local authorities.”.

4 (b) There is authorized to be appropriated such  
5 sums as may be necessary to carry out the provi-  
6 sions of this subsection.

7 SEC. 655. Section 5(c)(1) of Public Law 102–259 (20  
8 U.S.C. 5603(c)(1)) is amended—

9 (1) in subparagraph (A)(iii), by striking “and”  
10 after the semicolon;

11 (2) in subparagraph (B), by striking the period  
12 and inserting “; and”; and

13 (3) by adding after subparagraph (B) the fol-  
14 lowing:

15 “(C) a Trustee may serve after the expiration  
16 of the Trustee’s term until a successor has been cho-  
17 sen.”.

18 SEC. 656. Notwithstanding any other provision of  
19 law, the Secretary of the Interior, through the Bureau of  
20 Indian Affairs, may directly transfer to Indian tribes in  
21 North and South Dakota portable housing units at the  
22 Grand Forks Air Force base in North Dakota which have  
23 been declared excess by the Department of Defense and  
24 requested for transfer by the Department of the Interior.

1       SEC. 657. Section 922(q) of title 18, United States  
2 Code, is amended to read as follows:

3       “(q)(1) The Congress finds and declares that—

4           “(A) crime, particularly crime involving drugs  
5 and guns, is a pervasive, nationwide problem;

6           “(B) crime at the local level is exacerbated by  
7 the interstate movement of drugs, guns, and crimi-  
8 nal gangs;

9           “(C) firearms and ammunition move easily in  
10 interstate commerce and have been found in increas-  
11 ing numbers in and around schools, as documented  
12 in numerous hearings in both the Committee on the  
13 Judiciary of the House of Representatives and the  
14 Committee on the Judiciary of the Senate;

15           “(D) in fact, even before the sale of a firearm,  
16 the gun, its component parts, ammunition, and the  
17 raw materials from which they are made have con-  
18 siderably moved in interstate commerce;

19           “(E) while criminals freely move from State to  
20 State, ordinary citizens and foreign visitors may fear  
21 to travel to or through certain parts of the country  
22 due to concern about violent crime and gun violence,  
23 and parents may decline to send their children to  
24 school for the same reason;

1           “(F) the occurrence of violent crime in school  
2       zones has resulted in a decline in the quality of edu-  
3       cation in our country;

4           “(G) this decline in the quality of education has  
5       an adverse impact on interstate commerce and the  
6       foreign commerce of the United States;

7           “(H) States, localities, and school systems find  
8       it almost impossible to handle gun-related crime by  
9       themselves—even States, localities, and school sys-  
10      tems that have made strong efforts to prevent, de-  
11      tect, and punish gun-related crime find their efforts  
12      unavailing due in part to the failure or inability of  
13      other States or localities to take strong measures;  
14      and

15          “(I) the Congress has the power, under the  
16      interstate commerce clause and other provisions of  
17      the Constitution, to enact measures to ensure the in-  
18      tegrity and safety of the Nation’s schools by enact-  
19      ment of this subsection.

20          “(2)(A) It shall be unlawful for any individual know-  
21      ingly to possess a firearm that has moved in or that other-  
22      wise affects interstate or foreign commerce at a place that  
23      the individual knows, or has reasonable cause to believe,  
24      is a school zone.

1       “(B) Subparagraph (A) does not apply to the posses-  
2       sion of a firearm—

3               “(i) on private property not part of school  
4       grounds;

5               “(ii) if the individual possessing the firearm is  
6       licensed to do so by the State in which the school  
7       zone is located or a political subdivision of the State,  
8       and the law of the State or political subdivision re-  
9       quires that, before an individual obtains such a li-  
10      cense, the law enforcement authorities of the State  
11      or political subdivision verify that the individual is  
12      qualified under law to receive the license;

13              “(iii) that is—

14                      “(I) not loaded; and

15                      “(II) in a locked container, or a locked  
16      firearms rack that is on a motor vehicle;

17              “(iv) by an individual for use in a program ap-  
18      proved by a school in the school zone;

19              “(v) by an individual in accordance with a con-  
20      tract entered into between a school in the school  
21      zone and the individual or an employer of the indi-  
22      vidual;

23              “(vi) by a law enforcement officer acting in his  
24      or her official capacity; or

1           “(vii) that is unloaded and is possessed by an  
2           individual while traversing school premises for the  
3           purpose of gaining access to public or private lands  
4           open to hunting, if the entry on school premises is  
5           authorized by school authorities.

6           “(3)(A) Except as provided in subparagraph (B), it  
7           shall be unlawful for any person, knowingly or with reck-  
8           less disregard for the safety of another, to discharge or  
9           attempt to discharge a firearm that has moved in or that  
10          otherwise affects interstate or foreign commerce at a place  
11          that the person knows is a school zone.

12          “(B) Subparagraph (A) does not apply to the dis-  
13          charge of a firearm—

14               “(i) on private property not part of school  
15               grounds;

16               “(ii) as part of a program approved by a school  
17               in the school zone, by an individual who is partici-  
18               pating in the program;

19               “(iii) by an individual in accordance with a con-  
20               tract entered into between a school in a school zone  
21               and the individual or an employer of the individual;  
22               or

23               “(iv) by a law enforcement officer acting in his  
24               or her official capacity.



1 “(4) Nothing in this subsection shall be construed as  
2 preempting or preventing a State or local government  
3 from enacting a statute establishing gun free school zones  
4 as provided in this subsection.”.

5 **SEC. 658. GUN BAN FOR INDIVIDUALS CONVICTED OF A**  
6 **MISDEMEANOR CRIME OF DOMESTIC VIO-**  
7 **LENCE.**

8 (a) DEFINITION.—Section 921(a) of title 18,  
9 United States Code, is amended by adding at the end the  
10 following:

11 “(33)(A) Except as provided in subparagraph  
12 (C), the term ‘misdemeanor crime of domestic vio-  
13 lence’ means an offense that—

14 “(i) is a misdemeanor under Federal or  
15 State law; and

16 “(ii) has, as an element, the use or at-  
17 tempted use of physical force, or the threatened  
18 use of a deadly weapon, committed by a current  
19 or former spouse, parent, or guardian of the  
20 victim, by a person with whom the victim  
21 shares a child in common, by a person who is  
22 cohabiting with or has cohabited with the victim  
23 as a spouse, parent, or guardian, or by a person  
24 similarly situated to a spouse, parent, or guard-  
25 ian of the victim.

1           “(B)(i) A person shall not be considered to have  
2       been convicted of such an offense for purposes of  
3       this chapter, unless—

4           “(I) the person was represented by counsel  
5       in the case, or knowingly and intelligently  
6       waived the right to counsel in the case; and

7           (II) in the case of a prosecution for an of-  
8       fense described in this paragraph for which a  
9       person was entitled to a jury trial in the juris-  
10      diction in which the case was tried, either

11           (aa) the case was tried by a jury, or

12           (bb) the person knowingly and intel-  
13      ligently waived the right to have the case  
14      tried by a jury, by guilty plea or otherwise.

15           “(ii) A person shall not be considered to have  
16      been convicted of such an offense for purposes of  
17      this chapter if the conviction has been expunged or  
18      set aside, or is an offense for which the person has  
19      been pardoned or has had civil rights restored (if the  
20      law of the applicable jurisdiction provides for the  
21      loss of civil rights under such an offense) unless the  
22      pardon, expungement, or restoration of civil rights  
23      expressly provides that the person may not ship,  
24      transport, possess, or receive firearms.”.

25           (b)PROHIBITIONS.—

1 (1) Section 922(d) of such title is amended—

2 (A) by striking “or” at the end of para-  
3 graph (7);

4 (B) by striking the period at the end of  
5 paragraph (8) and inserting “; or”; and

6 (C) by inserting after paragraph (8) the  
7 following:

8 “(9) has been convicted in any court of a mis-  
9 demeanor crime of domestic violence.”.

10 (2) Section 922(g) of such title is amended—

11 (A) by striking “or” at the end of  
12 paragrph (7);

13 (B) by striking the comma at the end of  
14 paragraph (8) and inserting “; or”; and

15 (C) by inserting after paragraph (8) the  
16 following:

17 “(9) who has been convicted in any court of a  
18 misdemeanor crime of domestic violence,”.

19 (3) Section 922(s)(3)(B)(i) of such title is  
20 amended by inserting “, and has not been convicted  
21 in any court of a misdemeanor crime of domestic vi-  
22 olence” before this semicolon.

23 (c) GOVERNMENT ENTITIES NOT EXCEPTED.—

24 Section 925(a)(1) of such title is amended by inserting

1 “sections 922(d)(9) and 922(g)(9) and” after “except  
2 for”.

3 **SEC. 659. THRIFT SAVINGS PLAN.**

4 TITLE I—ADDITIONAL INVESTMENT FUNDS FOR THE  
5 THRIFT SAVINGS PLAN

6 **SEC. 101. SHORT TITLE.**

7 This title may be cited as the “Thrift Savings Invest-  
8 ment Funds Act of 1996”.

9 **SEC. 102. ADDITIONAL INVESTMENT FUNDS FOR THE**  
10 **THRIFT SAVINGS PLAN.**

11 Section 8438 of title 5, United States Code, is  
12 amended—

13 (1) in subsection (a)—

14 (A) by redesignating paragraphs (5)  
15 through (8) as paragraphs (6) through (9), re-  
16 spectively;

17 (B) by inserting after paragraph (4) the  
18 following new paragraph:

19 “(5) the term ‘International Stock Index Invest-  
20 ment Fund’ means the International Stock Index In-  
21 vestment Fund established under subsection  
22 (b)(1)(E);”;

23 (C) in paragraph (8) (as redesignated by  
24 subparagraph (A) of this paragraph) by strik-  
25 ing out “and” at the end thereof;

1 (D) in paragraph (9) (as redesignated by  
2 subparagraph (A) of this paragraph)—

3 (i) by striking out “paragraph  
4 (7)(D)” in each place it appears and in-  
5 serting in each such place “paragraph  
6 (8)(D)”; and

7 (ii) by striking out the period and in-  
8 serting in lieu thereof a semicolon and  
9 “and”; and

10 (E) by adding at the end thereof the fol-  
11 lowing new paragraph:

12 “(10) the term ‘Small Capitalization Stock  
13 Index Investment Fund’ means the Small Capitaliza-  
14 tion Stock Index Investment Fund established under  
15 subsection (b)(1)(D).”; and

16 (2) in subsection (b)—

17 (A) in paragraph (1)—

18 (i) in subparagraph (B) by striking  
19 out “and” at the end thereof;

20 (ii) in subparagraph (C) by striking  
21 out the period and inserting in lieu thereof  
22 a semicolon; and

23 (iii) by adding at the end thereof the  
24 following new subparagraphs:

1           “(D) a Small Capitalization Stock Index  
2           Investment Fund as provided in paragraph (3);  
3           and

4           “(E) an International Stock Index Invest-  
5           ment Fund as provided in paragraph (4).”; and

6           (B) by adding at the end thereof the fol-  
7           lowing new paragraphs:

8           “(3)(A) The Board shall select an index which  
9           is a commonly recognized index comprised of com-  
10          mon stock the aggregate market value of which rep-  
11          resents the United States equity markets excluding  
12          the common stocks included in the Common Stock  
13          Index Investment Fund.

14          “(B) The Small Capitalization Stock Index In-  
15          vestment Fund shall be invested in a portfolio de-  
16          signed to replicate the performance of the index in  
17          subparagraph (A). The portfolio shall be designed  
18          such that, to the extent practicable, the percentage  
19          of the Small Capitalization Stock Index Investment  
20          Fund that is invested in each stock is the same as  
21          the percentage determined by dividing the aggregate  
22          market value of all shares of that stock by the ag-  
23          gregate market value of all shares of all stocks in-  
24          cluded in such index.

1           “(4)(A) The Board shall select an index which  
2           is a commonly recognized index comprised of stock  
3           the aggregate market value of which is a reasonably  
4           complete representation of the international equity  
5           markets excluding the United States equity markets.

6           “(B) The International Stock Index Investment  
7           Fund shall be invested in a portfolio designed to rep-  
8           licate the performance of the index in subparagraph  
9           (A). The portfolio shall be designed such that, to the  
10          extent practicable, the percentage of the Inter-  
11          national Stock Index Investment Fund that is in-  
12          vested in each stock is the same as the percentage  
13          determined by dividing the aggregate market value  
14          of all shares of that stock by the aggregate market  
15          value of all shares of all stocks included in such  
16          index.”.

17 **SEC. 103. ACKNOWLEDGEMENT OF INVESTMENT RISK.**

18          Section 8439(d) of title 5, United States Code, is  
19          amended by striking out “Each employee, Member, former  
20          employee, or former Member who elects to invest in the  
21          Common Stock Index Investment Fund or the Fixed In-  
22          come Investment Fund described in paragraphs (1) and  
23          (3),” and inserting in lieu thereof “Each employee, Mem-  
24          ber, former employee, or former Member who elects to in-  
25          vest in the Common Stock Index Investment Fund, the

1 Fixed Income Investment Fund, the International Stock  
 2 Index Investment Fund, or the Small Capitalization Stock  
 3 Index Investment Fund, defined in paragraphs (1), (3),  
 4 (5), and (10),”.

5 **SEC. 104. EFFECTIVE DATE.**

6 This title shall take effect on the date of enactment  
 7 of this Act, and the Funds established under this title  
 8 shall be offered for investment at the earliest practicable  
 9 election period (described in section 8432(b) of title 5,  
 10 United States Code) as determined by the Executive Di-  
 11 rector in regulations.

12 **TITLE II—THRIFT SAVINGS ACCOUNTS LIQUIDITY**

13 **SEC. 201. SHORT TITLE.**

14 This title may be cited as the “Thrift Savings Plan  
 15 Act of 1996”.

16 **SEC. 202. NOTICE TO SPOUSES FOR IN-SERVICE WITHDRAW-**  
 17 **ALS; DE MINIMUS ACCOUNTS; CIVIL SERVICE**  
 18 **RETIREMENT SYSTEM PARTICIPANTS.**

19 Section 8351(b) of title 5, United States Code, is  
 20 amended—

21 (1) in paragraph (5)—

22 (A) in subparagraph (B)—

23 (i) by striking out “An election,  
 24 change of election, or modification (relat-  
 25 ing to the commencement date of a de-



1           ferred annuity)” and inserting in lieu  
2           thereof “An election or change of election”;

3           (ii) by inserting “or withdrawal” after  
4           “and a loan”;

5           (iii) by inserting “and (h)” after  
6           “8433(g)”;

7           (iv) by striking out “the election,  
8           change of election, or modification” and in-  
9           serting in lieu thereof “the election or  
10          change of election”; and

11          (v) by inserting “or withdrawal” after  
12          “for such loan”; and

13          (B) in subparagraph (D)—

14           (i) by inserting “or withdrawals” after  
15           “of loans”; and

16           (ii) by inserting “or (h)” after  
17           “8433(g)”;

18          (2) in paragraph (6)—

19           (A) by striking out “\$3,500 or less” and  
20           inserting in lieu thereof “less than an amount  
21           that the Executive Director prescribes by regu-  
22           lation”; and

23           (B) by striking out “unless the employee  
24           or Member elects, at such time and otherwise in  
25           such manner as the Executive Director pre-

1           scribes, one of the options available under sub-  
2           section (b)”.  
3

4           **SEC. 203. IN-SERVICE WITHDRAWALS; WITHDRAWAL ELEC-**  
5           **TIONS, FEDERAL EMPLOYEES RETIREMENT**  
6           **SYSTEM PARTICIPANTS.**

7           (a) IN GENERAL.—Section 8433 of title 5, United  
8           States Code, is amended—

9           (1) by striking out subsections (b) and (c) and  
10          inserting in lieu thereof the following:

11          “(b) Subject to section 8435 of this title, any em-  
12          ployee or Member who separates from Government em-  
13          ployment is entitled and may elect to withdraw from the  
14          Thrift Savings Fund the balance of the employee’s or  
15          Member’s account as—

16               “(1) an annuity;

17               “(2) a single payment;

18               “(3) 2 or more substantially equal payments to  
19          be made not less frequently than annually; or

20               “(4) any combination of payments as provided  
21          under paragraphs (1) through (3) as the Executive  
22          Director may prescribe by regulation.

23          “(c)(1) In addition to the right provided under sub-  
24          section (b) to withdraw the balance of the account, an em-  
25          ployee or Member who separates from Government service  
26          and who has not made a withdrawal under subsection

1 (h)(1)(A) may make one withdrawal of any amount as a  
2 single payment in accordance with subsection (b)(2) from  
3 the employee's or Member's account.

4 “(2) An employee or Member may request that the  
5 amount withdrawn from the Thrift Savings Fund in ac-  
6 cordance with subsection (b)(2) be transferred to an eligi-  
7 ble retirement plan.

8 “(3) The Executive Director shall make each transfer  
9 elected under paragraph (2) directly to an eligible retire-  
10 ment plan or plans (as defined in section 402(c)(8) of the  
11 Internal Revenue Code of 1986) identified by the em-  
12 ployee, Member, former employee, or former Member for  
13 whom the transfer is made.

14 “(4) A transfer may not be made for an employee,  
15 Member, former employee, or former Member under para-  
16 graph (2) until the Executive Director receives from that  
17 individual the information required by the Executive Di-  
18 rector specifically to identify the eligible retirement plan  
19 or plans to which the transfer is to be made.”;

20 (2) in subsection (d)—

21 (A) in paragraph (1) by striking out “Sub-  
22 ject to paragraph (3)(A)” and inserting in lieu  
23 thereof “Subject to paragraph (3)”;

1 (B) by striking out paragraph (2) and re-  
2 designating paragraph (3) as paragraph (2);  
3 and

4 (C) in paragraph (2) (as redesignated  
5 under subparagraph (B) of this paragraph)—

6 (i) in subparagraph (A) by striking  
7 out “(A) by striking out “(A)””; and

8 (ii) by striking out subparagraph (B);  
9 (3) in subsection (f)(1)—

10 (A) by striking out “\$3,500 or less” and  
11 inserting in lieu thereof “less than an amount  
12 that the Executive Director prescribes by regu-  
13 lation; and

14 (B) by striking out “unless the employee  
15 or Member elects, at such time and otherwise in  
16 such manner as the Executive Director pre-  
17 scribes, one of the options available under sub-  
18 section (b), or” and inserting a comma;

19 (4) in subsection (f)(2)—

20 (A) by striking out “February 1” and in-  
21 serting in lieu thereof “April 1”;

22 (B) in subparagraph (A)—

23 (i) by striking out “65” and inserting  
24 in lieu thereof “70½”; and

1 (ii) by inserting “or” after the semi-  
2 colon;

3 (C) by striking out subparagraph (B); and

4 (D) by redesignating subparagraph (C) as  
5 subparagraph (B);

6 (5) in subsection (g)—

7 (A) in paragraph (1) by striking out “after  
8 December 31, 1987, and”, and by adding at the  
9 end of the paragraph the following sentence:

10 “Before a loan is issued, the Executive Director  
11 shall provide in writing the employee or Mem-  
12 ber with appropriate information concerning the  
13 cost of the loan relative to other sources of fi-  
14 nancing, as well as the lifetime cost of the loan,  
15 including the difference in interest rates be-  
16 tween the funds offered by the Thrift Savings  
17 Fund, and any other effect of such loan on the  
18 employee’s or Member’s final account balance.”;

19 and

20 (B) by striking out paragraph (2) and re-  
21 designating paragraphs (3) through (5) as  
22 paragraphs (2) through (4), respectively; and

23 (6) by adding after subsection (g) the following  
24 new subsection:

1           “(h)(1) An employee or Member may apply, be-  
2 fore separation, to the Board for permission to withdraw  
3 an amount from the employee’s or Member’s account  
4 based upon—

5           “(A) the employee or Member having attained  
6 age 59½; or

7           “(B) financial hardship.

8           “(2) A withdrawal under paragraph (1)(A) shall  
9 be available to each eligible participant one time only.

10          “(3) A withdrawal under paragraph (1)(B) shall  
11 be available only for an amount not exceeding the value  
12 of that portion of such account which is attributable to  
13 contributions made by the employee or Member under  
14 section 8432(a) of this title.

15          “(4) Withdrawals under paragraph (1) shall be  
16 subject to such other conditions as the Executive Director  
17 may prescribe by regulation.

18          “(5) A withdrawal may not be made under this  
19 subsection unless the requirements of section 8435(e) of  
20 this title are satisfied.”.

21          (b) INVALIDITY OF CERTAIN PRIOR ELEC-  
22 TIONS.—Any election made under section 8433(b)(2) of  
23 title 5, United States Code (as in effect before the effec-  
24 tive date of this title), with respect to an annuity which  
25 has not commenced before the implementation date of

1 this title as provided by regulation by the Executive Di-  
2 rector in accordance with section 207 of this title, shall  
3 be invalid.

4 **SEC. 204. SURVIVOR ANNUITIES FOR FORMER SPOUSES;**  
5 **NOTICE TO FEDERAL EMPLOYEES RETIRE-**  
6 **MENT SYSTEM SPOUSES FOR IN-SERVICE**  
7 **WITHDRAWALS.**

8 Section 8435 of title 5, United States Code, is  
9 amended—

10 (1) in subsection (a)(1)(A)—

11 (A) by striking out “may make an election  
12 under subsection (b)(3) or (b)(4) or section  
13 8433 of this title or change an election pre-  
14 viously made under subsection (b)(1) or (b)(2)  
15 of such section” and inserting in lieu thereof  
16 “may withdraw all or part of a Thrift Savings  
17 Fund account under subsection (b) (2), (3), or  
18 (4) of section 8433 of this title or change a  
19 withdrawal election”; and

20 (B) by adding at the end thereof “A mar-  
21 ried employee or Member (or former employee  
22 or Member) may make a withdrawal from a  
23 Thrift Savings Fund account under subsection  
24 (c)(1) of section 8433 of this title only if the  
25 employee or Member (or former employee or

1 Member) satisfies the requirements of subpara-  
2 graph (B).”;

3 (2) in subsection (c)—

4 (A) in paragraph (1)—

5 (i) by striking out “An election,  
6 change of election, or modification of the  
7 commencement date of a deferred annuity”  
8 and inserting in lieu thereof “An election  
9 or change of election”; and

10 (ii) by striking out “modification, or transfer”  
11 and inserting in lieu thereof “or transfer”; and

12 (B) in paragraph (2) in the matter follow-  
13 ing subparagraph (B)(ii) by striking out “modi-  
14 fication,”;

15 (3) in subsection (e)—

16 (A) in paragraph (1)—

17 (i) in subparagraph (A)—

18 (I) by inserting “or withdrawal”  
19 after “A loan;”;

20 (II) by inserting “and (h)” after  
21 “8433(g)”; and

22 (III) by inserting “or with-  
23 drawal” after “such loan”;

24 (ii) in subparagraph (B) by inserting  
25 “or withdrawal” after “loan”; and



1 (iii) in subparagraph (C)—

2 (I) by inserting “or withdrawal”

3 after “to a loan”; and

4 (II) by inserting “or withdrawal”

5 after “for such loan”; and

6 (B) in paragraph (2)—

7 (i) by inserting “or withdrawal” after

8 “loan”; and

9 (ii) by inserting “and (h)” after

10 “8344(g)”; and

11 (4) in subsection (g)—

12 (A) by inserting “or withdrawals” after

13 “loans”; and

14 (B) by inserting “and (h)” after

15 “8344(g)”.

16 **SEC. 205. DE MINIMUS ACCOUNTS RELATING TO THE JUDI-**  
 17 **CIARY.**

18 (a) JUSTICES AND JUDGES.—Section 8440a(b)(7)

19 of title 5, United States Code, is amended—

20 (1) by striking out “\$3,500 or less” and insert-

21 ing in lieu thereof “less than an amount that the

22 Executive Director prescribes by regulation”; and

23 (2) by striking out “unless the justice or judge

24 elects, at such time and otherwise in such manner

1 as the Executive Director prescribes, one of the op-  
2 tions available under section 8433(b)”.

3 (b) BANKRUPTCY JUDGES AND MAGISTRATES.—  
4 Section 8440b(b) of title 5, United States Code, is  
5 amended—

6 (1) in paragraph (7) in the first sentence by in-  
7 serting “of the distribution” after “equal to the  
8 amount”; and

9 (2) in paragraph (8)—

10 (A) by striking out “\$3,500 or less” and  
11 inserting in lieu thereof “less than an amount  
12 that the Executive Director prescribes by regu-  
13 lation”; and

14 (B) by striking out “unless the bankruptcy  
15 judge or magistrate elects, at such time and  
16 otherwise in such manner as the Executive Di-  
17 rector prescribes, one of the options available  
18 under subsection (b)”.

19 (c) FEDERAL CLAIMS JUDGES.—Section 8440c(b)  
20 of title 5, United States Code, is amended—

21 (1) in paragraph (7) in the first sentence by in-  
22 serting “of the distribution” after “equal to the  
23 amount”; and

24 (2) in paragraph (8)—

1 (A) by striking out “\$3,500 or less” and  
2 inserting in lieu thereof “less than an amount  
3 that the Executive Director prescribes by regu-  
4 lation”; and

5 (B) by striking out “unless the judge  
6 elects, at such time and otherwise in such man-  
7 ner as the Executive Director prescribes, one of  
8 the options available under section 8433(b)”.

9 **SEC. 206. DEFINITION OF BASIC PAY.**

10 (a) IN GENERAL.—(1) Section 8401(4) of title 5,  
11 United States Code, is amended by striking out “except  
12 as provided in subchapter III of this chapter,”.

13 (2) Section 8431 of title 5, United States Code,  
14 is repealed.

15 (b) TECHNICAL AND CONFORMING AMEND-  
16 MENTS.—(1) The table of sections for chapter 84 of title  
17 5, United States Code, is amended by striking out the  
18 item relating to section 8431.

19 (2) Section 5545a(h)(2)(A) of title 5, United  
20 States Code, is amended by striking out “8431,”.

21 (3) Section 615(f) of the Treasury, Postal Service,  
22 and General Government Appropriations Act, 1996 (Pub-  
23 lic Law 104–52; 109 Stat. 500; 5 U.S.C. 5343 note) is  
24 amended by striking out “section 8431 of title 5, United  
25 States Code,”.

1   **SEC. 207. EFFECTIVE DATE.**

2           This title shall take effect on the date of the en-  
3   actment of this Act and withdrawals and elections as pro-  
4   vided under the amendments made by this title shall be  
5   made at the earliest practicable date as determined by  
6   the Executive Director in regulations.

7           SEC. 660. Notwithstanding Section 613, inter-  
8   agency financing is authorized to carry out the purposes  
9   of the National Bioethics Advisory Commission.

10          SEC. 661. (a) DESIGNATION.—The United States  
11   courthouse to be constructed at 111 South 18th Plaza,  
12   Omaha, Nebraska, shall be known and designated as the  
13   “Roman L. Hruska United States Courthouse”.

14          (b) REFERENCES.—Any reference in a law, map,  
15   regulation, document, paper, or other record of the Unit-  
16   ed States to the United States courthouse referred to in  
17   section 1 shall be deemed to be a reference to the  
18   “Roman L. Hruska United States Courthouse”.

19          SEC. 662. (a) PROVISIONS RELATING TO TITLE  
20   39, UNITED STATES CODE.—

21               “(1) APPOINTMENT AND REMOVAL OF INSPEC-  
22   TOR GENERAL.—Section 202 of title 39, United  
23   States Code, is amended by adding at the end the  
24   following:

25               “(e)(1) The Governors shall appoint and shall  
26   have the power to remove the Inspector General.

1           “(2) The Inspector General shall be appointed—

2           “(A) for a term of 7 years;

3           “(B) without regard to political affiliation; and

4           “(C) solely on the basis of integrity and dem-  
5           onstrated ability in accounting, auditing, financial  
6           analysis, law, management analysis, public adminis-  
7           tration, or investigations.

8           “(3) The Inspector General may at any time be  
9           removed upon the written concurrence of at least 7 Gov-  
10          ernors, but only for cause. Nothing in this subsection  
11          shall be considered to exempt the Governors from the re-  
12          quirements of section 8G(e) of the Inspector General Act  
13          of 1978.”.

14                 (2) DEFINITION.—Section 102 of title 39, Unit-  
15          ed States Code, is amended—

16                         (A) by striking “and” at the end of para-  
17                         graph (2);

18                         (B) by striking the period at the end of  
19                         paragraph (3) and inserting “; and”; and

20                         (C) by adding at the end the following:

21                         “(4) ‘Inspector General’ means the Inspector  
22                         General appointed under section 202(e) of this  
23                         title.”.

24                 (3) SEPARATE ITEM IN ANNUAL BUDGET.—For  
25          purposes of the fifth sentence of section 2009 of title

1       39, United States Code, the operations of the Office  
2       of Inspector General of the United States Postal  
3       Service shall be considered a major type of activity.

4       (b) AMENDMENTS TO THE INSPECTOR GENERAL  
5 ACT OF 1978.—

6       (1) GOVERNORS AS HEAD OF THE POSTAL  
7 SERVICE.—Section 8G(a)(4) of the Inspector Gen-  
8 eral Act of 1978 (5 U.S.C. App.) is amended by  
9 striking “except that” and all that follows through  
10 the semicolon and inserting “except that—

11               “(A) with respect to the National Science  
12 Foundation, such term means the National  
13 Science Board; and

14               “(B) with respect to the United States  
15 Postal Service, such term means the Governors  
16 (within the meaning of section 102(3) of title  
17 39, United States Code);”.

18       (2) SPECIAL RULES RELATING TO THE UNITED  
19 STATES POSTAL SERVICE.—Subsection (f) of section  
20 8G of such Act is amended to read as follows:

21       “(f)(1) For purposes of carrying out subsection  
22 (c) with respect to the United States Postal Service, the  
23 appointment provisions of section 202(e) of title 39,  
24 United States Code, shall be applied.

1           “(2) In carrying out the duties and responsibilities  
2 specified in this Act, the Inspector General of the United  
3 States Postal Service (hereinafter in this subsection re-  
4 ferred to as the ‘Inspector General’) shall have oversight  
5 responsibility for all activities of the Postal Inspection  
6 Service, including any internal investigation performed by  
7 the Postal Inspection Service. The Chief Postal Inspector  
8 shall promptly report the significant activities being car-  
9 ried out by the Postal Inspection Service to such Inspec-  
10 tor General.

11           “(3)(A)(i) Notwithstanding subsection (d), the In-  
12 spector General shall be under the authority, direction,  
13 and control of the Governors with respect to audits or in-  
14 vestigations, or the issuance of subpoenas, which require  
15 access to sensitive information concerning—

16           “(I) ongoing civil or criminal investigations or  
17 proceedings;

18           “(II) undercover operations;

19           “(III) the identity of confidential sources, in-  
20 cluding protected witnesses;

21           “(IV) intelligence or counterintelligence mat-  
22 ters; or

23           “(V) other matters the disclosure of which  
24 would constitute a serious threat to national secu-  
25 rity.

1           “(ii) With respect to the information described  
2 under clause (i), the Governors may prohibit the Inspec-  
3 tor General from carrying out or completing any audit or  
4 investigation, or from issuing any subpoena, after such  
5 Inspector General has decided to initiate, carry out, or  
6 complete such audit or investigation or to issue such sub-  
7 poena, if the Governors determine that such prohibition  
8 is necessary to prevent the disclosure of any information  
9 described under clause (i) or to prevent the significant  
10 impairment to the national interests of the United States.

11           “(iii) If the Governors exercise any power under  
12 clause (i) or (ii), the Governors shall notify the Inspector  
13 General in writing stating the reasons for such exercise.  
14 Within 30 days after receipt of any such notice, the In-  
15 spector General shall transmit a copy of such notice to  
16 the Committee on Governmental Affairs of the Senate  
17 and the Committee on Government Reform and Oversight  
18 of the House of Representatives, and to other appropriate  
19 committees or subcommittees of the Congress.

20           “(B) In carrying out the duties and responsibil-  
21 ities specified in this Act, the Inspector General—

22           “(i) may initiate, conduct and supervise such  
23 audits and investigations in the United States Postal  
24 Service as the Inspector General considers appro-  
25 priate; and



1           “(ii) shall give particular regard to the activities  
2           of the Postal Inspection Service with a view toward  
3           avoiding duplication and insuring effective coordina-  
4           tion and cooperation.

5           “(C) Any report required to be transmitted by the  
6           Governors to the appropriate committees or subcommit-  
7           tees of the Congress under section 5(d) shall also be  
8           transmitted, within the seven-day period specified under  
9           such section, to the Committee on Governmental Affairs  
10          of the Senate and the Committee on Government Reform  
11          and Oversight of the House of Representatives.

12          “(3) Nothing in this Act shall restrict, eliminate,  
13          or otherwise adversely affect any of the rights, privileges,  
14          or benefits of either employees of the United States Post-  
15          al Service, or labor organizations representing employees  
16          of the United States Postal Service, under chapter 12  
17          of title 39, United States Code, the National Labor Rela-  
18          tions Act, any handbook or manual affecting employee  
19          labor relations with the United States Postal Service, or  
20          any collective bargaining agreement.

21          “(4) As used in this subsection, the term ‘Gov-  
22          ernors’ has the meaning given such term by section  
23          102(3) of title 39, United States Code.”.

24                 (3) TECHNICAL CORRECTION.—The Inspector  
25          General Act of 1978 is amended by redesignating

1 the second section which is designated as section 8G  
2 as section 8H.

3 (c) PROVISIONS RELATING TO COMPENSATION.—

4 (1) INSPECTOR GENERAL.—Section 5315 of  
5 title 5, United States Code, is amended by adding  
6 at the end the following:

7 “Inspector General, United States Postal Serv-  
8 ice.”.

9 The amendment made by the preceding sentence shall  
10 apply notwithstanding section 410 or any other provision  
11 of title 39, United States Code.

12 (2) OFFICERS AND EMPLOYEES OF THE OFFICE  
13 OF INSPECTOR GENERAL OF THE UNITED STATES  
14 POSTAL SERVICE; POSTAL INSPECTORS.—

15 (A) IN GENERAL.—Section 1003 of title 39,  
16 United States Code, is amended—

17 (i) by redesignating subsection (b) as  
18 subsection (d); and

19 (ii) by inserting after subsection (a)  
20 the following:

21 “(b) Compensation and benefits for all officers  
22 and employees serving in or under the Office of Inspector  
23 General of the United States Postal Service shall be  
24 maintained on a standard of comparability to the com-  
25 pensation and benefits paid for comparable levels of work

1 in the respective Offices of Inspector General of the var-  
2 ious establishments named in section 11(2) of the Inspec-  
3 tor General Act of 1978.

4 “(c) Compensation and benefits for all Postal In-  
5 spectors shall be maintained on a standard of com-  
6 parability to the compensation and benefits paid for com-  
7 parable levels of work in the executive branch of the Gov-  
8 ernment outside of the Postal Service. As used in this  
9 subsection, the term ‘Postal Inspector’ included any  
10 agent to whom any investigative powers are granted  
11 under section 3061 of title 18.”.

12 (B) CONFORMING AMENDMENT.—The first  
13 sentence of section 1003(a) of title 39, United  
14 States Code, is amended by striking “chapters  
15 2 and 12 of this title” and inserting “chapters  
16 2 and 12 of this title, section 8G of the Inspec-  
17 tor General Act of 1978,”.

18 (d) STRATEGIC PLANS.—

19 (1) OFFICE OF INSPECTOR GENERAL OF THE  
20 UNITED STATES POSTAL SERVICE.—

21 (A) IN GENERAL.—Strategic plans shall be  
22 prepared under this paragraph addressing staff-  
23 ing requirements, general goals and objectives  
24 for major functions and operations of the Office  
25 of Inspector General of the United States Post-

1 al Service, and how goals and objectives of the  
2 Office are to be achieved, including a descrip-  
3 tion of operational processes, skills and tech-  
4 nology, and the human, capital, information,  
5 and other resources required to meet those  
6 goals and objectives.

7 (B) SPECIFIC REQUIREMENTS.—Plans  
8 under this paragraph—

9 (i) shall be prepared by the Inspector  
10 General of the United States Postal Serv-  
11 ice;

12 (ii) shall each cover a 5-year period  
13 (the beginning and ending dates of which  
14 shall be specified in each such plan); and

15 (iii) shall be included, as part of the  
16 annual budget required under section 2009  
17 of title 39, United States Code, at least  
18 every 3 years.

19 (C) FIRST SUBMISSION.—The first plan  
20 under this paragraph shall be prepared in time  
21 to be included with the annual budget under  
22 section 2009 of title 39, United States Code,  
23 next due to be submitted after the end of the  
24 6-month period beginning on the date of the ap-  
25 pointment of the first Inspector General to be

1 appointed pursuant to the amendments made  
2 by this section.

3 (2) POSTAL INSPECTION SERVICE.—The Chief  
4 Postal Inspector shall, with respect to the Postal In-  
5 spection Service, prepare a strategic plan similar in  
6 content to that required under paragraph (1)(A)  
7 with respect to the Office of Inspector General of the  
8 United States Postal Service. Such plan shall be pre-  
9 pared in time to be included with the annual budget  
10 under section 2009 of such title 39 next due to be  
11 submitted after the end of the 30-day period begin-  
12 ning on the date of the enactment of this Act.

13 (e) FIRST APPOINTMENT; TRANSFERS; TRANSI-  
14 TION PROVISION.—

15 (1) FIRST APPOINTMENT.—The first Inspector  
16 General of the United States Postal Service ap-  
17 pointed pursuant to the amendments made by this  
18 section shall be appointed before the end of the 90-  
19 day period beginning on the date of the enactment  
20 of this Act.

21 (2) TRANSFERS.—

22 (A) IN GENERAL.—All measures described  
23 in section 8G(b) of the Inspector General Act of  
24 1978 necessary to establish an Office of Inspec-  
25 tor General within the United States Postal

1           Service pursuant to this section, including all  
2           appropriate transfers, shall occur—

3           (i) no earlier than the date the appointment under  
4 paragraph (1) is made; and

5           (ii) no later than 60 days after the date the ap-  
6 pointment under paragraph (1) is made.

7                       (B) PROVISIONS RELATING TO PERSON-  
8 NEL.—

9           (i) CONSULTATION.—Decisions concerning which  
10 personnel are to be transferred pursuant to subparagraph  
11 (A) shall be made by the Governors (within the meaning  
12 of section 102(3) of title 39, United States Code) in con-  
13 sultation with the Inspector General appointed under  
14 paragraph (1).

15           (ii) TRANSFERRED PERSONNEL.—Personnel  
16 transferred pursuant to subparagraph (A) shall, to the  
17 extent not inconsistent with other provisions of this sub-  
18 section, be transferred in accordance with applicable laws  
19 and regulations relating to the transfer of functions with-  
20 in the United States Postal Service, except that, notwith-  
21 standing any provision of section 1003(b) of title 39,  
22 United States Code, as amended by this section, the clas-  
23 sification and compensation of such personnel shall not  
24 be reduced, by reason of having been transferred, for 1  
25 year after being so transferred.

1           (3) TRANSITION PROVISION.—The Chief Postal  
2     Inspector may continue to serve as Inspector Gen-  
3     eral of the United States Postal Service until the  
4     date on which an Inspector General is appointed  
5     under paragraph (1) or, if earlier, the end of the pe-  
6     riod referred to in such paragraph. Compensation  
7     for any service under this paragraph shall be deter-  
8     mined as if this section had not been enacted.

9           (f) TECHNICAL AND CONFORMING AMEND-  
10  MENTS.—

11           (1) Section 410(b) of title 39, United States  
12     Code, is amended—

13                 (A) by striking “and” at the end of para-  
14     graph (9); and

15                 (B) by amending paragraph (10) to read  
16     as follows:

17                 “(10) the Inspector General Act of 1978; and”

18           (2)(A) Section 204 of such title 39 is amend-  
19     ed—

20                 (i) by amending the section heading to read as fol-  
21     lows:

1 **“§ 204. General Counsel; Judicial Officer; Chief Postal**  
 2 **Inspector”;**

3 (ii) in the first sentence by striking “and a Judi-  
 4 cial Officer.” and inserting “a Judicial Officer, and a  
 5 Chief Postal Inspector.”;

6 (iii) in the second sentence by striking “and the  
 7 Judicial Officer” and inserting “the Judicial Officer, and  
 8 the Chief Postal Inspector”; and

9 (iv) by adding at the end the following: “The  
 10 Chief Postal Inspector shall report to, and be under the  
 11 general supervision of, the Postmaster General. The  
 12 Postmaster General shall promptly notify the Governors  
 13 and both Houses of Congress in writing if he or she re-  
 14 moves the Chief Postal Inspector or transfers the Chief  
 15 Postal Inspector to another position or location within  
 16 the Postal Service, and shall include in any such notifica-  
 17 tion the reasons for the removal or transfer.”.

18 (B) The table of sections for chapter 2 of such  
 19 title 39 is amended by striking the item relating to  
 20 section 204 and inserting the following:

“204. General Counsel; Judicial Officer; Chief Postal Inspector.”.

21 **SEC. 663. VOLUNTARY SEPARATION INCENTIVES**  
 22 **FOR EMPLOYEES OF CERTAIN FEDERAL AGENCIES.—(a)**  
 23 **DEFINITIONS.—For the purposes of this section—**

24 (1) the term “agency” means any Executive  
 25 agency (as defined in section 105 of title 5, United



1 States Code), other than an Executive agency (ex-  
2 cept an agency receiving such authority in the De-  
3 partment of Transportation Appropriations Act,  
4 1997) that is authorized by any other provision of  
5 this Act or any other Act to provide voluntary sepa-  
6 ration incentive payments during all, or any part of,  
7 fiscal year 1997; and

8 (2) the term “employee” means an employee  
9 (as defined by section 2105 of title 5, United States  
10 Code) who is employed by an agency, is serving  
11 under an appointment without time limitation, and  
12 has been currently employed for a continuous period  
13 of at least 3 years, but does not include—

14 (A) a reemployed annuitant under sub-  
15 chapter III of chapter 83 or chapter 84 of title  
16 5, United States Code, or another retirement  
17 system for employees of the agency;

18 (B) an employee having a disability on the  
19 basis of which such employee is or would be eli-  
20 gible for disability retirement under subchapter  
21 III of chapter 83 or chapter 84 of title 5, Unit-  
22 ed States Code, or another retirement system  
23 for employees of the agency;

1 (C) an employee who is in receipt of a spe-  
2 cific notice of involuntary separation for mis-  
3 conduct or unacceptable performance;

4 (D) an employee who, upon completing an  
5 additional period of service as referred to in  
6 section 3(b)(2)(B)(ii) of the Federal Workforce  
7 Restructuring Act of 1994 (5 U.S.C. 5597  
8 note), would qualify for a voluntary separation  
9 incentive payment under section 3 of such Act;

10 (E) an employee who has previously re-  
11 ceived any voluntary separation incentive pay-  
12 ment by the Federal Government under this  
13 section or any other authority and has not re-  
14 paid such payment;

15 (F) an employee covered by statutory re-  
16 employment rights who is on transfer to an-  
17 other organization; or

18 (G) any employee who, during the twenty  
19 four month period preceding the date of separa-  
20 tion, has received a recruitment or relocation  
21 bonus under section 5753 of title 5, United  
22 States Code, or who, within the twelve month  
23 period preceding the date of separation, re-  
24 ceived a retention allowance under section 5754  
25 of title 5, United States Code.

1 (b) AGENCY STRATEGIC PLAN.—

2 (1) IN GENERAL.—The head of each agency,  
3 prior to obligating any resources for voluntary separation incentive payments, shall submit to the House  
4 and Senate Committees on Appropriations and the  
5 Committee on Governmental Affairs of the Senate  
6 and the Committee on Government Reform and  
7 Oversight of the House of Representatives a strategic  
8 plan outlining the intended use of such incentive  
9 payments and a proposed organizational chart for  
10 the agency once such incentive payments have been  
11 completed.  
12

13 (2) CONTENTS.—The agency's plan shall include—  
14

15 (A) the positions and functions to be reduced or eliminated, identified by organizational  
16 unit, geographic location, occupational category  
17 and grade level;  
18

19 (B) the number and amounts of voluntary  
20 separation incentive payments to be offered;  
21 and

22 (C) a description of how the agency will  
23 operate without the eliminated positions and  
24 functions.

1           (c) AUTHORITY TO PROVIDE VOLUNTARY SEPA-  
2 RATION INCENTIVE PAYMENTS.—

3           (1) IN GENERAL.—A voluntary separation in-  
4 centive payment under this section may be paid by  
5 an agency to any employee only to the extent nec-  
6 essary to eliminate the positions and functions iden-  
7 tified by the strategic plan.

8           (2) AMOUNT AND TREATMENT OF PAYMENTS.—  
9 A voluntary separation incentive payment—

10           (A) shall be paid in a lump sum after the  
11 employee's separation;

12           (B) shall be paid from appropriations or  
13 funds available for the payment of the basic pay  
14 of the employees;

15           (C) shall be equal to the lesser of—

16           (i) an amount equal to the amount  
17 the employee would be entitled to receive  
18 under section 5595(c) of title 5, United  
19 States Code; or

20           (ii) an amount determined by the  
21 agency head not to exceed \$25,000;

22           (D) may not be made except in the case of  
23 any qualifying employee who voluntarily sepa-  
24 rates (whether by retirement or resignation) be-  
25 fore December 31, 1997;

1 (E) shall not be a basis for payment, and  
2 shall not be included in the computation, of any  
3 other type of Government benefit; and

4 (F) shall not be taken into account in de-  
5 termining the amount of any severance pay to  
6 which the employee may be entitled under sec-  
7 tion 5595 of title 5, United States Code, based  
8 on any other separation.

9 (d) ADDITIONAL AGENCY CONTRIBUTIONS TO  
10 THE RETIREMENT FUND.—

11 (1) IN GENERAL.—In addition to any other  
12 payments which it is required to make under sub-  
13 chapter III of chapter 83 of title 5, United States  
14 Code, an agency shall remit to the Office of Person-  
15 nel Management for deposit in the Treasury of the  
16 United States to the credit of the Civil Service Re-  
17 tirement and Disability Fund an amount equal to 15  
18 percent of the final basic pay of each employee of  
19 the agency who is covered under subchapter III of  
20 chapter 83 or chapter 84 of title 5, United States  
21 Code, to whom a voluntary separation incentive has  
22 been paid under this section.

23 (2) DEFINITION.—For the purpose of para-  
24 graph (1), the term “final basic pay”, with respect  
25 to an employee, means the total amount of basic pay

1       which would be payable for a year of service by such  
2       employee, computed using the employee's final rate  
3       of basic pay, and, if last serving on other than a  
4       full-time basis, with appropriate adjustment there-  
5       for.

6           (e) EFFECT OF SUBSEQUENT EMPLOYMENT  
7 WITH THE GOVERNMENT.—An individual who has re-  
8 ceived a voluntary separation incentive payment under  
9 this section and accepts any employment for compensa-  
10 tion with the Government of the United States, or who  
11 works for any agency of the United States Government  
12 through a personal services contract, within 5 years after  
13 the date of the separation on which the payment is based  
14 shall be required to pay, prior to the individual's first day  
15 of employment, the entire amount of the incentive pay-  
16 ment to the agency that paid the incentive payment.

17           (f) REDUCTION OF AGENCY EMPLOYMENT LEV-  
18 ELS.—

19           (1) IN GENERAL.—The total number of funded  
20 employee positions in the agency shall be reduced by  
21 one position for each vacancy created by the separa-  
22 tion of any employee who has received, or is due to  
23 receive, a voluntary separation incentive payment  
24 under this section. For the purposes of this sub-

1       section, positions shall be counted on a full-time  
2       equivalent basis.

3           (2) ENFORCEMENT.—The President, through  
4       the Office of Management and Budget, shall monitor  
5       the agency and take any action necessary to ensure  
6       that the requirements of this subsection are met.

7           (g) EFFECTIVE DATE.—This section shall take ef-  
8       fect October 1, 1996.

9       **SEC. 664. ELECTRONIC BENEFIT TRANSFER PILOT.**

10       Title 31, United States Code, is amended by in-  
11       serting after section 3335 the following new section:

12       **“§ 3336. Electronic benefit transfer pilot**

13           “(a) The Congress finds that:

14           “(1) Electronic benefit transfer (EBT) is a  
15       safe, reliable, and economical way to provide benefit  
16       payments to individuals who do not have an account  
17       at a financial institution.

18           “(2) The designation of financial institutions as  
19       financial agents of the Federal Government for EBT  
20       is an appropriate and reasonable use of the Sec-  
21       retary’s authority to designate financial agents.

22           “(3) A joint federal-state EBT system offers  
23       convenience and economies of scale for those states  
24       (and their citizens) that wish to deliver state-admin-

1        istered benefits on a single card by entering into a  
2        partnership with the federal government.

3            “(4) The Secretary’s designation of a financial  
4        agent to deliver EBT is a specialized service not  
5        available through ordinary business channels and  
6        may be offered to the states pursuant to section  
7        6501 et seq. of this title.

8            “(b) The Secretary shall continue to carry out the  
9        existing EBT pilot to disburse benefit payments elec-  
10       tronically to recipients who do not have an account at a  
11       financial institution, which shall include the designation  
12       of one or more financial institutions as a financial agent  
13       of the Government, and the offering to the participating  
14       states of the opportunity to contract with the financial  
15       agent selected by the Secretary, as described in the Invi-  
16       tation for Expressions of Interest to Acquire EBT Serv-  
17       ices for the Southern Alliance of States dated March 9,  
18       1995, as amended as of June 30, 1995, July 7, 1995,  
19       and August 1, 1995.

20            “(c) The selection and designation of financial  
21       agents, the design of the pilot program, and any other  
22       matter associated with or related to the EBT pilot de-  
23       scribed in subsection (b) shall not be subject to judicial  
24       review.”



1   **SEC. 665. DESIGNATION OF FINANCIAL AGENTS.**

2           1. 12 U.S.C. 90 is amended by adding at the end  
3 thereof the following:

4   “Notwithstanding the Federal Property and Administra-  
5 tive Services Act of 1949, as amended, the Secretary may  
6 select associations as financial agents in accordance with  
7 any process the Secretary deems appropriate and their  
8 reasonable duties may include the provision of electronic  
9 benefit transfer services (including State-administered  
10 benefits with the consent of the States), as defined by the  
11 Secretary.”.

12           2. Make conforming amendments to 12 U.S.C.  
13 265, 266, 391, 1452(d), 1767, 1789a, 2013, 2122 and  
14 to 31 U.S.C. 3122 and 3303.

15   **TITLE VII—COUNTER-TERRORISM AND DRUG**

16                   **LAW ENFORCEMENT**

17                   **DEPARTMENT OF THE TREASURY**

18                   **DEPARTMENTAL OFFICES**

19                   **SALARIES AND EXPENSES**

20           For an additional amount for the necessary ex-  
21 penses of the Office of Foreign Assets Control, \$288,000:  
22 *Provided*, That of the amount provided, \$288,000 is des-  
23 ignated by Congress as an emergency requirement pursu-  
24 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
25 and Emergency Deficit Control Act of 1985, as amended.

## 1 OFFICE OF INSPECTOR GENERAL

## 2 SALARIES AND EXPENSES

3 For an additional amount for the necessary ex-  
4 penses of the Office of Inspector General, \$34,000, to re-  
5 main available until expended: *Provided*, That of the  
6 amount provided, \$34,000 is designated by Congress as  
7 an emergency requirement pursuant to section  
8 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
9 Deficit Control Act of 1985, as amended.

## 10 COUNTER-TERRORISM FUND

11 For necessary expenses, as determined by the Sec-  
12 retary, \$15,000,000, to remain available until expended,  
13 to reimburse any Department of the Treasury organiza-  
14 tion for the costs of providing support to counter, inves-  
15 tigate, or prosecute terrorism, including payment of re-  
16 wards in connection with these activities: *Provided*, That  
17 the entire amount of this appropriation shall be available  
18 only to the extent that an official budget request for a  
19 specific dollar amount, that includes designation of the  
20 entire amount of the request as an emergency require-  
21 ment as defined in the Balanced Budget and Emergency  
22 Deficit Control Act of 1985, is transmitted by the Presi-  
23 dent to Congress: *Provided further*, That the entire  
24 amount is designated by Congress as an emergency ap-  
25 propriation pursuant to section 251(b)(2)(D)(i) of such  
26 Act.

## 1       FEDERAL LAW ENFORCEMENT TRAINING CENTER

## 2                       SALARIES AND EXPENSES

3           For an additional amount for the necessary ex-  
4 penses of the Federal Law Enforcement Training Center,  
5 \$1,354,000, to remain available until expended: *Provided*,  
6 That of the amount provided, \$1,354,000 is designated  
7 by Congress as an emergency requirement pursuant to  
8 section 251(b)(2)(D)(i) of the Balanced Budget and  
9 Emergency Deficit Control Act of 1985, as amended.

## 10       ACQUISITION, CONSTRUCTION, IMPROVEMENT, AND

## 11                       RELATED EXPENSES

12           For an additional amount for the necessary ex-  
13 penses for the acquisition, construction, improvement,  
14 and related expenses, \$2,700,000, to remain available  
15 until expended: *Provided*, That of the amount provided,  
16 \$2,700,00 is designated by Congress as an emergency re-  
17 quirement pursuant to section 251(b)(2)(D)(i) of the  
18 Balanced Budget and Emergency Deficit Control Act of  
19 1985, as amended.

## 20                       FINANCIAL MANAGEMENT SERVICE

## 21                       SALARIES AND EXPENSES

22           For an additional amount for the necessary ex-  
23 penses of the Financial Management Service, \$449,000,  
24 to remain available until expended: *Provided*, That of the  
25 amount provided, \$449,000 is designated by Congress as  
26 an emergency requirement pursuant to section

1 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
2 Deficit Control Act of 1985, as amended.

3 BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

4 SALARIES AND EXPENSES

5 For an additional amount for the necessary ex-  
6 penses of the Bureau of Alcohol, Tobacco and Firearms,  
7 \$66,423,000; of which \$3,500,000 shall be available for  
8 the construction and expansion of a canine training facil-  
9 ity, to remain available until expended, of which  
10 \$3,000,000 shall be available for conducting a study of  
11 car bomb explosives, to remain available until expended;  
12 and of which \$6,700,000, to remain available until ex-  
13 pended, for relocation of the Bureau's headquarters  
14 building and laboratory facilities: *Provided*, That of the  
15 amount provided, \$66,423,000 is designated by Congress  
16 as an emergency requirement pursuant to section  
17 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
18 Deficit Control Act of 1985, as amended.

19 UNITED STATES CUSTOMS SERVICE

20 SALARIES AND EXPENSES

21 For an additional amount for the necessary ex-  
22 pense of the United States Customs Service,  
23 \$62,335,000; of which not to exceed \$26,400,000 shall be  
24 available until expended for funding non-competitive co-  
25 operative agreements with air carriers, airports, or other

1 cargo authorities, which provide for the Customs Service  
2 to purchase and assist in installing advanced air cargo in-  
3 spection equipment for the joint use of such entities and  
4 the United States Customs Service: *Provided*, That of the  
5 amount provided, \$62,335,000 is designated by Congress  
6 as an emergency requirement pursuant to section  
7 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
8 Deficit Control Act of 1985, as amended.

9 INTERNAL REVENUE SERVICE

10 PROCESSING, ASSISTANCE AND MANAGEMENT

11 For an additional amount for the necessary ex-  
12 penses for the processing, assistance and management,  
13 \$10,488,000, to remain available until expended: *Pro-*  
14 *vided*, That of the amount provided, \$10,488,000 is des-  
15 ignated by Congress as an emergency requirement pursu-  
16 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
17 and Emergency Deficit Control Act of 1985, as amended.

18 UNITED STATES SECRET SERVICE,

19 SALARIES AND EXPENSES

20 For an additional amount for the necessary ex-  
21 penses of the United States Secret Service \$3,026,000, to  
22 remain available until expended: *Provided*, That of the  
23 amount provided, \$3,026,000 is designated by Congress  
24 as an emergency requirement pursuant to section

1 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
2 Deficit Control Act of 1985, as amended.

3 INDEPENDENT AGENCIES

4 OFFICE OF PERSONNEL MANAGEMENT

5 SALARIES AND EXPENSES

6 For an additional amount for the necessary ex-  
7 penses of the Office of Personnel Management \$210,000,  
8 to remain available until expended: *Provided*, That of the  
9 amount provided, \$210,000 is designated by Congress as  
10 an emergency requirement pursuant to section  
11 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
12 Deficit Control Act of 1985, as amended.

13 FUNDS APPROPRIATED TO THE PRESIDENT

14 FEDERAL DRUG CONTROL PROGRAMS

15 SPECIAL FORFEITURE FUND

16 (INCLUDING TRANSFER OF FUNDS)

17 For activities authorized by Public Law 100–690,  
18 as amended, \$112,900,000, of which \$42,000,000 shall  
19 be transferred to the United States Customs Service for  
20 the conversion of one P–3AEW aircraft for the air inter-  
21 diction program; of which \$10,000,000 shall be available  
22 for transfer to other Federal agencies for methamphet-  
23 amine reduction efforts; and of which \$60,900,000 shall  
24 be available to the Director of the Office of National  
25 Drug Control Policy for enhancing other drug control ac-  
26 tivities, including transfer to other Federal agencies: *Pro-*

1 *vided*, That of the amount provided, \$112,900,000 is des-  
 2 ignated by Congress as an emergency requirement pursu-  
 3 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
 4 and Emergency Deficit Control Act of 1985, as amended  
 5 to become available only upon receipt by the Congress of  
 6 a supplemental request from the President requesting  
 7 such designation.

8 TITLE VIII—FEDERAL FINANCIAL  
 9 MANAGEMENT IMPROVEMENT

10 **SEC. 801. SHORT TITLE.**

11 This title may be cited as the “Federal Financial  
 12 Management Improvement Act of 1996.”

13 **SEC. 802. FINDINGS AND PURPOSES.**

14 (a) FINDINGS.—The Congress finds the following:

15 (1) Much effort has been devoted to strengthen-  
 16 ing Federal internal accounting controls in the past.  
 17 Although progress has been made in recent years,  
 18 Federal accounting standards have not been uni-  
 19 formly implemented in financial management sys-  
 20 tems for agencies.

21 (2) Federal financial management continues to  
 22 be seriously deficient, and Federal financial manage-  
 23 ment and fiscal practices have failed to—

24 (A) identify costs fully;

1 (B) reflect the total liabilities of congres-  
2 sional actions; and

3 (C) accurately report the financial condi-  
4 tion of the Federal Government.

5 (3) Current Federal accounting practices do not  
6 accurately report financial results of the Federal  
7 Government or the full costs of programs and activi-  
8 ties. The continued use of these practices under-  
9 mines the Government's ability to provide credible  
10 and reliable financial data and encourages already  
11 widespread Government waste, and will not assist in  
12 achieving a balanced budget.

13 (4) Waste and inefficiency in the Federal Gov-  
14 ernment undermine the confidence of the American  
15 people in the government and reduce the federal  
16 Government's ability to address vital public needs  
17 adequately.

18 (5) To rebuild the accountability and credibility  
19 of the Federal Government, and restore public con-  
20 fidence in the Federal Government, agencies must  
21 incorporate accounting standards and reporting ob-  
22 jectives established for the Federal Government into  
23 their financial management systems so that all the  
24 assets and liabilities, revenues, and expenditures or  
25 expenses, and the full costs of programs and activi-



1       ties of the Federal Government can be consistently  
2       and accurately recorded, monitored, and uniformly  
3       reported throughout the Federal Government.

4           (6) Since its establishment in October 1990, the  
5       Federal Accounting Standards Advisory Board  
6       (hereinafter referred to as the “FASAB”) has made  
7       substantial progress toward developing and rec-  
8       ommending a comprehensive set of accounting con-  
9       cepts and standards for the Federal Government.  
10       When the accounting concepts and standards devel-  
11       oped by FASB are incorporated into Federal finan-  
12       cial management systems, agencies will be able to  
13       provide cost and financial information that will as-  
14       sist the Congress and financial managers to evaluate  
15       the cost and performance of Federal programs and  
16       activities, and will therefore provide important infor-  
17       mation that has been lacking, but is needed for im-  
18       proved decision making by financial managers and  
19       the Congress.

20           (7) The development of financial management  
21       systems with the capacity to support these standards  
22       and concepts will, over the long term, improve Fed-  
23       eral financial management.

24           (b) PURPOSE.—The purposes of this Act are to—

1           (1) provide for consistency of accounting by an  
2           agency from one fiscal year to the next, and uniform  
3           accounting standards throughout the Federal Gov-  
4           ernment;

5           (2) require Federal financial management sys-  
6           tems to support full disclosure of Federal financial  
7           data, including the full costs of Federal programs  
8           and activities, to the citizens, the Congress, the  
9           President, and agency management, so that pro-  
10          grams and activities can be considered based on  
11          their full costs and merits;

12          (3) increase the accountability and credibility of  
13          federal financial management;

14          (4) improve performance, productivity and effi-  
15          ciency of Federal Government financial manage-  
16          ment;

17          (5) establish financial management systems to  
18          support controlling the cost of Federal Government;

19          (6) build upon and complement the Chief Fi-  
20          nancial Officers Act of 1990 (Public Law 101–576;  
21          104 Stat. 2838), the Government Performance and  
22          Results Act of 1993 (Public Law 103–62; 107 Stat.  
23          285) and the Government Management Reform Act  
24          of 1994 (Public Law 103–356; 108 Stat. 3410); and

1           (7) increase the capability of agencies to mon-  
2       itor execution of the budget by more readily permit-  
3       ting reports that compare spending of resources to  
4       results of activities.

5   **SEC. 803 IMPLEMENTATION OF FEDERAL FINANCIAL MAN-**  
6                   **AGEMENT IMPROVEMENTS.**

7           (a) IN GENERAL.—Each agency shall implement  
8       and maintain financial management systems that comply  
9       substantially with Federal financial management systems  
10      requirements, applicable Federal accounting standards,  
11      and the United States Government Standard General  
12      Ledger at the transaction level.

13          (b) AUDIT COMPLIANCE FINDING.—

14           (1) IN GENERAL.—Each audit required by sec-  
15      tion 3521(e) of title 31, United States Code, shall  
16      report whether the agency financial management  
17      systems comply with the requirements of subsection  
18      (a).

19           (2) CONTENT OF REPORTS.—When the person  
20      performing the audit required by section 3521(e) of  
21      title 31, United States Code, reports that the agency  
22      financial management systems do not comply with  
23      the requirements of subsection (a), the person per-  
24      forming the audit shall include in the report on the  
25      audit—

1 (A) the entity or organization responsible  
2 for the financial management systems that have  
3 been found not to comply with the requirements  
4 of subsection (a);

5 (B) all facts pertaining to the failure to  
6 comply with the requirements of subsection (a),  
7 including—

8 (i) the nature and extent of the non-  
9 compliance including areas in which there  
10 is substantial but not full compliance;

11 (ii) the primary reason or cause of the  
12 noncompliance;

13 (iii) the entity or organization respon-  
14 sible for the non-compliance; and

15 (iv) any relevant comments from any  
16 responsible officer or employee; and

17 (C) a statement with respect to the rec-  
18 ommended remedial actions and the time  
19 frames to implement such actions.

20 (c) COMPLIANCE IMPLEMENTATION.—

21 (1) DETERMINATION.—No later than the date  
22 described under paragraph (2), the Head of an  
23 agency shall determine whether the financial man-  
24 agement systems of the agency comply with the re-

1        requirements of subsection (a). Such determination  
2        shall be based on—

3                (A) a review of the report on the applicable  
4                agency-wide audited financial statement;

5                (B) any other information the Head of the  
6                agency considers relevant and appropriate.

7                (2) DATE OF DETERMINATION.—The deter-  
8        mination under paragraph (1) shall be made no later  
9        than 120 days after the earlier of—

10              (A) the date of the receipt of an agency-  
11              wide audited financial statement; or

12              (B) the last day of the fiscal year following  
13              the year covered by such statement.

14              (3) REMEDIATION PLAN.—

15              (A) If the Head of an agency determines  
16              that the agency's financial management systems  
17              do not comply with the requirements of sub-  
18              section (a), the head of the agency, in consulta-  
19              tion with the Director, shall establish a remedi-  
20              ation plan that shall include resources, rem-  
21              edies, and intermediate target dates necessary  
22              to bring the agency's financial management sys-  
23              tems into substantial compliance.

24              (B) If the determination of the head of the  
25              agency differs from the audit compliance find-

1           ings required in subsection (b), the Director  
2           shall review such determinations and provide a  
3           report on the findings to the appropriate com-  
4           mittees of the Congress.

5           (4) TIME PERIOD FOR COMPLIANCE.—A reme-  
6           diation plan shall bring the agency’s financial man-  
7           agement systems into substantial compliance no  
8           later than 3 years after the date a determination is  
9           made under paragraph (1), unless the agency, with  
10          concurrence of the Director—

11                 (A) determines that the agency’s financial  
12                 management systems cannot comply with the  
13                 requirements of subsection (a) within 3 years;

14                 (B) specifies the most feasible date for  
15                 bringing the agency’s financial management  
16                 systems into compliance with the requirements  
17                 of subsection (a); and

18                 (C) designates an official of the agency  
19                 who shall be responsible for bringing the agen-  
20                 cy’s financial management systems into compli-  
21                 ance with the requirements of subsection (a) by  
22                 the date specified under subparagraph (B).

23 **SEC. 804. REPORTING REQUIREMENTS.**

24           (a) REPORTS BY THE DIRECTOR.—No later than  
25   March 31 of each year, the Director shall submit a report

1 to the Congress regarding implementation of this Act.  
2 The Director may include the report in the financial  
3 management status report and the 5-year financial man-  
4 agement plan submitted under section 3512(a)(1) of title  
5 31, United States Code.

6 (b) REPORTS BY THE INSPECTOR GENERAL.—

7 Each Inspector General who prepares a report under sec-  
8 tion 5(a) of the Inspector General Act of 1978 (5 U.S.C.  
9 App.) shall report to Congress instances and reasons  
10 when an agency has not met the intermediate target  
11 dates established in the remediation plan required under  
12 section 3(c). Specifically the report shall include—

13 (1) the entity or organization responsible for  
14 the non-compliance;

15 (2) the facts pertaining to the failure to comply  
16 with the requirements of subsection (a), including  
17 the nature and extent of the non-compliance, the  
18 primary reason or cause for the failure to comply,  
19 and any extenuating circumstances; and

20 (3) a statement of the remedial actions needed  
21 to comply.

22 (c) REPORTS BY THE COMPTROLLER GENERAL.—

23 No later than October 1, 1997, and October 1, of each  
24 year thereafter, the Comptroller General of the United

1 States shall report to the appropriate committees of the  
2 Congress concerning—

3 (1) compliance with the requirements of section  
4 3(a) of this Act, including whether the financial  
5 statements of the Federal Government have been  
6 prepared in accordance with applicable accounting  
7 standards; and

8 (2) the adequacy of applicable accounting  
9 standards for the Federal Government.

10 **SEC. 805. CONFORMING AMENDMENTS.**

11 (a) AUDITS BY AGENCIES.—Section 3521(f)(1) of  
12 title 31, United States Code, is amended in the first sen-  
13 tence by inserting “and the Controller of the Office of  
14 Federal Financial Management” before the period.

15 (b) FINANCIAL MANAGEMENT STATUS REPORT.—  
16 Section 3512(a)(2) of title 31, United States Code, is  
17 amended by—

18 (1) in subparagraph (D) by striking “and’ after  
19 the semicolon;

20 (2) by redesignating subparagraph (E) as sub-  
21 paragraph (F); and

22 (3) by inserting after subparagraph (D) the fol-  
23 lowing:

24 “(E) a listing of agencies whose financial  
25 management systems do not comply substan-



1           tially with the requirements of Section 3(a) the  
2           Federal Financial Management Improvement  
3           Act of 1996, and a summary statement of the  
4           efforts underway to remedy the noncompliance;  
5           and”

6           (c) INSPECTOR GENERAL ACT OF 1978.—Section  
7 5(a) of the Inspector General Act of 1978 is amended—

8           (1) in paragraph (11) by striking “and” after  
9           the semicolon;

10          (2) in paragraph (12) by striking the period  
11          and inserting “; and”; and

12          (3) by adding at the end the following new  
13          paragraph:

14          “(13) the information described under section  
15          05(b) of the Federal Financial Management Im-  
16          provement Act of 1996.”

17 **SEC. 806. DEFINITIONS.**

18          For purposes of this title:

19          (1) AGENCY.—The term “agency” means a de-  
20          partment or agency of the United States Govern-  
21          ment as defined in section 901(b) of title 31, United  
22          States Code.

23          (2) DIRECTOR.—The term “Director” means  
24          the Director of the Office of Management and Budg-  
25          et.

1           (3) FEDERAL ACCOUNTING STANDARDS.—The  
2       term “Federal accounting standards” means appli-  
3       cable accounting principles, standards, and require-  
4       ments consistent with section 902(a)(3)(A) of title  
5       31, United States Code.

6           (4) FINANCIAL MANAGEMENT SYSTEMS.—The  
7       term “financial management systems” includes the  
8       financial systems and the financial portions of mixed  
9       systems necessary to support financial management,  
10      including automated and manual processes, proce-  
11      dures, controls, data, hardware, software, and sup-  
12      port personnel dedicated to the operation and main-  
13      tenance of system functions.

14          (5) FINANCIAL SYSTEM.—The term “financial  
15      system” includes an information system, comprised  
16      of one or more applications, that is used for—

17            (A) collecting, processing, maintaining,  
18            transmitting, or reporting data about financial  
19            events;

20            (B) supporting financial planning or budg-  
21            eting activities;

22            (C) accumulating and reporting costs in-  
23            formation; or

24            (D) supporting the preparation of financial  
25            statements.

1                   (6) MIXED SYSTEM.—The term “mixed  
2                   system” means an information system that sup-  
3                   ports both financial and nonfinancial functions  
4                   of the Federal Government or components  
5                   thereof.

6 **SEC. 807. EFFECTIVE DATE.**

7                   This title shall take effect for the fiscal year end-  
8                   ing September 30, 1997.

9 **SEC. 808. REVISION OF SHORT TITLES.**

10                  (a) Section 4001 of Public Law 104–106 (110  
11                  Stat. 642; 41 U.S.C. 251 note) is amended to read as fol-  
12                  lows:

13 **“SEC. 4001. SHORT TITLE.**

14                  “‘This division and division E may be cited as the  
15                  ‘Clinger-Cohen Act of 1996’.”.

16                  (b) Section 5001 of Public Law 104–106 (110  
17                  Stat. 679; 40 U.S.C. 1401 note) is amended to read as  
18                  follows:

19 **“SEC. 5001. SHORT TITLE.**

20                  “‘This division and division D may be cited as the  
21                  ‘Clinger-Cohen Act of 1996’.”

22                  (c) Any reference in any law, regulation, docu-  
23                  ment, record, or other paper of the United States to the  
24                  Federal Acquisition Reform Act of 1996 or to the Infor-  
25                  mation Technology Management Reform Act of 1996

1 shall be considered to be a reference to the Clinger-Cohen  
2 Act of 1996.

3       This Act may be cited as the “Treasury, Postal  
4 Service, and General Government Appropriations Act,  
5 1997”.

6 **TITLE II—ECONOMIC GROWTH**  
7 **AND REGULATORY PAPER-**  
8 **WORK REDUCTION**

9 **SEC. 2001. SHORT TITLE; TABLE OF CONTENTS; DEFINI-**  
10 **TIONS.**

11       (a) **SHORT TITLE.**—This title may be cited as the  
12 “Economic Growth and Regulatory Paperwork Reduction  
13 Act of 1996”.

14       (b) **TABLE OF CONTENTS.**—The table of contents for  
15 this title is as follows:

TITLE II—ECONOMIC GROWTH AND REGULATORY PAPERWORK  
REDUCTION

Sec. 2001. Short title; table of contents; definitions

Subtitle A—Streamlining the Home Mortgage Lending Process

Sec. 2101. Simplification and unification of disclosures required under RESPA  
and TILA for mortgage transactions.

Sec. 2102. General exemption authority for loans.

Sec. 2103. Reductions in Real Estate Settlement Procedures Act of 1974 regu-  
latory burdens.

Sec. 2104. Waiver for certain borrowers.

Sec. 2105. Alternative disclosures for adjustable rate mortgages.

Sec. 2106. Restitution for violations of the Truth in Lending Act.

Sec. 2107. Limitation on liability under the Truth in Lending Act.

Subtitle B—Streamlining Government Regulation

CHAPTER 1—ELIMINATING UNNECESSARY REGULATORY REQUIREMENTS  
AND PROCEDURES

Sec. 2201. Elimination of redundant approval requirement for Oakar trans-  
actions.

- Sec. 2202. Elimination of duplicative requirements imposed upon bank holding companies.
- Sec. 2203. Elimination of the per branch capital requirement for national banks and State member banks.
- Sec. 2204. Elimination of branch application requirements for automatic teller machines.
- Sec. 2205. Elimination of requirement for approval of investments in bank premises for well capitalized and well managed banks.
- Sec. 2206. Elimination of approval requirement for divestitures.
- Sec. 2207. Streamlined nonbanking acquisitions by well capitalized and well managed banking organizations.
- Sec. 2208. Elimination of unnecessary filing for officer and director appointments.
- Sec. 2209. Amendments to the Depository Institution Management Interlocks Act.
- Sec. 2210. Elimination of recordkeeping and reporting requirements for officers.
- Sec. 2211. Repayment of Treasury loan.
- Sec. 2212. Branch closures.
- Sec. 2213. Foreign banks.
- Sec. 2214. Disposition of foreclosed assets.
- Sec. 2215. Exemption authority for antitying provision.
- Sec. 2216. FDIC approval of new State bank powers.

#### CHAPTER 2—ELIMINATING UNNECESSARY REGULATORY BURDENS

- Sec. 2221. Small bank examination cycle.
- Sec. 2222. Required review of regulations.
- Sec. 2223. Repeal of identification of nonbank financial institution customers.
- Sec. 2224. Repeal of certain reporting requirements.
- Sec. 2225. Increase in home mortgage disclosure exemption threshold.
- Sec. 2226. Elimination of stock loan reporting requirement.
- Sec. 2227. Credit availability assessment.

#### CHAPTER 3—REGULATORY MICROMANAGEMENT

- Sec. 2241. National bank directors.
- Sec. 2242. Paperwork reduction review.
- Sec. 2243. State bank representation on Board of Directors of the FDIC.
- Sec. 2244. Consultation among examiners.

#### Subtitle C—Regulatory Impact on Cost of Credit and Credit Availability

- Sec. 2301. Audit costs.
- Sec. 2302. Incentives for self-testing.
- Sec. 2303. Qualified thrift investment amendments.
- Sec. 2304. Limited purpose banks.
- Sec. 2305. Amendment to Fair Debt Collection Practices Act.
- Sec. 2306. Increase in certain credit union loan ceilings.
- Sec. 2307. Bank investments in Edge Act and agreement corporations.

#### Subtitle D—Consumer Credit

#### CHAPTER 1—CREDIT REPORTING REFORM

- Sec. 2401. Short title.
- Sec. 2402. Definitions.

- Sec. 2403. Furnishing consumer reports; use for employment purposes.
- Sec. 2404. Use of consumer reports for prescreening and direct marketing; prohibition on unauthorized or uncertified use of information.
- Sec. 2405. Consumer consent required to furnish consumer report containing medical information.
- Sec. 2406. Obsolete information and information contained in consumer reports.
- Sec. 2407. Compliance procedures.
- Sec. 2408. Consumer disclosures.
- Sec. 2409. Procedures in case of the disputed accuracy of any information in a consumer's file.
- Sec. 2410. Charges for certain disclosures.
- Sec. 2411. Duties of users of consumer reports.
- Sec. 2412. Civil liability.
- Sec. 2413. Responsibilities of persons who furnish information to consumer reporting agencies.
- Sec. 2414. Investigative consumer reports.
- Sec. 2415. Increased criminal penalties for obtaining information under false pretenses.
- Sec. 2416. Administrative enforcement.
- Sec. 2417. State enforcement of Fair Credit Reporting Act.
- Sec. 2418. Federal Reserve Board authority.
- Sec. 2419. Preemption of State law.
- Sec. 2420. Effective date.
- Sec. 2421. Relationship to other law.
- Sec. 2422. Federal Reserve Board study.

#### CHAPTER 2—CREDIT REPAIR ORGANIZATIONS

- Sec. 2451. Regulation of credit repair organizations.
- Sec. 2452. Credit worthiness.

#### Subtitle E—Asset Conservation, Lender Liability, and Deposit Insurance Protection

- Sec. 2501. Short title.
- Sec. 2502. CERCLA lender and fiduciary liability limitations amendments.
- Sec. 2503. Conforming amendment.
- Sec. 2504. Lender liability rule.
- Sec. 2505. Effective date.

#### Subtitle F—Miscellaneous

- Sec. 2601. Federal Reserve Board study.
- Sec. 2602. Treatment of claims arising from breach of contracts executed by the receiver or conservator.
- Sec. 2603. Criminal sanctions for fictitious financial instruments and counterfeiting.
- Sec. 2604. Amendments to the Truth in Savings Act.
- Sec. 2605. Consumer Leasing Act amendments.
- Sec. 2606. Study of corporate credit unions.
- Sec. 2607. Report on the reconciliation of differences between regulatory accounting principles and generally accepted accounting principles.
- Sec. 2608. State-by-State and metropolitan area-by-metropolitan area study of bank fees.

- Sec. 2609. Prospective application of gold clauses in contracts.
- Sec. 2610. Qualified family partnerships.
- Sec. 2611. Cooperative efforts between depository institutions and farmers and ranchers in drought-stricken areas.
- Sec. 2612. Streamlining process for determining new nonbanking activities.
- Sec. 2613. Authorizing bank service companies to organize as limited liability partnerships.
- Sec. 2614. Retirement certificates of deposits.
- Sec. 2615. Prohibitions on certain depository institution associations with Government-sponsored enterprises.

#### Subtitle G—Deposit Insurance Funds

- Sec. 2701. Short title.
- Sec. 2702. Special assessment to capitalize SAIF.
- Sec. 2703. Financing corporation funding.
- Sec. 2704. Merger of BIF and SAIF.
- Sec. 2705. Creation of SAIF special reserve.
- Sec. 2706. Refund of amounts in deposit insurance fund in excess of designated reserve amount.
- Sec. 2707. Assessment rates for SAIF members may not be less than assessment rates for BIF members.
- Sec. 2708. Assessments authorized only if needed to maintain the reserve ratio of a deposit insurance fund.
- Sec. 2709. Treasury study of common depository institution charter.
- Sec. 2710. Definitions.
- Sec. 2711. Deductions for special assessments.

1           (c) DEFINITIONS.—Except as otherwise specified in  
 2 this title, the following definitions shall apply for purposes  
 3 of this title:

4           (1) APPRAISAL SUBCOMMITTEE.—The term  
 5 “Appraisal Subcommittee” means the Appraisal  
 6 Subcommittee established under section 1011 of the  
 7 Federal Financial Institutions Examination Council  
 8 Act of 1978 (as in existence on the day before the  
 9 date of enactment of this Act).

10          (2) APPROPRIATE FEDERAL BANKING AGEN-  
 11 CY.—The term “appropriate Federal banking agen-  
 12 cy” has the same meaning as in section 3 of the  
 13 Federal Deposit Insurance Act.

1           (3) BOARD.—The term “Board” means the  
2       Board of Governors of the Federal Reserve System.

3           (4) CORPORATION.—The term “Corporation”  
4       means the Federal Deposit Insurance Corporation.

5           (5) COUNCIL.—The term “Council” means the  
6       Financial Institutions Examination Council estab-  
7       lished under section 1004 of the Federal Financial  
8       Institutions Examination Council Act of 1978.

9           (6) INSURED CREDIT UNION.—The term “in-  
10      sured credit union” has the same meaning as in sec-  
11      tion 101 of the Federal Credit Union Act.

12          (7) INSURED DEPOSITORY INSTITUTION.—The  
13      term “insured depository institution” has the same  
14      meaning as in section 3 of the Federal Deposit In-  
15      surance Act.

## 16   **Subtitle A—Streamlining the Home** 17   **Mortgage Lending Process**

### 18   **SEC. 2101. SIMPLIFICATION AND UNIFICATION OF DISCLO-** 19                   **SURES REQUIRED UNDER RESPA AND TILA** 20                   **FOR MORTGAGE TRANSACTIONS.**

21          (a) IN GENERAL.—With respect to credit trans-  
22      actions which are subject to the Real Estate Settlement  
23      Procedures Act of 1974 and the Truth in Lending Act,  
24      the Board of Governors of the Federal Reserve System  
25      (hereafter in this section referred to as the “Board”) and



1 the Secretary of Housing and Urban Development (here-  
2 after in this section referred to as the “Secretary”) shall  
3 take such action as may be necessary before the end of  
4 the 6-month period beginning on the date of enactment  
5 of this Act—

6 (1) to simplify and improve the disclosures ap-  
7 plicable to such transactions under such Acts, in-  
8 cluding the timing of the disclosures; and

9 (2) to provide a single format for such disclo-  
10 sures which will satisfy the requirements of each  
11 such Act with respect to such transactions.

12 (b) REGULATIONS.—To the extent that it is nec-  
13 essary to prescribe any regulation in order to effect any  
14 changes required to be made under subsection (a), the pro-  
15 posed regulation shall be published in the Federal Register  
16 before the end of the 6-month period referred to in sub-  
17 section (a).

18 (c) RECOMMENDATIONS FOR LEGISLATION.—If the  
19 Board and the Secretary find that legislative action may  
20 be necessary or appropriate in order to simplify and unify  
21 the disclosure requirements under the Real Estate Settle-  
22 ment Procedures Act of 1974 and the Truth in Lending  
23 Act, the Board and the Secretary shall submit a report  
24 containing recommendations to the Congress concerning  
25 such action.

1 **SEC. 2102. GENERAL EXEMPTION AUTHORITY FOR LOANS.**

2 (a) **REGULATORY FLEXIBILITY.**—Section 104 of the  
3 Truth in Lending Act (15 U.S.C. 1603) is amended—

4 (1) by redesignating paragraphs (5) and (6) as  
5 paragraphs (6) and (7), respectively; and

6 (2) by inserting after paragraph (4) the follow-  
7 ing new paragraph:

8 “(5) Transactions for which the Board, by rule,  
9 determines that coverage under this title is not nec-  
10 essary to carry out the purposes of this title.”.

11 (b) **EXEMPTION AUTHORITY.**—Section 105 of the  
12 Truth in Lending Act (15 U.S.C. 1604) is amended by  
13 adding at the end the following new subsection:

14 “(f) **EXEMPTION AUTHORITY.**—

15 “(1) **IN GENERAL.**—The Board may exempt, by  
16 regulation, from all or part of this title any class of  
17 transactions, other than transactions involving any  
18 mortgage described in section 103(aa), for which, in  
19 the determination of the Board, coverage under all  
20 or part of this title does not provide a meaningful  
21 benefit to consumers in the form of useful informa-  
22 tion or protection.

23 “(2) **FACTORS FOR CONSIDERATION.**—In deter-  
24 mining which classes of transactions to exempt in  
25 whole or in part under paragraph (1), the Board  
26 shall consider the following factors and publish its

1       rationale at the time a proposed exemption is pub-  
2       lished for comment:

3               “(A) The amount of the loan and whether  
4       the disclosures, right of rescission, and other  
5       provisions provide a benefit to the consumers  
6       who are parties to such transactions, as deter-  
7       mined by the Board.

8               “(B) The extent to which the requirements  
9       of this title complicate, hinder, or make more  
10      expensive the credit process for the class of  
11      transactions.

12              “(C) The status of the borrower, includ-  
13      ing—

14                   “(i) any related financial arrange-  
15                  ments of the borrower, as determined by  
16                  the Board;

17                   “(ii) the financial sophistication of the  
18                  borrower relative to the type of trans-  
19                  action; and

20                   “(iii) the importance to the borrower  
21                  of the credit, related supporting property,  
22                  and coverage under this title, as deter-  
23                  mined by the Board;

24              “(D) whether the loan is secured by the  
25      principal residence of the consumer; and

1                   “(E) whether the goal of consumer protec-  
 2                   tion would be undermined by such an exemp-  
 3                   tion.”.

4 **SEC. 2103. REDUCTIONS IN REAL ESTATE SETTLEMENT**  
 5 **PROCEDURES ACT OF 1974 REGULATORY**  
 6 **BURDENS.**

7           (a) UNNECESSARY DISCLOSURE.—Section 6(a) of the  
 8 Real Estate Settlement Procedures Act of 1974 (12  
 9 U.S.C. 2605(a)) is amended to read as follows:

10           “(a) DISCLOSURE TO APPLICANT RELATING TO AS-  
 11 SIGNMENT, SALE, OR TRANSFER OF LOAN SERVICING.—  
 12 Each person who makes a federally related mortgage loan  
 13 shall disclose to each person who applies for the loan, at  
 14 the time of application for the loan, whether the servicing  
 15 of the loan may be assigned, sold, or transferred to any  
 16 other person at any time while the loan is outstanding.”.

17           (b) CONSISTENCY OF REAL ESTATE SETTLEMENT  
 18 PROCEDURES ACT AND TRUTH IN LENDING ACT EXEMP-  
 19 TION OF BUSINESS LOANS.—Section 7 of the Real Estate  
 20 Settlement Procedures Act of 1974 (12 U.S.C. 2606) is  
 21 amended—

22           (1) by striking “This Act” and inserting the  
 23 following:

24           “(a) IN GENERAL.—This Act”; and

1           (2) by adding at the end the following new sub-  
2           section:

3           “(b) INTERPRETATION.—In prescribing regulations  
4 under section 19(a), the Secretary shall ensure that, with  
5 respect to subsection (a) of this section, the exemption for  
6 credit transactions involving extensions of credit primarily  
7 for business, commercial, or agricultural purposes, as pro-  
8 vided in section 7(1) of the Real Estate Settlement Proce-  
9 dures Act of 1974 shall be the same as the exemption for  
10 such credit transactions under section 104(1) of the Truth  
11 in Lending Act.”.

12           (c) REDESIGNATION OF CONTROLLED BUSINESS AR-  
13 RANGEMENTS AS AFFILIATED BUSINESS ARRANGE-  
14 MENTS.—The Real Estate Settlement Procedures Act of  
15 1974 (12 U.S.C. 2601 et seq.) is amended—

16           (1) in section 3(7), by striking “controlled busi-  
17 ness arrangement” and inserting “affiliated business  
18 arrangement”; and

19           (2) in subsections (c)(4) and (d)(6) of section  
20 8, by striking “controlled business arrangements”  
21 and inserting “affiliated business arrangements”.

22           (d) DISCLOSURES BY TELEPHONE OR ELECTRONIC  
23 MEDIA.—Section 8(c)(4) of the Real Estate Settlement  
24 Procedures Act of 1974 (12 U.S.C. 2607(c)(4)(A)) is  
25 amended by striking subparagraph (A) and inserting the

1 following “(A) a disclosure is made of the existence of such  
2 an arrangement to the person being referred and, in con-  
3 nection with such referral, such person is provided a writ-  
4 ten estimate of the charge or range of charges generally  
5 made by the provider to which the person is referred (i)  
6 in the case of a face-to-face referral or a referral made  
7 in writing or by electronic media, at or before the time  
8 of the referral (and compliance with this requirement in  
9 such case may be evidenced by a notation in a written,  
10 electronic, or similar system of records maintained in the  
11 regular course of business); (ii) in the case of a referral  
12 made by telephone, within 3 business days after the refer-  
13 ral by telephone, (and in such case an abbreviated verbal  
14 disclosure of the existence of the arrangement and the fact  
15 that a written disclosure will be provided within 3 business  
16 days shall be made to the person being referred during  
17 the telephone referral); or (iii) in the case of a referral  
18 by a lender (including a referral by a lender to an affili-  
19 ated lender), at the time the estimates required under sec-  
20 tion 5(c) are provided (notwithstanding clause (i) or (ii));  
21 and any required written receipt of such disclosure (with-  
22 out regard to the manner of the disclosure under clause  
23 (i), (ii), or (iii)) may be obtained at the closing or settle-  
24 ment (except that a person making a face-to-face referral  
25 who provides the written disclosure at or before the time

1 of the referral shall attempt to obtain any required written  
2 receipt of such disclosure at such time and if the person  
3 being referred chooses not to acknowledge the receipt of  
4 the disclosure at that time, that fact shall be noted in the  
5 written, electronic, or similar system of records main-  
6 tained in the regular course of business by the person  
7 making the referral),”.

8 (e) LIMITATION ON CLAIMS ARISING FROM VIOLA-  
9 TIONS OF REQUIREMENTS FOR SERVICING MORTGAGES  
10 AND ADMINISTERING ESCROW ACCOUNTS.—Section 16 of  
11 the Real Estate Settlement Procedures Act of 1974 (12  
12 U.S.C. 2614) is amended—

13 (1) by striking “section 8 or 9” and inserting  
14 “section 6, 8, or 9”; and

15 (2) by striking “within one year” and inserting  
16 “within 3 years in the case of a violation of section  
17 6 and 1 year in the case of a violation of section 8  
18 or 9”.

19 (f) DELAY OF EFFECTIVENESS OF RECENT FINAL  
20 REGULATION RELATING TO PAYMENTS TO EMPLOY-  
21 EES.—Section 19 of the Real Estate Settlement Proce-  
22 dures Act of 1974 (12 U.S.C. 2617) is amended by adding  
23 at the end the following new subsection:

1       “(d) DELAY OF EFFECTIVENESS OF RECENT FINAL  
2 REGULATION RELATING TO PAYMENTS TO EMPLOY-  
3 EES.—

4           “(1) IN GENERAL.—The amendment to part  
5 3500 of title 24 of the Code of Federal Regulations  
6 contained in the final regulation prescribed by the  
7 Secretary and published in the Federal Register on  
8 June 7, 1996, which will, as of the effective date of  
9 such amendment—

10           “(A) eliminate the exemption for payments  
11 by an employer to employees of such employer  
12 for referral activities which is currently codified  
13 as section 3500.14(g)(1)(vii) of such title 24;  
14 and

15           “(B) replace such exemption with a more  
16 limited exemption in new clauses (vii), (viii),  
17 and (ix) of section 3500.14 of such title 24,  
18 shall not take effect before July 31, 1997.

19           “(2) CONTINUATION OF PRIOR RULE.—The  
20 regulation codified as section 3500.14(g)(1)(vii) of  
21 title 24 of the Code of Federal Regulations, relating  
22 to employer-employee payments, as in effect on May  
23 1, 1996, shall remain in effect until the date the  
24 amendment referred to in paragraph (1) takes effect  
25 in accordance with such paragraph.



1           “(3) PUBLIC NOTICE OF EFFECTIVE DATE.—

2           The Secretary shall provide public notice of the date  
3           on which the amendment referred to in paragraph  
4           (1) will take effect in accordance with such para-  
5           graph not less than 90 days and not more than 180  
6           days before such effective date.”.

7           (g) TECHNICAL AND CONFORMING AMENDMENTS.—

8           (1) Section 4(a) of the Real Estate Settlement  
9           Procedures Act of 1974 (12 U.S.C. 2603(a)) is  
10          amended by striking “Federal Home Loan Bank  
11          Board” and inserting “Director of the Office of  
12          Thrift Supervision”.

13          (2) Section 10(c)(1)(C) of the Real Estate Set-  
14          tlement Procedures Act of 1974 (12 U.S.C.  
15          2609(c)(1)(C)) is amended by striking “Not later  
16          than the expiration of the 90-day period beginning  
17          on the date of the enactment of the Cranston-Gon-  
18          zalez National Affordable Housing Act, the” and in-  
19          serting “The”.

20          (h) REPEAL OF OBSOLETE PROVISIONS.—The Real  
21          Estate Settlement Procedures Act of 1974 (12 U.S.C.  
22          2601 et seq.) is amended by striking sections 13, 14 and  
23          15.

1 **SEC. 2104. WAIVER FOR CERTAIN BORROWERS.**

2 Section 105 of the Truth in Lending Act (15 U.S.C.  
3 1604) is amended by adding at the end the following new  
4 subsection:

5 “(g) WAIVER FOR CERTAIN BORROWERS.—

6 “(1) IN GENERAL.—The Board, by regulation,  
7 may exempt from the requirements of this title cer-  
8 tain credit transactions if—

9 “(A) the transaction involves a consumer—

10 “(i) with an annual earned income of  
11 more than \$200,000; or

12 “(ii) having net assets in excess of  
13 \$1,000,000 at the time of the transaction;  
14 and

15 “(B) a waiver that is handwritten, signed,  
16 and dated by the consumer is first obtained  
17 from the consumer.

18 “(2) ADJUSTMENTS BY THE BOARD.—The  
19 Board, at its discretion, may adjust the annual  
20 earned income and net asset requirements of para-  
21 graph (1) for inflation.”.

22 **SEC. 2105. ALTERNATIVE DISCLOSURES FOR ADJUSTABLE**  
23 **RATE MORTGAGES.**

24 Section 128(a) of the Truth in Lending Act (15  
25 U.S.C. 1638(a)) is amended by adding at the end the fol-  
26 lowing new paragraph:

1           “(14) In the case of any variable interest rate  
2           residential mortgage transaction, in disclosures pro-  
3           vided at application as prescribed by the Board for  
4           a variable rate transaction secured by the consum-  
5           er’s principal dwelling, at the option of the creditor,  
6           a statement that the periodic payments may increase  
7           or decrease substantially, and the maximum interest  
8           rate and payment for a \$10,000 loan originated at  
9           a recent interest rate, as determined by the Board,  
10          assuming the maximum periodic increases in rates  
11          and payments under the program, or a historical ex-  
12          ample illustrating the effects of interest rate changes  
13          implemented according to the loan program.”.

14   **SEC. 2106. RESTITUTION FOR VIOLATIONS OF THE TRUTH**  
15                   **IN LENDING ACT.**

16          Section 108(e)(3) of the Truth in Lending Act (15  
17   U.S.C. 2602(3)) is amended—

18               (1) by striking “ordered (A) if” and inserting  
19               the following: “ordered—

20               “(A) if”;

21               (2) by striking “may require a partial” and in-  
22               serting “may—

23               “(i) require a partial”;

1           (3) by striking “, except that with respect” and  
2           all that follows through “Act, the agency shall re-  
3           quire” and inserting “; or

4                     “(ii) require”;

5           (4) by striking “reasonable, (B) the” and in-  
6           serting the following: “reasonable, if (in the case of  
7           an agency referred to in paragraph (1), (2), or (3)  
8           of subsection (a)), the agency determines that a par-  
9           tial adjustment or making partial payments over an  
10          extended period is necessary to avoid causing the  
11          creditor to become undercapitalized pursuant to sec-  
12          tion 38 of the Federal Deposit Insurance Act;

13                   “(B) the”; and

14          (5) by striking “(C) except” and inserting the  
15          following:

16                   “(C) except”.

17 **SEC. 2107. LIMITATION ON LIABILITY UNDER THE TRUTH**  
18 **IN LENDING ACT.**

19          (a) IN GENERAL.—Section 139(a) of the Truth in  
20          Lending Act (15 U.S.C. 1649(a)) is amended by striking  
21          “For any consumer credit transaction subject to this title”  
22          and inserting “For any closed end consumer credit trans-  
23          action that is secured by real property or a dwelling, that  
24          is subject to this title, and”.

1 (b) EFFECTIVE DATE.—The amendment made by  
 2 subsection (a) shall be effective as of September 30,  
 3 1995.

4 **Subtitle B—Streamlining**  
 5 **Government Regulation**  
 6 **CHAPTER 1—ELIMINATING UNNECESSARY**  
 7 **REGULATORY REQUIREMENTS AND**  
 8 **PROCEDURES**

9 **SEC. 2201. ELIMINATION OF REDUNDANT APPROVAL RE-**  
 10 **QUIREMENT FOR OAKAR TRANSACTIONS.**

11 (a) IN GENERAL.—Section 5(d)(3) of the Federal  
 12 Deposit Insurance Act (12 U.S.C. 1815(d)(3)) is amend-  
 13 ed—

14 (1) in subparagraph (A), by striking “with the  
 15 prior written approval of” and inserting “if the  
 16 transaction is approved by”;

17 (2) in subparagraph (E)—

18 (A) by striking clauses (i) and (iv);

19 (B) by redesignating clauses (ii) and (iii)  
 20 as clauses (i) and (ii), respectively; and

21 (C) by adding at the end the following new  
 22 clause:

23 “(iii) CAPITAL REQUIREMENTS.—A  
 24 transaction described in this paragraph  
 25 shall not be approved under section

(4) by redesignating subparagraphs (H) through (J) as subparagraphs (G) through (I), respectively.

(1) REVISED STATUTES.—Section 5156A(b)(1) of the Revised Statutes of the United States (12 U.S.C. 215c(b)(1)) is amended by striking “by section 5(d)(3) of the Federal Deposit Insurance Act or any other” and inserting “under any”.

(2) HOME OWNERS' LOAN ACT.—Section 10(s)(2)(A) of the Home Owners' Loan Act (12 U.S.C. 1467a(s)(2)(A)) is amended by striking “under section 5(d)(3) of the Federal Deposit Insurance Act or any other” and inserting “under any”.

(a) EXEMPTION FOR BANK HOLDING COMPANIES.—  
Section 10 of the Home Owners' Loan Act (12 U.S.C.  
1467a) is amended by adding at the end the following new  
subsection:

1       “(t) EXEMPTION FOR BANK HOLDING COMPA-  
 2 NIES.—This section shall not apply to a bank holding com-  
 3 pany that is subject to the Bank Holding Company Act  
 4 of 1956, or any company controlled by such bank holding  
 5 company.”.

6       (b) DEFINITION.—Section 10(a)(1)(D) of the Home  
 7 Owners’ Loan Act (12 U.S.C. 1467a(a)(1)(D)) is amend-  
 8 ed to read as follows:

9               “(D) SAVINGS AND LOAN HOLDING COM-  
 10 PANY.—

11               “(i) IN GENERAL.—Except as pro-  
 12 vided in clause (ii), the term ‘savings and  
 13 loan holding company’ means any company  
 14 that directly or indirectly controls a sav-  
 15 ings association or that controls any other  
 16 company that is a savings and loan holding  
 17 company.

18               “(ii) EXCLUSION.—The term ‘savings  
 19 and loan holding company’ does not in-  
 20 clude a bank holding company that is reg-  
 21 istered under, and subject to, the Bank  
 22 Holding Company Act of 1956, or to any  
 23 company directly or indirectly controlled by  
 24 such company (other than a savings asso-  
 25 ciation).”.

1 (c) ACQUISITIONS.—Section 10(e)(1) of the Home  
2 Owners’ Loan Act (12 U.S.C. 1467a(e)(1)) is amended—

3 (1) in subparagraph (A)(iii)(VII), by inserting  
4 “or” at the end;

5 (2) in subparagraph (A)(iv), by inserting “and”  
6 at the end; and

7 (3) in subparagraph (B)—

8 (A) by striking “or (ii)” and inserting  
9 “(ii)”; and

10 (B) by inserting before the first period “,  
11 or (iii) acquired by a bank holding company  
12 that is registered under, and subject to, the  
13 Bank Holding Company Act of 1956, or any  
14 company controlled by such bank holding com-  
15 pany”.

16 (d) AMENDMENTS TO THE BANK HOLDING COMPANY  
17 ACT OF 1956.—Section 4(i) of the Bank Holding Com-  
18 pany Act of 1956 (12 U.S.C. 1843(i)) is amended by add-  
19 ing at the end the following new paragraphs:

20 “(4) SOLICITATION OF VIEWS.—

21 “(A) NOTICE TO DIRECTOR.—Upon receiv-  
22 ing any application or notice by a bank holding  
23 company to acquire, directly or indirectly, a  
24 savings association under subsection (c)(8), the  
25 Board shall solicit comments and recommenda-



1           tions from the Director with respect to such ac-  
2           quisition.

3           “(B) COMMENT PERIOD.—The comments  
4           and recommendations of the Director under  
5           subparagraph (A) with respect to any acquisi-  
6           tion subject to such subparagraph shall be  
7           transmitted to the Board not later than 30 days  
8           after the receipt by the Director of the notice  
9           relating to such acquisition (or such shorter pe-  
10          riod as the Board may specify if the Board ad-  
11          vises the Director that an emergency exists that  
12          requires expeditious action).

13          “(5) EXAMINATION.—

14               “(A) SCOPE.—The Board shall consult  
15               with the Director, as appropriate, in establish-  
16               ing the scope of an examination by the Board  
17               of a bank holding company that directly or indi-  
18               rectly controls a savings association.

19               “(B) ACCESS TO INSPECTION REPORTS.—  
20               Upon the request of the Director, the Board  
21               shall furnish the Director with a copy of any in-  
22               spection report, additional examination mate-  
23               rials, or supervisory information relating to any  
24               bank holding company that directly or indirectly  
25               controls a savings association.

1           “(6) COORDINATION OF ENFORCEMENT EF-  
 2       FORTS.—The Board and the Director shall cooper-  
 3       ate in any enforcement action against any bank  
 4       holding company that controls a savings association,  
 5       if the relevant conduct involves such association.

6           “(7) DIRECTOR DEFINED.—For purposes of  
 7       this section, the term ‘Director’ means the Director  
 8       of the Office of Thrift Supervision.”.

9   **SEC. 2204. ELIMINATION OF THE PER BRANCH CAPITAL RE-**  
 10                   **QUIREMENT FOR NATIONAL BANKS AND**  
 11                   **STATE MEMBER BANKS.**

12       Section 5155(h) of the Revised Statutes of the United  
 13       States (12 U.S.C. 36(h)) is amended to read as follows:

14       “(h) [Repealed]”.

15   **SEC. 2205. ELIMINATION OF BRANCH APPLICATION RE-**  
 16                   **QUIREMENTS FOR AUTOMATIC TELLER MA-**  
 17                   **CHINES.**

18       (a) “BRANCH” UNDER NATIONAL BANK ACT.—Sec-  
 19       tion 5155(j) of the Revised Statutes of the United States  
 20       (12 U.S.C. 36(j)) is amended by adding at the end the  
 21       following: “The term ‘branch’, as used in this section, does  
 22       not include an automated teller machine or a remote serv-  
 23       ice unit.”.

24       (b) “DOMESTIC BRANCH” UNDER THE FEDERAL  
 25       DEPOSIT INSURANCE ACT.—Section 3(o) of the Federal

1 Deposit Insurance Act (12 U.S.C. 1813(o)) is amended  
2 by striking “lent; and the” and inserting “lent. The term  
3 ‘domestic branch’ does not include an automated teller  
4 machine or a remote service unit. The”.

5 **SEC. 2206. ELIMINATION OF REQUIREMENT FOR APPROVAL**  
6 **OF INVESTMENTS IN BANK PREMISES FOR**  
7 **WELL CAPITALIZED AND WELL MANAGED**  
8 **BANKS.**

9 Section 24A of the Federal Reserve Act (12 U.S.C.  
10 371d) is amended to read as follows:

11 **“SEC. 24A. INVESTMENT IN BANK PREMISES OR STOCK OF**  
12 **CORPORATION HOLDING PREMISES.**

13 “(a) CONDITIONS OF INVESTMENT.—No national  
14 bank or State member bank shall invest in bank premises,  
15 or in the stock, bonds, debentures, or other such obliga-  
16 tions of any corporation holding the premises of such  
17 bank, or make loans to or upon the security of any such  
18 corporation—

19 “(1) unless the bank receives the prior approval  
20 of the Comptroller of the Currency (with respect to  
21 a national bank) or the Board (with respect to a  
22 State member bank);

23 “(2) unless the aggregate of all such invest-  
24 ments and loans, together with the amount of any  
25 indebtedness incurred by any such corporation that

1 is an affiliate of the bank, is less than or equal to  
2 the amount of the capital stock of such bank; or

3 “(3) unless—

4 “(A) the aggregate of all such investments  
5 and loans, together with the amount of any in-  
6 debtedness incurred by any such corporation  
7 that is an affiliate of the bank, is less than or  
8 equal to 150 percent of the capital and surplus  
9 of the bank; and

10 “(B) the bank—

11 “(i) has a CAMEL composite rating  
12 of 1 or 2 under the Uniform Financial In-  
13 stitutions Rating System (or an equivalent  
14 rating under a comparable rating system)  
15 as of the most recent examination of such  
16 bank;

17 “(ii) is well capitalized and will con-  
18 tinue to be well capitalized after the invest-  
19 ment or loan; and

20 “(iii) provides notification to the  
21 Comptroller of the Currency (with respect  
22 to a national bank) or to the Board (with  
23 respect to a State member bank) not later  
24 than 30 days after making the investment  
25 or loan.

1 “(b) DEFINITIONS.—For purposes of this section—

2 “(1) the term ‘affiliate’ has the same meaning  
3 as in section 2 of the Banking Act of 1933; and

4 “(2) the term ‘well capitalized’ has the same  
5 meaning as in section 38(b) of the Federal Deposit  
6 Insurance Act.”.

7 **SEC. 2207. ELIMINATION OF APPROVAL REQUIREMENT FOR**  
8 **DIVESTITURES.**

9 Section 2(g) of the Bank Holding Company Act of  
10 1956 (12 U.S.C. 1841(g)) is amended—

11 (1) in paragraph (1), by adding “and” at the  
12 end;

13 (2) in paragraph (2), by striking “; and” and  
14 inserting a period; and

15 (3) by striking paragraph (3).

16 **SEC. 2208. STREAMLINED NONBANKING ACQUISITIONS BY**  
17 **WELL CAPITALIZED AND WELL MANAGED**  
18 **BANKING ORGANIZATIONS.**

19 (a) NOTICE REQUIREMENTS.—Section 4(j) of the  
20 Bank Holding Company Act of 1956 (12 U.S.C. 1843(j))  
21 is amended—

22 (1) in paragraph (1)(A), by striking “No” and  
23 inserting “Except as provided in paragraph (3), no”;  
24 and

1           (2) by adding at the end the following new  
2 paragraphs:

3           “(3) NO NOTICE REQUIRED FOR CERTAIN  
4 TRANSACTIONS.—No notice under paragraph (1) of  
5 this subsection or under subsection (c)(8) or  
6 (a)(2)(B) is required for a proposal by a bank hold-  
7 ing company to engage in any activity or acquire the  
8 shares or assets of any company, other than an in-  
9 sured depository institution, if the proposal qualifies  
10 under paragraph (4).

11           “(4) CRITERIA FOR STATUTORY APPROVAL.—A  
12 proposal qualifies under this paragraph if all of the  
13 following criteria are met:

14           “(A) FINANCIAL CRITERIA.—Both before  
15 and immediately after the proposed trans-  
16 action—

17                   “(i) the acquiring bank holding com-  
18 pany is well capitalized;

19                   “(ii) the lead insured depository insti-  
20 tution of such holding company is well cap-  
21 italized;

22                   “(iii) well capitalized insured deposi-  
23 tory institutions control at least 80 percent  
24 of the aggregate total risk-weighted assets

1 of insured depository institutions controlled  
2 by such holding company; and

3 “(iv) no insured depository institution  
4 controlled by such holding company is  
5 undercapitalized.

6 “(B) MANAGERIAL CRITERIA.—

7 “(i) WELL MANAGED.—At the time of  
8 the transaction, the acquiring bank holding  
9 company, its lead insured depository insti-  
10 tution, and insured depository institutions  
11 that control at least 90 percent of the ag-  
12 gregate total risk-weighted assets of in-  
13 sured depository institutions controlled by  
14 such holding company are well managed.

15 “(ii) LIMITATION ON POORLY MAN-  
16 AGED INSTITUTIONS.—Except as provided  
17 in paragraph (6), no insured depository in-  
18 stitution controlled by the acquiring bank  
19 holding company has received 1 of the 2  
20 lowest composite ratings at the later of the  
21 institution’s most recent examination or  
22 subsequent review.

23 “(C) ACTIVITIES PERMISSIBLE.—Following  
24 consummation of the proposal, the bank holding

1 company engages directly or through a subsidi-  
2 ary solely in—

3 “(i) activities that are permissible  
4 under subsection (c)(8), as determined by  
5 the Board by regulation or order there-  
6 under, subject to all of the restrictions,  
7 terms, and conditions of such subsection  
8 and such regulation or order; and

9 “(ii) such other activities as are other-  
10 wise permissible under this section, subject  
11 to the restrictions, terms and conditions,  
12 including any prior notice or approval re-  
13 quirements, provided in this section.

14 “(D) SIZE OF ACQUISITION.—

15 “(i) ASSET SIZE.—The book value of  
16 the total assets to be acquired does not ex-  
17 ceed 10 percent of the consolidated total  
18 risk-weighted assets of the acquiring bank  
19 holding company.

20 “(ii) CONSIDERATION.—The gross  
21 consideration to be paid for the securities  
22 or assets does not exceed 15 percent of the  
23 consolidated Tier 1 capital of the acquiring  
24 bank holding company.



1           “(E) NOTICE NOT OTHERWISE WAR-  
2 RANTED.—For proposals described in para-  
3 graph (5)(B), the Board has not, before the  
4 conclusion of the period provided in paragraph  
5 (5)(B), advised the bank holding company that  
6 a notice under paragraph (1) is required.

7           “(F) COMPLIANCE CRITERION.—During  
8 the 12-month period ending on the date on  
9 which the bank holding company proposes to  
10 commence an activity or acquisition, no admin-  
11 istrative enforcement action has been com-  
12 menced, and no cease and desist order has been  
13 issued pursuant to section 8 of the Federal De-  
14 posit Insurance Act, against the bank holding  
15 company or any depository institution subsidi-  
16 ary of the holding company, and no such en-  
17 forcement action, order, or other administrative  
18 enforcement proceeding is pending as of such  
19 date.

20           “(5) NOTIFICATION.—

21           “(A) COMMENCEMENT OF ACTIVITIES AP-  
22 PROVED BY RULE.—A bank holding company  
23 that qualifies under paragraph (4) and that  
24 proposes to engage de novo, directly or through  
25 a subsidiary, in any activity that is permissible

1 under subsection (c)(8), as determined by the  
2 Board by regulation, may commence that activ-  
3 ity without prior notice to the Board and must  
4 provide written notification to the Board not  
5 later than 10 business days after commencing  
6 the activity.

7 “(B) ACTIVITIES PERMITTED BY ORDER  
8 AND ACQUISITIONS.—

9 “(i) IN GENERAL.—At least 12 busi-  
10 ness days before commencing any activity  
11 pursuant to paragraph (3) (other than an  
12 activity described in subparagraph (A) of  
13 this paragraph) or acquiring shares or as-  
14 sets of any company pursuant to para-  
15 graph (3), the bank holding company shall  
16 provide written notice of the proposal to  
17 the Board, unless the Board determines  
18 that no notice or a shorter notice period is  
19 appropriate.

20 “(ii) DESCRIPTION OF ACTIVITIES  
21 AND TERMS.—A notification under this  
22 subparagraph shall include a description of  
23 the proposed activities and the terms of  
24 any proposed acquisition.

1           “(6) RECENTLY ACQUIRED INSTITUTIONS.—

2       Any insured depository institution which has been  
3       acquired by a bank holding company during the 12-  
4       month period preceding the date on which the com-  
5       pany proposes to commence an activity or acquisi-  
6       tion pursuant to paragraph (3) may be excluded for  
7       purposes of paragraph (4)(B)(ii) if—

8           “(A) the bank holding company has devel-  
9       oped a plan for the institution to restore the  
10      capital and management of the institution  
11      which is acceptable to the appropriate Federal  
12      banking agency; and

13          “(B) all such insured depository institu-  
14      tions represent, in the aggregate, less than 10  
15      percent of the aggregate total risk-weighted as-  
16      sets of all insured depository institutions con-  
17      trolled by the bank holding company.

18          “(7) ADJUSTMENT OF PERCENTAGES.—The  
19      Board may, by regulation, adjust the percentages  
20      and the manner in which the percentages of insured  
21      depository institutions are calculated under para-  
22      graph (4)(B)(i), (4)(D), or (6)(B) if the Board de-  
23      termines that any such adjustment is consistent with  
24      safety and soundness and the purposes of this Act.”.

1 (b) DEFINITIONS.—Section 2(o) of the Bank Holding  
2 Company Act of 1956 (12 U.S.C. 1841(o)) is amended—

3 (1) by striking paragraph (1) and inserting the  
4 following new paragraph:

5 “(1) CAPITAL TERMS.—

6 “(A) INSURED DEPOSITORY INSTITU-  
7 TIONS.—With respect to insured depository in-  
8 stitutions, the terms ‘well capitalized’, ‘ade-  
9 quately capitalized’, and ‘undercapitalized’ have  
10 the same meanings as in section 38(b) of the  
11 Federal Deposit Insurance Act.

12 “(B) BANK HOLDING COMPANY.—

13 “(i) ADEQUATELY CAPITALIZED.—  
14 With respect to a bank holding company,  
15 the term ‘adequately capitalized’ means a  
16 level of capitalization which meets or ex-  
17 ceeds all applicable Federal regulatory cap-  
18 ital standards.

19 “(ii) WELL CAPITALIZED.—A bank  
20 holding company is ‘well capitalized’ if it  
21 meets the required capital levels for well  
22 capitalized bank holding companies estab-  
23 lished by the Board.

24 “(C) OTHER CAPITAL TERMS.—The terms  
25 ‘Tier 1’ and ‘risk-weighted assets’ have the

1 meanings given those terms in the capital  
2 guidelines or regulations established by the  
3 Board for bank holding companies.”; and

4 (2) by adding at the end the following new  
5 paragraphs:

6 “(8) LEAD INSURED DEPOSITORY INSTITU-  
7 TIONS.—

8 “(A) IN GENERAL.—The term ‘lead in-  
9 sured depository institution’ means the largest  
10 insured depository institution controlled by the  
11 subject bank holding company at any time,  
12 based on a comparison of the average total risk-  
13 weighted assets controlled by each insured de-  
14 pository institution during the previous 12-  
15 month period.

16 “(B) BRANCH OR AGENCY.—For purposes  
17 of this paragraph and section 4(j)(4), the term  
18 ‘insured depository institution’ includes any  
19 branch or agency operated in the United States  
20 by a foreign bank.

21 “(9) WELL MANAGED.—The term ‘well man-  
22 aged’ means—

23 “(A) in the case of any company or deposi-  
24 tory institution which receives examinations, the  
25 achievement of—

1 “(i) a CAMEL composite rating of 1  
 2 or 2 (or an equivalent rating under an  
 3 equivalent rating system) in connection  
 4 with the most recent examination or subse-  
 5 quent review of such company or institu-  
 6 tion; and

7 “(ii) at least a satisfactory rating for  
 8 management, if such rating is given; or

9 “(B) in the case of a company or deposi-  
 10 tory institution that has not received an exam-  
 11 ination rating, the existence and use of manage-  
 12 rial resources which the Board determines are  
 13 satisfactory.”.

14 **SEC. 2209. ELIMINATION OF UNNECESSARY FILING FOR OF-**  
 15 **FICER AND DIRECTOR APPOINTMENTS.**

16 Section 32 of the Federal Deposit Insurance Act (12  
 17 U.S.C. 1831i) is amended—

18 (1) in subsection (a)—

19 (A) by inserting “(or such other period, as  
 20 determined by the appropriate Federal banking  
 21 agency)” after “30 days”;

22 (B) by striking “if the insured depository  
 23 institution or depository institution holding  
 24 company” and inserting “if”;

25 (C) by striking paragraphs (1) and (2);

1 (D) by redesignating paragraph (3) as  
2 paragraph (1);

3 (E) in paragraph (1), as redesignated—

4 (i) by inserting “the insured deposi-  
5 tory institution or depository institution  
6 holding company” before “is not in compli-  
7 ance”; and

8 (ii) by striking the period at the end  
9 and inserting “; or”; and

10 (F) by adding at the end the following new  
11 paragraph:

12 “(2) the agency determines, in connection with  
13 the review by the agency of the plan required under  
14 section 38 or otherwise, that such prior notice is ap-  
15 propriate.”; and

16 (2) in subsection (b), by striking “30-day pe-  
17 riod” and inserting “notice period, not to exceed 90  
18 days,”.

19 **SEC. 2210. AMENDMENTS TO THE DEPOSITORY INSTITU-**  
20 **TION MANAGEMENT INTERLOCKS ACT.**

21 (a) DUAL SERVICE AMONG LARGER ORGANIZA-  
22 TIONS.—Section 204 of the Depository Institution Man-  
23 agement Interlocks Act (12 U.S.C. 3203) is amended—

24 (1) by striking “\$1,000,000,000” and inserting  
25 “\$2,500,000,000”;

1           (2) by striking “\$500,000,000” and inserting  
2           “\$1,500,000,000”; and

3           (3) by adding at the end the following: “In  
4           order to allow for inflation or market changes, the  
5           appropriate Federal depository institutions regu-  
6           latory agencies may, by regulation, adjust, as nec-  
7           essary, the amount of total assets required for de-  
8           pository institutions or depository holding companies  
9           under this section.”.

10          (b) EXTENSION OF GRANDFATHER EXEMPTION.—  
11          Section 206 of the Depository Institution Management  
12          Interlocks Act (12 U.S.C. 3205) is amended—

13               (1) in subsection (a), by striking “for a period  
14               of, subject to the requirements of subsection (c), 20  
15               years after the date of enactment of this title”;

16               (2) in subsection (b), by striking the second  
17               sentence; and

18               (3) by striking subsection (c).

19          (c) REGULATIONS.—Section 209 of the Depository  
20          Institution Management Interlocks Act (12 U.S.C. 3207)  
21          is amended—

22               (1) in subsection (a)—

23                       (A) by striking “(a) IN GENERAL.—Rules  
24                       and regulations” and inserting “Regulations”;



(B) by inserting “, including regulations that permit service by a management official that would otherwise be prohibited by section 203 or section 204, if such service would not result in a monopoly or substantial lessening of competition,” after “title”;

(C) in paragraph (4)—

(i) by striking “Federal Home Loan Bank Board” and inserting “Director of the Office of Thrift Supervision”; and

(ii) by striking “Savings and Loan” and inserting “Deposit”; and

(2) by striking subsections (b) and (c).

**SEC. 2211. ELIMINATION OF RECORDKEEPING AND REPORTING REQUIREMENTS FOR OFFICERS.**

(a) EMPLOYEE BENEFIT PLANS.—Section 22(h)(2) of the Federal Reserve Act (12 U.S.C. 375b(2)) is amended—

(1) by redesignating subparagraphs (A) through (C) as clauses (i) through (iii), respectively, and indenting appropriately;

(2) by striking “(2) PREFERENTIAL TERMS PROHIBITED.—” and inserting the following:

“(2) PREFERENTIAL TERMS PROHIBITED.—

“(A) IN GENERAL.—”; and

1           (3) by adding at the end the following new sub-  
2 paragraph:

3           “(B) EXCEPTION.—Nothing in this para-  
4 graph shall prohibit any extension of credit  
5 made pursuant to a benefit or compensation  
6 program—

7           “(i) that is widely available to employ-  
8 ees of the member bank; and

9           “(ii) that does not give preference to  
10 any officer, director, or principal share-  
11 holder of the member bank, or to any re-  
12 lated interest of such person, over other  
13 employees of the member bank.”.

14       (b) EXCEPTION FOR EXTENSIONS OF CREDIT TO EX-  
15 ECUTIVE OFFICERS AND DIRECTORS OF AFFILIATES.—  
16 Section 22(h)(8)(B) of the Federal Reserve Act (12  
17 U.S.C. 375b(8)(B)) is amended to read as follows:

18           “(B) EXCEPTION.—The Board may, by  
19 regulation, make exceptions to subparagraph  
20 (A) for any executive officer or director of a  
21 subsidiary of a company that controls the mem-  
22 ber bank if—

23           “(i) the executive officer or director  
24 does not have authority to participate, and

1 does not participate, in major policymaking  
2 functions of the member bank; and  
3 “(ii) the assets of such subsidiary do  
4 not exceed 10 percent of the consolidated  
5 assets of a company that controls the  
6 member bank and such subsidiary (and is  
7 not controlled by any other company).”.

8 **SEC. 2212. REPAYMENT OF TREASURY LOAN.**

9 Section 1108 of the Federal Financial Institutions  
10 Reform, Recovery, and Enforcement Act of 1989 (12  
11 U.S.C. 3337) is amended by adding at the end the follow-  
12 ing new subsection.—

13 “(c) REPAYMENT OF TREASURY LOAN.—Not later  
14 than September 30, 1998, the Appraisal Subcommittee  
15 shall repay to the Secretary of the Treasury the unpaid  
16 portion of the \$5,000,000 paid to the Appraisal Sub-  
17 committee pursuant to this section.”.

18 **SEC. 2213. BRANCH CLOSURES.**

19 Section 42 of the Federal Deposit Insurance Act (12  
20 U.S.C. 1831r–1) is amended by adding at the end the fol-  
21 lowing new subsection:

22 “(e) SCOPE OF APPLICATION.—This section shall not  
23 apply with respect to—

24 “(1) an automated teller machine;

1 “(2) the relocation of a branch or consolidation  
 2 of one or more branches into another branch, if the  
 3 relocation or consolidation—

4 “(A) occurs within the immediate neigh-  
 5 borhood; and

6 “(B) does not substantially affect the na-  
 7 ture of the business or customers served; or

8 “(3) a branch that is closed in connection  
 9 with—

10 “(A) an emergency acquisition under—

11 “(i) section 11(n); or

12 “(ii) subsection (f) or (k) of section  
 13 13; or

14 “(B) any assistance provided by the Cor-  
 15 poration under section 13(c).”.

16 **SEC. 2214. FOREIGN BANKS.**

17 (a) EXAMINATION OF BRANCHES AND AGENCIES BY  
 18 BOARD.—Section 7(c) of the International Banking Act  
 19 of 1978 (12 U.S.C. 3105(c)) is amended—

20 (1) by striking “(c)” and inserting the follow-  
 21 ing:

22 “(c) FOREIGN BANK EXAMINATIONS AND REPORT-  
 23 ING.—”;

24 (2) in paragraph (1)(B), by adding at the end  
 25 the following new clause:

1 “(iii) AVOIDANCE OF DUPLICATION.—

2 In exercising its authority under this para-  
3 graph, the Board shall take all reasonable  
4 measures to reduce burden and avoid un-  
5 necessary duplication of examinations.”;

6 (3) by striking subparagraph (C) of paragraph  
7 (1) and inserting the following:

8 “(C) ON-SITE EXAMINATION.—Each Fed-  
9 eral branch or agency, and each State branch  
10 or agency, of a foreign bank shall be subject to  
11 on-site examination by an appropriate Federal  
12 banking agency or State bank supervisor as fre-  
13 quently as would a national bank or a State  
14 bank, respectively, by the appropriate Federal  
15 banking agency.”; and

16 (4) in paragraph (1)(D), by inserting before the  
17 period at the end the following: “, only to the same  
18 extent that fees are collected by the Board for exam-  
19 ination of any State member bank”.

20 (b) ESTABLISHMENT OF FOREIGN BANK OFFICES IN  
21 THE UNITED STATES.—Section 7(d) of the International  
22 Banking Act of 1978 (12 U.S.C. 3105(d)) is amended—

23 (1) in paragraph (2), by striking “The Board”  
24 and inserting “Except as provided in paragraph (6),  
25 the Board”;

1           (2) in paragraph (5), by striking “Consistent  
2       with the standards for approval in paragraph (2),  
3       the”; and inserting “The”; and

4           (3) by adding at the end the following new  
5       paragraphs:

6           “(6) EXCEPTION.—

7               “(A) IN GENERAL.—If the Board is unable  
8       to find, under paragraph (2), that a foreign  
9       bank is subject to comprehensive supervision or  
10      regulation on a consolidated basis by the appro-  
11      priate authorities in its home country, the  
12      Board may nevertheless approve an application  
13      by such foreign bank under paragraph (1) if—

14               “(i) the appropriate authorities in the  
15      home country of the foreign bank are ac-  
16      tively working to establish arrangements  
17      for the consolidated supervision of such  
18      bank; and

19               “(ii) all other factors are consistent  
20      with approval.

21           “(B) OTHER CONSIDERATIONS.—In decid-  
22      ing whether to use its discretion under subpara-  
23      graph (A), the Board shall also consider wheth-  
24      er the foreign bank has adopted and imple-  
25      ments procedures to combat money laundering.

1           The Board may also take into account whether  
2           the home country of the foreign bank is devel-  
3           oping a legal regime to address money launder-  
4           ing or is participating in multilateral efforts to  
5           combat money laundering.

6           “(C) ADDITIONAL CONDITIONS.—In ap-  
7           proving an application under this paragraph,  
8           the Board, after requesting and taking into  
9           consideration the views of the appropriate State  
10          bank supervisor or the Comptroller of the Cur-  
11          rency, as the case may be, may impose such  
12          conditions or restrictions relating to the activi-  
13          ties or business operations of the proposed  
14          branch, agency, or commercial lending company  
15          subsidiary, including restrictions on sources of  
16          funding, as are considered appropriate. The  
17          Board shall coordinate with the appropriate  
18          State bank supervisor or the Comptroller of the  
19          Currency, as appropriate, in the implementation  
20          of such conditions or restrictions.

21          “(D) MODIFICATION OF CONDITIONS.—  
22          Any condition or restriction imposed by the  
23          Board in connection with the approval of an ap-  
24          plication under authority of this paragraph may  
25          be modified or withdrawn.

1 “(7) TIME PERIOD FOR BOARD ACTION.—

2 “(A) FINAL ACTION.—The Board shall  
3 take final action on any application under para-  
4 graph (1) not later than 180 days after receipt  
5 of the application, except that the Board may  
6 extend for an additional 180 days the period  
7 within which to take final action on such appli-  
8 cation after providing notice of, and the reasons  
9 for, the extension to the applicant foreign bank  
10 and any appropriate State bank supervisor or  
11 the Comptroller of the Currency, as appro-  
12 priate.

13 “(B) FAILURE TO SUBMIT INFORMA-  
14 TION.—The Board may deny any application if  
15 it does not receive information requested from  
16 the applicant foreign bank or appropriate au-  
17 thorities in the home country of the foreign  
18 bank in sufficient time to permit the Board to  
19 evaluate such information adequately within the  
20 time periods for final action set forth in sub-  
21 paragraph (A).

22 “(C) WAIVER.—A foreign bank may waive  
23 the applicability of this paragraph with respect  
24 to any application under paragraph (1).”.



1       (c) TERMINATION OF FOREIGN BANK OFFICES IN  
2 THE UNITED STATES.—Section 7(e)(1)(A) of the Inter-  
3 national Banking Act of 1978 (12 U.S.C. 3105(e)(1)(A))  
4 is amended—

5           (1) by inserting “(i)” after “(A)”;

6           (2) by striking “or” at the end and inserting  
7 “and”; and

8           (3) by adding at the end the following new  
9 clause:

10                   “(ii) the appropriate authorities in the  
11 home country of the foreign bank are not mak-  
12 ing demonstrable progress in establishing ar-  
13 rangements for the comprehensive supervision  
14 or regulation of such foreign bank on a consoli-  
15 dated basis; or”.

16 **SEC. 2215. DISPOSITION OF FORECLOSED ASSETS.**

17       Section 4(c)(2) of the Bank Holding Company Act  
18 of 1956 (12 U.S.C. 1843(c)(2)) is amended—

19           (1) by striking “for not more than one year at  
20 a time”; and

21           (2) by striking “but no such extensions shall ex-  
22 tend beyond a date five years” and inserting “and,  
23 in the case of a bank holding company which has  
24 not disposed of such shares within 5 years after the  
25 date on which such shares were acquired, the Board

(a) FEDERAL RESERVE BOARD AUTHORITY.—Section 106(b)(1) of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1972(1)) is amended in the last sentence, by inserting “and the prohibitions of section 4(f)(9) and 4(h)(2) of the Bank Holding Company Act of 1956” after “prohibition”.

“(6) EXCEPTIONS.—The Director may, by regulation or order, permit such exceptions to the prohibitions of this subsection as the Director considers will not be contrary to the purposes of this sub-

1 section and which conform to exceptions granted by  
 2 the Board of Governors of the Federal Reserve Sys-  
 3 tem pursuant to section 106(b) of the Bank Holding  
 4 Company Act Amendments of 1970.”.

5 **SEC. 2217. FDIC APPROVAL OF NEW STATE BANK POWERS.**

6 Section 24 of the Federal Deposit Insurance Act (12  
 7 U.S.C. 1831a) is amended—

8 (1) in subsection (a)—

9 (A) by redesignating paragraphs (1) and  
 10 (2) as subparagraphs (A) and (B), respectively,  
 11 and indenting appropriately;

12 (B) by striking “IN GENERAL.—” and in-  
 13 serting the following: “PERMISSIBLE ACTIVI-  
 14 TIES.—

15 “(1) IN GENERAL.—”; and

16 (C) by adding at the end the following new  
 17 paragraph:

18 “(2) PROCESSING PERIOD.—

19 “(A) IN GENERAL.—The Corporation shall  
 20 make a determination under paragraph (1)(A)  
 21 not later than 60 days after receipt of a com-  
 22 pleted application that may be required under  
 23 this subsection.

24 “(B) EXTENSION OF TIME PERIOD.—The  
 25 Corporation may extend the 60-day period re-

1           ferred to in subparagraph (A) for not more  
 2           than 30 additional days, and shall notify the  
 3           applicant of any such extension.”; and

4           (2) in subsection (d), by adding at the end the  
 5           following new paragraph:

6           “(3) PROCESSING PERIOD.—

7                   “(A) IN GENERAL.—The Corporation shall  
 8           make a determination under paragraph (1)(A)  
 9           not later than 60 days after receipt of a com-  
 10          pleted application that may be required under  
 11          this subsection.

12                   “(B) EXTENSION OF TIME PERIOD.—The  
 13          Corporation may extend the 60-day period re-  
 14          ferred to in subparagraph (A) for not more  
 15          than 30 additional days, and shall notify the  
 16          applicant of any such extension.”.

## 17   **CHAPTER 2—ELIMINATING UNNECESSARY** 18                   **REGULATORY BURDENS**

### 19   **SEC. 2221. SMALL BANK EXAMINATION CYCLE.**

20          Section 10(d) of the Federal Deposit Insurance Act  
 21   (12 U.S.C. 1820(d)) is amended—

22           (1) by redesignating the second paragraph des-  
 23          ignated as paragraph (8) as paragraph (10), and by  
 24          inserting that paragraph, as redesignated, imme-  
 25          diately after paragraph (9); and

1           (2) in paragraph (10), as redesignated, by  
2       striking “\$175,000,000” and inserting  
3       “\$250,000,000”.

4   **SEC. 2222. REQUIRED REVIEW OF REGULATIONS.**

5       (a) IN GENERAL.—Not less frequently than once  
6       every 10 years, the Council and each appropriate Federal  
7       banking agency represented on the Council shall conduct  
8       a review of all regulations prescribed by the Council or  
9       by any such appropriate Federal banking agency, respec-  
10      tively, in order to identify outdated or otherwise unneces-  
11      sary regulatory requirements imposed on insured deposi-  
12      tory institutions.

13      (b) PROCESS.—In conducting the review under sub-  
14      section (a), the Council or the appropriate Federal bank-  
15      ing agency shall—

16           (1) categorize the regulations described in sub-  
17           section (a) by type (such as consumer regulations,  
18           safety and soundness regulations, or such other des-  
19           ignations as determined by the Council, or the ap-  
20           propriate Federal banking agency); and

21           (2) at regular intervals, provide notice and so-  
22           licit public comment on a particular category or cat-  
23           egories of regulations, requesting commentators to  
24           identify areas of the regulations that are outdated,  
25           unnecessary, or unduly burdensome.

1 (c) COMPLETE REVIEW.—The Council or the appro-  
2 priate Federal banking agency shall ensure that the notice  
3 and comment period described in subsection (b)(2) is con-  
4 ducted with respect to all regulations described in sub-  
5 section (a) not less frequently than once every 10 years.

6 (d) REGULATORY RESPONSE.—The Council or the  
7 appropriate Federal banking agency shall—

8 (1) publish in the Federal Register a summary  
9 of the comments received under this section, identi-  
10 fying significant issues raised and providing com-  
11 ment on such issues; and

12 (2) eliminate unnecessary regulations to the ex-  
13 tent that such action is appropriate.

14 (e) REPORT TO CONGRESS.—Not later than 30 days  
15 after carrying out subsection (d)(1), the Council shall sub-  
16 mit to the Congress a report, which shall include—

17 (1) a summary of any significant issues raised  
18 by public comments received by the Council and the  
19 appropriate Federal banking agencies under this sec-  
20 tion and the relative merits of such issues; and

21 (2) an analysis of whether the appropriate Fed-  
22 eral banking agency involved is able to address the  
23 regulatory burdens associated with such issues by  
24 regulation, or whether such burdens must be ad-  
25 dressed by legislative action.

1 **SEC. 2223. REPEAL OF IDENTIFICATION OF NONBANK FI-**  
2 **NANCIAL INSTITUTION CUSTOMERS.**

3 Subchapter II of chapter 53 of title 31, United States  
4 Code, is amended—

5 (1) by striking section 5327;

6 (2) in the chapter analysis, by striking the item  
7 relating to section 5327; and

8 (3) in section 5321(a), by striking paragraph

9 (7).

10 **SEC. 2224. REPEAL OF CERTAIN REPORTING REQUIRE-**  
11 **MENTS.**

12 (a) FDIA.—Section 477 of the Federal Deposit In-  
13 surance Corporation Improvement Act of 1991 (12 U.S.C.  
14 251) is repealed.

15 (b) FIRREA.—Section 918 of the Financial Institu-  
16 tions Reform, Recovery, and Enforcement Act of 1989 (12  
17 U.S.C. 1833 note) is repealed.

18 (c) ILS.—Section 913 of the International Lending  
19 Supervision Act of 1983 (12 U.S.C. 3912) is repealed.

20 **SEC. 2225. INCREASE IN HOME MORTGAGE DISCLOSURE EX-**  
21 **EMPTION THRESHOLD.**

22 (a) IN GENERAL.—Section 309 of the Home Mort-  
23 gage Disclosure Act of 1975 (12 U.S.C. 2808) is amend-  
24 ed—

25 (1) by striking “This title” and inserting “(a)

26 IN GENERAL.—This title”;

1           (2) in the 3d sentence, by inserting “(as deter-  
2       mined without regard to the adjustment made by  
3       subsection (b))” before the period; and

4           (2) by adding at the end the following new sub-  
5       section:

6       “(b) CPI ADJUSTMENTS.—

7           “(1) IN GENERAL.—Subject to paragraph (2),  
8       the dollar amount applicable with respect to institu-  
9       tions described in section 303(2)(A) under the 2d  
10      sentence of subsection (a) shall be adjusted annually  
11      after December 31, 1996, by the annual percentage  
12      increase in the Consumer Price Index for Urban  
13      Wage Earners and Clerical Workers published by  
14      the Bureau of Labor Statistics.

15          “(2) 1-TIME ADJUSTMENT FOR PRIOR INFLA-  
16      TION.—The first adjustment made under paragraph  
17      (1) after the date of the enactment of the Economic  
18      Growth and Regulatory Paperwork Reduction Act of  
19      1996 shall be the percentage by which—

20               “(A) the Consumer Price Index described  
21              in such paragraph for the calendar year 1996,  
22              exceeds

23               “(B) such Consumer Price Index for the  
24              calendar year 1975.



1           “(3) ROUNDING.—The dollar amount applicable  
2           under paragraph (1) for any calendar year shall be  
3           the amount determined in accordance with subpara-  
4           graphs (A) and (B) of paragraph (2) and rounded  
5           to the nearest multiple of \$1,000,000.”.

6           (b) OPPORTUNITY TO REDUCE COMPLIANCE BUR-  
7   DEN.—Section 304 of the Home Mortgage Disclosure Act  
8   of 1975 (12 U.S.C. 2803) is amended by adding at the  
9   end the following new subsection:

10          “(m) OPPORTUNITY TO REDUCE COMPLIANCE BUR-  
11   DEN.—

12           “(1) IN GENERAL.—

13                   “(A) SATISFACTION OF PUBLIC AVAILABIL-  
14           ITY REQUIREMENTS.—A depository institution  
15           shall be deemed to have satisfied the public  
16           availability requirements of subsection (a) if the  
17           institution compiles the information required  
18           under that subsection at the home office of the  
19           institution and provides notice at the branch lo-  
20           cations specified in subsection (a) that such in-  
21           formation is available from the home office of  
22           the institution upon written request.

23                   “(B) PROVISION OF INFORMATION UPON  
24           REQUEST.—Not later than 15 days after the re-  
25           ceipt of a written request for any information

1 required to be compiled under subsection (a),  
 2 the home office of the depository institution re-  
 3 ceiving the request shall provide the information  
 4 pertinent to the location of the branch in ques-  
 5 tion to the person requesting the information.

6 “(2) FORM OF INFORMATION.—In complying  
 7 with paragraph (1), a depository institution shall, in  
 8 the sole discretion of the institution, provide the per-  
 9 son requesting the information with—

10 “(A) a paper copy of the information re-  
 11 quested; or

12 “(B) if acceptable to the person, the infor-  
 13 mation through a form of electronic medium,  
 14 such as a computer disk.”.

15 **SEC. 2226. ELIMINATION OF STOCK LOAN REPORTING RE-**  
 16 **QUIREMENT.**

17 Section 7(j) of the Federal Deposit Insurance Act (12  
 18 U.S.C. 1817(j)) is amended—

19 (1) in paragraph (9)(A)—

20 (A) by striking “financial institution and  
 21 any affiliate of any financial institution” and  
 22 inserting “foreign bank, or any affiliate there-  
 23 of,”; and

24 (B) by striking “by the financial institu-  
 25 tion and such institution’s affiliates” and in-

1           serting “by the foreign bank or any affiliate  
2           thereof”;

3           (2) in paragraph (9)(B)—

4                 (A) by striking “paragraph—” and insert-  
5           ing “paragraph, the following definitions shall  
6           apply.”;

7                 (B) by striking clause (i) and inserting the  
8           following:

9                         “(i) FOREIGN BANK.—The terms ‘for-  
10           eign bank’ and ‘affiliate’ have the same  
11           meanings as in section 1 of the Inter-  
12           national Banking Act of 1978.”; and

13                 (C) in clause (iii), by striking “financial in-  
14           stitution” and inserting “foreign bank or any  
15           affiliate thereof”;

16           (3) in paragraph (9)(C)—

17                 (A) by striking “financial institution or  
18           any of its affiliates” and inserting “foreign  
19           bank or any affiliate thereof”; and

20                 (B) by striking “financial institution or its  
21           affiliates” and inserting “foreign bank or any  
22           affiliate thereof”;

23           (4) in paragraph (9)(D)—

24                 (A) in clause (i)—

1 (i) by striking “the financial institu-  
2 tion and all affiliates of the institution”  
3 and inserting “the foreign bank and all af-  
4 filiates thereof”; and

5 (ii) by striking “financial institution  
6 or any such affiliate” and inserting “for-  
7 eign bank or affiliate thereof”;

8 (B) in clause (ii), by striking “financial in-  
9 stitution and any affiliate of such institution”  
10 and inserting “foreign bank and any affiliate  
11 thereof”; and

12 (C) in clause (iii), by striking “financial in-  
13 stitution” and inserting “foreign bank or any  
14 affiliate thereof”; and

15 (5) in paragraph (9)(E)—

16 (A) in clause (i)—

17 (i) by striking “a financial institution  
18 and the affiliates of such institution” and  
19 inserting “a foreign bank or any affiliate  
20 thereof”; and

21 (ii) by striking “institution or affili-  
22 ate” each place such term appears and in-  
23 serting “foreign bank or any affiliate  
24 thereof”; and

1 (B) in clause (ii), by striking “financial in-  
2 stitution and any affiliate of such institution”  
3 and inserting “foreign bank and any affiliate  
4 thereof”.

5 **SEC. 2227. CREDIT AVAILABILITY ASSESSMENT.**

6 (a) STUDY.—

7 (1) IN GENERAL.—Not later than 12 months  
8 after the date of enactment of this Act, and once  
9 every 60 months thereafter, the Board, in consulta-  
10 tion with the Director of the Office of Thrift Super-  
11 vision, the Comptroller of the Currency, the Board  
12 of Directors of the Corporation, the Administrator of  
13 the National Credit Union Administration, the Ad-  
14 ministrator of the Small Business Administration,  
15 and the Secretary of Commerce, shall conduct a  
16 study and submit a report to the Congress detailing  
17 the extent of small business lending by all creditors.

18 (2) CONTENTS OF STUDY.—The study required  
19 under paragraph (1) shall identify, to the extent  
20 practicable, those factors which provide policymakers  
21 with insights into the small business credit market,  
22 including—

23 (A) the demand for small business credit,  
24 including consideration of the impact of eco-  
25 nomic cycles on the levels of such demand;

1 (B) the availability of credit to small busi-  
2 nesses;

3 (C) the range of credit options available to  
4 small businesses, such as those available from  
5 insured depository institutions and other pro-  
6 viders of credit;

7 (D) the types of credit products used to fi-  
8 nance small business operations, including the  
9 use of traditional loans, leases, lines of credit,  
10 home equity loans, credit cards, and other  
11 sources of financing;

12 (E) the credit needs of small businesses,  
13 including, if appropriate, the extent to which  
14 such needs differ, based upon product type, size  
15 of business, cash flow requirements, character-  
16 istics of ownership or investors, or other aspects  
17 of such business;

18 (F) the types of risks to creditors in pro-  
19 viding credit to small businesses; and

20 (G) such other factors as the Board deems  
21 appropriate.

22 (b) USE OF EXISTING DATA.—The studies required  
23 by this section shall not increase the regulatory or paper-  
24 work burden on regulated financial institutions, other  
25 sources of small business credit, or small businesses.

**CHAPTER 3—REGULATORY  
MICROMANAGEMENT RELIEF**

**SEC. 2241. NATIONAL BANK DIRECTORS.**

Section 5146 of the Revised Statutes of the United States (12 U.S.C. 72) is amended in the first sentence, by striking “except” and all that follows through the end of the sentence and inserting the following: “except that the Comptroller may, in the discretion of the Comptroller, waive the requirement of residency.”.

**SEC. 2242. PAPERWORK REDUCTION REVIEW.**

Section 303(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4803(a)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following new paragraph:

“(2) review the extent to which existing regulations require insured depository institutions and insured credit unions to produce unnecessary internal written policies and eliminate such requirements, where appropriate;”.

1 **SEC. 2243. STATE BANK REPRESENTATION ON BOARD OF**  
2 **DIRECTORS OF THE FDIC.**

3 Section 2(a)(1)(C) of the Federal Deposit Insurance  
4 Act (12 U.S.C. 1812(a)(1)(C)) is amended by inserting  
5 before the period “, 1 of whom shall have State bank su-  
6 pervisory experience”.

7 **SEC. 2244. CONSULTATION AMONG EXAMINERS.**

8 (a) IN GENERAL.—Section 10 of the Federal Deposit  
9 Insurance Act (12 U.S.C. 1820) is amended by adding at  
10 the end the following new subsection:

11 “(j) CONSULTATION AMONG EXAMINERS.—

12 “(1) IN GENERAL.—Each appropriate Federal  
13 banking agency shall take such action as may be  
14 necessary to ensure that examiners employed by the  
15 agency—

16 “(A) consult on examination activities with  
17 respect to any depository institution; and

18 “(B) achieve an agreement and resolve any  
19 inconsistencies in the recommendations to be  
20 given to such institution as a consequence of  
21 any examinations.

22 “(2) EXAMINER-IN-CHARGE.—Each appropriate  
23 Federal banking agency shall consider appointing an  
24 examiner-in-charge with respect to a depository in-  
25 stitution to ensure consultation on examination ac-



1       tivities among all of the examiners of that agency in-  
 2       volved in examinations of the institution.”.

3       (b) COORDINATED AND UNIFIED EXAMINATION  
 4 FLEXIBILITY.—Section 10(d)(6)(B) of the Federal De-  
 5 posit Insurance Act (12 U.S.C. 1820(d)(6)(B)) is amend-  
 6 ed by inserting “or State bank supervisors” after “one of  
 7 the Federal agencies”.

8       **Subtitle C—Regulatory Impact on**  
 9       **Cost of Credit and Credit Avail-**  
 10       **ability**

11       **SEC. 2301. AUDIT COSTS.**

12       (a) AUDITOR ATTESTATIONS.—Section 36 of the  
 13 Federal Deposit Insurance Act (12 U.S.C. 1831m) is  
 14 amended by striking subsection (e) and inserting the fol-  
 15 lowing:

16       “(e) [Repealed]”.

17       (b) INDEPENDENT AUDIT COMMITTEES.—Section  
 18 36(g)(1) of the Federal Deposit Insurance Act (12 U.S.C.  
 19 1831m(g)(1)) is amended—

20               (1) in subparagraph (A), by inserting “, except  
 21 as provided in subparagraph (D)” after “manage-  
 22 ment of the institution”; and

23               (2) by adding at the end the following new sub-  
 24 paragraph:

25               “(D) EXEMPTION AUTHORITY.—

1                   “(i) IN GENERAL.—An appropriate  
2                   Federal banking agency may, by order or  
3                   regulation, permit the independent audit  
4                   committee of an insured depository institu-  
5                   tion to be made up of less than all, but no  
6                   fewer than a majority of, outside directors,  
7                   if the agency determines that the institu-  
8                   tion has encountered hardships in retain-  
9                   ing and recruiting a sufficient number of  
10                  competent outside directors to serve on the  
11                  internal audit committee of the institution.

12                  “(ii) FACTORS TO BE CONSIDERED.—  
13                  In determining whether an insured deposi-  
14                  tory institution has encountered hardships  
15                  referred to in clause (i), the appropriate  
16                  Federal banking agency shall consider fac-  
17                  tors such as the size of the institution, and  
18                  whether the institution has made a good  
19                  faith effort to elect or name additional  
20                  competent outside directors to the board of  
21                  directors of the institution who may serve  
22                  on the internal audit committee.”.

23                  (c) PUBLIC AVAILABILITY.—Section 36(a)(3) of the  
24                  Federal Deposit Insurance Act (12 U.S.C. 1831m(a)(3))  
25                  is amended by adding at the end the following: “Notwith-

1 standing the preceding sentence, the Corporation and the  
2 appropriate Federal banking agencies may designate cer-  
3 tain information as privileged and confidential and not  
4 available to the public.”.

5 **SEC. 2302. INCENTIVES FOR SELF-TESTING.**

6 (a) EQUAL CREDIT OPPORTUNITY.—

7 (1) IN GENERAL.—The Equal Credit Oppor-  
8 tunity Act (15 U.S.C. 1691 et seq.) is amended by  
9 inserting after section 704 the following new section:

10 **“SEC. 704A. INCENTIVES FOR SELF-TESTING AND SELF-**  
11 **CORRECTION.**

12 “(a) PRIVILEGED INFORMATION.—

13 “(1) CONDITIONS FOR PRIVILEGE.—A report or  
14 result of a self-test (as that term is defined by regu-  
15 lations of the Board) shall be considered to be privi-  
16 leged under paragraph (2) if a creditor—

17 “(A) conducts, or authorizes an independ-  
18 ent third party to conduct, a self-test of any as-  
19 pect of a credit transaction by a creditor, in  
20 order to determine the level or effectiveness of  
21 compliance with this title by the creditor; and

22 “(B) has identified any possible violation  
23 of this title by the creditor and has taken, or  
24 is taking, appropriate corrective action to ad-  
25 dress any such possible violation.

1           “(2) PRIVILEGED SELF-TEST.—If a creditor  
2       meets the conditions specified in subparagraphs (A)  
3       and (B) of paragraph (1) with respect to a self-test  
4       described in that paragraph, any report or results of  
5       that self-test—

6                   “(A) shall be privileged; and

7                   “(B) may not be obtained or used by any  
8       applicant, department, or agency in any—

9                   “(i) proceeding or civil action in which  
10       one or more violations of this title are al-  
11       leged; or

12                   “(ii) examination or investigation re-  
13       lating to compliance with this title.

14       “(b) RESULTS OF SELF-TESTING.—

15           “(1) IN GENERAL.—No provision of this section  
16       may be construed to prevent an applicant, depart-  
17       ment, or agency from obtaining or using a report or  
18       results of any self-test in any proceeding or civil ac-  
19       tion in which a violation of this title is alleged, or  
20       in any examination or investigation of compliance  
21       with this title if—

22                   “(A) the creditor or any person with lawful  
23       access to the report or results—

24                   “(i) voluntarily releases or discloses  
25       all, or any part of, the report or results to

1 the applicant, department, or agency, or to  
2 the general public; or

3 “(ii) refers to or describes the report  
4 or results as a defense to charges of viola-  
5 tions of this title against the creditor to  
6 whom the self-test relates; or

7 “(B) the report or results are sought in  
8 conjunction with an adjudication or admission  
9 of a violation of this title for the sole purpose  
10 of determining an appropriate penalty or rem-  
11 edy.

12 “(2) DISCLOSURE FOR DETERMINATION OF  
13 PENALTY OR REMEDY.—Any report or results of a  
14 self-test that are disclosed for the purpose specified  
15 in paragraph (1)(B)—

16 “(A) shall be used only for the particular  
17 proceeding in which the adjudication or admis-  
18 sion referred to in paragraph (1)(B) is made;  
19 and

20 “(B) may not be used in any other action  
21 or proceeding.

22 “(c) ADJUDICATION.—An applicant, department, or  
23 agency that challenges a privilege asserted under this sec-  
24 tion may seek a determination of the existence and appli-  
25 cation of that privilege in—

1 “(1) a court of competent jurisdiction; or

2 “(2) an administrative law proceeding with ap-  
3 propriate jurisdiction.”.

4 (2) REGULATIONS.—

5 (A) IN GENERAL.—Not later than 6  
6 months after the date of enactment of this Act,  
7 in consultation with the Secretary of Housing  
8 and Urban Development and the agencies re-  
9 ferred to in section 704 of the Equal Credit Op-  
10 portunity Act, and after providing notice and  
11 an opportunity for public comment, the Board  
12 shall prescribe final regulations to implement  
13 section 704A of the Equal Credit Opportunity  
14 Act, as added by this section.

15 (B) SELF-TEST.—

16 (i) DEFINITION.—The regulations  
17 prescribed under subparagraph (A) shall  
18 include a definition of the term “self-test”  
19 for purposes of section 704A of the Equal  
20 Credit Opportunity Act, as added by this  
21 section.

22 (ii) REQUIREMENT FOR SELF-TEST.—  
23 The regulations prescribed under subpara-  
24 graph (A) shall specify that a self-test  
25 shall be sufficiently extensive to constitute

a determination of the level and effectiveness of compliance by a creditor with the Equal Credit Opportunity Act.

(iii) SUBSTANTIAL SIMILARITY TO CERTAIN FAIR HOUSING ACT REGULATIONS.—The regulations prescribed under subparagraph (A) shall be substantially similar to the regulations prescribed by the Secretary of Housing and Urban Development to carry out section 814A(d) of the Fair Housing Act, as added by this section.

(3) CLERICAL AMENDMENT.—The table of sections for title VII of the Consumer Credit Protection Act is amended by inserting after the item relating to section 704 the following new item:

“704A. Incentives for self-testing and self-correction.”.

(b) FAIR HOUSING.—

(1) IN GENERAL.—The Fair Housing Act (42 U.S.C. 3601 et seq.) is amended by inserting after section 814 the following new section:

**“SEC. 814A. INCENTIVES FOR SELF-TESTING AND SELF-CORRECTION.**

**“(a) PRIVILEGED INFORMATION.—**

**“(1) CONDITIONS FOR PRIVILEGE.—**A report or result of a self-test (as that term is defined by regu-

1       lation of the Secretary) shall be considered to be  
2       privileged under paragraph (2) if any person—

3               “(A) conducts, or authorizes an independ-  
4               ent third party to conduct, a self-test of any as-  
5               pect of a residential real estate related lending  
6               transaction of that person, or any part of that  
7               transaction, in order to determine the level or  
8               effectiveness of compliance with this title by  
9               that person; and

10              “(B) has identified any possible violation  
11              of this title by that person and has taken, or is  
12              taking, appropriate corrective action to address  
13              any such possible violation.

14              “(2) PRIVILEGED SELF-TEST.—If a person  
15              meets the conditions specified in subparagraphs (A)  
16              and (B) of paragraph (1) with respect to a self-test  
17              described in that paragraph, any report or results of  
18              that self-test—

19                      “(A) shall be privileged; and

20                      “(B) may not be obtained or used by any  
21              applicant, department, or agency in any—

22                      “(i) proceeding or civil action in which  
23                      one or more violations of this title are al-  
24                      leged; or



1                   “(ii) examination or investigation re-  
2                   lating to compliance with this title.

3           “(b) RESULTS OF SELF-TESTING.—

4                   “(1) IN GENERAL.—No provision of this section  
5                   may be construed to prevent an aggrieved person,  
6                   complainant, department, or agency from obtaining  
7                   or using a report or results of any self-test in any  
8                   proceeding or civil action in which a violation of this  
9                   title is alleged, or in any examination or investiga-  
10                  tion of compliance with this title if—

11                   “(A) the person to whom the self-test re-  
12                   lates or any person with lawful access to the re-  
13                   port or the results—

14                   “(i) voluntarily releases or discloses  
15                   all, or any part of, the report or results to  
16                   the aggrieved person, complainant, depart-  
17                   ment, or agency, or to the general public;  
18                   or

19                   “(ii) refers to or describes the report  
20                   or results as a defense to charges of viola-  
21                   tions of this title against the person to  
22                   whom the self-test relates; or

23                   “(B) the report or results are sought in  
24                   conjunction with an adjudication or admission  
25                   of a violation of this title for the sole purpose

1 of determining an appropriate penalty or rem-  
2 edy.

3 “(2) DISCLOSURE FOR DETERMINATION OF  
4 PENALTY OR REMEDY.—Any report or results of a  
5 self-test that are disclosed for the purpose specified  
6 in paragraph (1)(B)—

7 “(A) shall be used only for the particular  
8 proceeding in which the adjudication or admis-  
9 sion referred to in paragraph (1)(B) is made;  
10 and

11 “(B) may not be used in any other action  
12 or proceeding.

13 “(c) ADJUDICATION.—An aggrieved person, com-  
14 plainant, department, or agency that challenges a privilege  
15 asserted under this section may seek a determination of  
16 the existence and application of that privilege in—

17 “(1) a court of competent jurisdiction; or

18 “(2) an administrative law proceeding with ap-  
19 propriate jurisdiction.”.

20 (2) REGULATIONS.—

21 (A) IN GENERAL.—Not later than 6  
22 months after the date of enactment of this Act,  
23 in consultation with the Board and after provid-  
24 ing notice and an opportunity for public com-  
25 ment, the Secretary of Housing and Urban De-

1           velopment shall prescribe final regulations to  
2           implement section 814A of the Fair Housing  
3           Act, as added by this section.

4           (B) SELF-TEST.—

5           (i) DEFINITION.—The regulations  
6           prescribed by the Secretary under subpara-  
7           graph (A) shall include a definition of the  
8           term “self-test” for purposes of section  
9           814A of the Fair Housing Act, as added  
10          by this section.

11          (ii) REQUIREMENT FOR SELF-TEST.—

12          The regulations prescribed by the Sec-  
13          retary under subparagraph (A) shall speci-  
14          fy that a self-test shall be sufficiently ex-  
15          tensive to constitute a determination of the  
16          level and effectiveness of the compliance by  
17          a person engaged in residential real estate  
18          related lending activities with the Fair  
19          Housing Act.

20          (iii) SUBSTANTIAL SIMILARITY TO  
21          CERTAIN EQUAL CREDIT OPPORTUNITY  
22          ACT REGULATIONS.—The regulations pre-  
23          scribed under subparagraph (A) shall be  
24          substantially similar to the regulations pre-  
25          scribed by the Board to carry out section

1                   704A of the Equal Credit Opportunity Act,  
2                   as added by this section.

3           (c) APPLICABILITY.—

4                   (1) IN GENERAL.—Except as provided in para-  
5                   graph (2), the privilege provided for in section 704A  
6                   of the Equal Credit Opportunity Act or section  
7                   814A of the Fair Housing Act (as those sections are  
8                   added by this section) shall apply to a self-test (as  
9                   that term is defined pursuant to the regulations pre-  
10                  scribed under subsection (a)(2) or (b)(2) of this sec-  
11                  tion, as appropriate) conducted before, on, or after  
12                  the effective date of the regulations prescribed under  
13                  subsection (a)(2) or (b)(2), as appropriate.

14                  (2) EXCEPTION.—The privilege referred to in  
15                  paragraph (1) does not apply to such a self-test con-  
16                  ducted before the effective date of the regulations  
17                  prescribed under subsection (a) or (b), as appro-  
18                  priate, if—

19                          (A) before that effective date, a complaint  
20                          against the creditor or person engaged in resi-  
21                          dential real estate related lending activities (as  
22                          the case may be) was—

23                                  (i) formally filed in any court of com-  
24                                  petent jurisdiction; or

1 (ii) the subject of an ongoing adminis-  
 2 trative law proceeding;

3 (B) in the case of section 704A of the  
 4 Equal Credit Opportunity Act, the creditor has  
 5 waived the privilege pursuant to subsection  
 6 (b)(1)(A)(i) of that section; or

7 (C) in the case of section 814A of the Fair  
 8 Housing Act, the person engaged in residential  
 9 real estate related lending activities has waived  
 10 the privilege pursuant to subsection (b)(1)(A)(i)  
 11 of that section.

12 **SEC. 2303. QUALIFIED THRIFT INVESTMENT AMENDMENTS.**

13 (a) CREDIT CARDS.—Section 5(b) of the Home Own-  
 14 ers’ Loan Act (12 U.S.C. 1464(b)) is amended—

15 (1) by striking paragraph (4); and

16 (2) by redesignating paragraph (5) as para-  
 17 graph (4).

18 (b) LOANS OR INVESTMENTS WITHOUT PERCENTAGE  
 19 OF ASSETS LIMITATION.—Section 5(c)(1) of the Home  
 20 Owners’ Loan Act (12 U.S.C. 1464(c)(1)) is amended by  
 21 adding at the end the following new subparagraphs:

22 “(T) CREDIT CARD LOANS.—Loans made  
 23 through credit cards or credit card accounts.

24 “(U) EDUCATIONAL LOANS.—Loans made  
 25 for the payment of educational expenses.”.

1 (c) COMMERCIAL AND OTHER LOANS.—Section  
2 5(c)(2)(A) of the Home Owners' Loan Act (12 U.S.C.  
3 1464(c)(2)(A)) is amended to read as follows:

4 “(A) COMMERCIAL AND OTHER LOANS.—  
5 Secured or unsecured loans for commercial, cor-  
6 porate, business, or agricultural purposes. The  
7 aggregate amount of loans made under this  
8 subparagraph may not exceed 20 percent of the  
9 total assets of the Federal savings association,  
10 and amounts in excess of 10 percent of such  
11 total assets may be used under this subpara-  
12 graph only for small business loans, as that  
13 term is defined by the Director.”.

14 (d) LOANS OR INVESTMENTS LIMITED TO 5 PER-  
15 CENT OF ASSETS.—Section 5(c)(3) of the Home Owners'  
16 Loan Act (12 U.S.C. 1464(c)(3)) is amended—

17 (1) by striking subparagraph (A); and  
18 (2) by redesignating subparagraphs (B), (C),  
19 and (D) as subparagraphs (A), (B), and (C), respec-  
20 tively.

21 (e) QUALIFIED THRIFT LENDER TEST.—Section  
22 10(m)(1) of the Home Owners' Loan Act (12 U.S.C.  
23 1467a(m)(1)) is amended—

24 (1) by redesignating subparagraph (B) as  
25 clause (ii);

1           (2) in subparagraph (A), by striking “(A) the  
2       savings” and inserting “(B)(i) the savings”; and  
3           (3) by inserting after “if—” the following new  
4       subparagraph:

5                       “(A) the savings association qualifies as a  
6       domestic building and loan association, as such  
7       term is defined in section 7701(a)(19) of the  
8       Internal Revenue Code of 1986; or”.

9       (f) BRANCHING.—Section 5(r) of the Home Owners’  
10   Loan Act (12 U.S.C. 1464(r)) is amended—

11           (1) in paragraph (1)—

12                       (A) in the first sentence—

13                               (i) by inserting before the period “, or  
14                               qualifies as a qualified thrift lender, as de-  
15                               termined under section 10(m) of this Act”;  
16                               and

17                               (ii) by striking “(c)” and inserting  
18                               “(C)”; and

19                       (B) in the second sentence, by inserting  
20       before the period “or as a qualified thrift lend-  
21       er, as determined under section 10(m) of this  
22       Act, as applicable”; and

23           (2) in paragraph (2), by striking subparagraph  
24       (C) and inserting the following:

1           “(C) the law of the State where the branch is  
 2           located, or is to be located, would permit establish-  
 3           ment of the branch if the association was a savings  
 4           association or savings bank chartered by the State  
 5           in which its home office is located; or”.

6           (g) DEFINITION.—Section 10(m)(4) of the Home  
 7           Owners’ Loan Act (12 U.S.C. 1467a(m)(4)) is amended—

8                   (1) by striking “subsection—” and inserting  
 9           “subsection, the following definitions shall apply:”;

10                   (2) in subparagraph (C)—

11                           (A) in clause (ii), by adding at the end the  
 12           following new subclause:

13                                   “(VII) Loans for educational  
 14                                   purposes, loans to small businesses,  
 15                                   and loans made through credit cards  
 16                                   or credit card accounts.”; and

17                           (B) in clause (iii), by striking subclause  
 18           (VI) and inserting the following:

19                                   “(VI) Loans for personal, family,  
 20                                   or household purposes (other than  
 21                                   loans for personal, family, or house-  
 22                                   hold purposes described in clause  
 23                                   (ii)(VII)).”; and

24                   (3) by adding at the end the following new sub-  
 25           paragraphs:



1           “(D) CREDIT CARD.—The Director shall  
2           issue such regulations as may be necessary to  
3           define the term ‘credit card’.

4           “(E) SMALL BUSINESS.—The Director  
5           shall issue such regulations as may be necessary  
6           to define the term ‘small business’.”.

7   **SEC. 2304. LIMITED PURPOSE BANKS.**

8           (a) GROWTH CAP RELIEF.—Section 4(f)(3)(B) of the  
9   Bank Holding Company Act of 1956 (12 U.S.C.  
10 1843(f)(3)(B)) is amended—

11           (1) in clause (ii), by adding “or” at the end;

12           (2) in clause (iii), by striking “; or” at the end  
13           and inserting a period; and

14           (3) by striking clause (iv).

15           (b) LIMITED PURPOSE BANK EXCEPTION.—Section  
16 2(c)(2)(F) of the Bank Holding Company Act of 1956 (12  
17 U.S.C. 1841(c)(2)(F)) is amended by inserting “, includ-  
18 ing an institution that accepts collateral for extensions of  
19 credit by holding deposits under \$100,000, and by other  
20 means” after “An institution”.

21   **SEC. 2305. AMENDMENT TO FAIR DEBT COLLECTION PRAC-**  
22                           **TICES ACT.**

23           (a) IN GENERAL.—Section 807(11) of the Fair Debt  
24   Collection Practices Act (15 U.S.C. 1692e(11)) is amend-  
25   ed to read as follows:

1           “(11) The failure to disclose in the initial writ-  
2       ten communication with the consumer and, in addi-  
3       tion, if the initial communication with the consumer  
4       is oral, in that initial oral communication, that the  
5       debt collector is attempting to collect a debt and  
6       that any information obtained will be used for that  
7       purpose, and the failure to disclose in subsequent  
8       communications that the communication is from a  
9       debt collector, except that this paragraph shall not  
10      apply to a formal pleading made in connection with  
11      a legal action.”.

12      (b) EFFECTIVE DATE.—The amendment made by  
13      subsection (a) shall take effect 90 days after the date of  
14      enactment of this Act and shall apply to all communica-  
15      tions made after that date of enactment.

16      **SEC. 2306. INCREASE IN CERTAIN CREDIT UNION LOAN**  
17                                   **CEILINGS.**

18      Section 107(5)(A) of the Federal Credit Union Act  
19      (12 U.S.C. 1757(5)(A)) is amended—

20           (1) in clause (iv), by striking “\$10,000” and in-  
21      serting “\$20,000”; and

22           (2) in clause (v), by striking “\$10,000” and in-  
23      serting “\$20,000”.

1 **SEC. 2307. BANK INVESTMENTS IN EDGE ACT AND AGREE-**  
2 **MENT CORPORATIONS.**

3       The 10th undesignated paragraph of section 25A of  
4 the Federal Reserve Act (12 U.S.C. 618) is amended by  
5 striking the last sentence and inserting the following:  
6 “Any national bank may invest in the stock of any cor-  
7 poration organized under this section. The aggregate  
8 amount of stock held by any national bank in all corpora-  
9 tions engaged in business of the kind described in this sec-  
10 tion or section 25 shall not exceed an amount equal to  
11 10 percent of the capital and surplus of such bank unless  
12 the Board determines that the investment of an additional  
13 amount by the bank would not be unsafe or unsound and,  
14 in any case, shall not exceed an amount equal to 20 per-  
15 cent of the capital and surplus of such bank.”.

16 **Subtitle D—Consumer Credit**  
17 **CHAPTER 1—CREDIT REPORTING**  
18 **REFORM**

19 **SEC. 2401. SHORT TITLE.**

20       This chapter may be cited as the “Consumer Credit  
21 Reporting Reform Act of 1996”.

22 **SEC. 2402. DEFINITIONS.**

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

26       “(k) **ADVERSE ACTION.**—

1           “(1) ACTIONS INCLUDED.—The term ‘adverse  
2       action’—

3           “(A) has the same meaning as in section  
4       701(d)(6) of the Equal Credit Opportunity Act;  
5       and

6           “(B) means—

7           “(i) a denial or cancellation of, an in-  
8       crease in any charge for, or a reduction or  
9       other adverse or unfavorable change in the  
10      terms of coverage or amount of, any insur-  
11      ance, existing or applied for, in connection  
12      with the underwriting of insurance;

13          “(ii) a denial of employment or any  
14      other decision for employment purposes  
15      that adversely affects any current or pro-  
16      spective employee;

17          “(iii) a denial or cancellation of, an  
18      increase in any charge for, or any other  
19      adverse or unfavorable change in the terms  
20      of, any license or benefit described in sec-  
21      tion 604(a)(3)(D); and

22          “(iv) an action taken or determination  
23      that is—

24                 “(I) made in connection with an  
25                 application that was made by, or a

1 transaction that was initiated by, any  
2 consumer, or in connection with a re-  
3 view of an account under section  
4 604(a)(3)(F)(ii); and  
5 “(II) adverse to the interests of  
6 the consumer.

7 “(2) APPLICABLE FINDINGS, DECISIONS, COM-  
8 MENTARY, AND ORDERS.—For purposes of any de-  
9 termination of whether an action is an adverse ac-  
10 tion under paragraph (1)(A), all appropriate final  
11 findings, decisions, commentary, and orders issued  
12 under section 701(d)(6) of the Equal Credit Oppor-  
13 tunity Act by the Board of Governors of the Federal  
14 Reserve System or any court shall apply.”.

15 (b) FIRM OFFER OF CREDIT OR INSURANCE.—Sec-  
16 tion 603 of the Fair Credit Reporting Act (15 U.S.C.  
17 1681a) (as amended by subsection (a) of this section) is  
18 amended by adding at the end the following new sub-  
19 section:

20 “(1) FIRM OFFER OF CREDIT OR INSURANCE.—The  
21 term ‘firm offer of credit or insurance’ means any offer  
22 of credit or insurance to a consumer that will be honored  
23 if the consumer is determined, based on information in  
24 a consumer report on the consumer, to meet the specific  
25 criteria used to select the consumer for the offer, except

1 that the offer may be further conditioned on one or more  
2 of the following:

3 “(1) The consumer being determined, based on  
4 information in the consumer’s application for the  
5 credit or insurance, to meet specific criteria bearing  
6 on credit worthiness or insurability, as applicable,  
7 that are established—

8 “(A) before selection of the consumer for  
9 the offer; and

10 “(B) for the purpose of determining  
11 whether to extend credit or insurance pursuant  
12 to the offer.

13 “(2) Verification—

14 “(A) that the consumer continues to meet  
15 the specific criteria used to select the consumer  
16 for the offer, by using information in a  
17 consumer report on the consumer, information  
18 in the consumer’s application for the credit or  
19 insurance, or other information bearing on the  
20 credit worthiness or insurability of the  
21 consumer; or

22 “(B) of the information in the consumer’s  
23 application for the credit or insurance, to deter-  
24 mine that the consumer meets the specific cri-

1           teria bearing on credit worthiness or insurabil-  
2           ity.

3           “(3) The consumer furnishing any collateral  
4           that is a requirement for the extension of the credit  
5           or insurance that was—

6                   “(A) established before selection of the  
7           consumer for the offer of credit or insurance;  
8           and

9                   “(B) disclosed to the consumer in the offer  
10           of credit or insurance.”.

11       (c) CREDIT OR INSURANCE TRANSACTION THAT IS  
12 NOT INITIATED BY THE CONSUMER.—Section 603 of the  
13 Fair Credit Reporting Act (15 U.S.C. 1681a) (as amended  
14 by subsection (b) of this section) is amended by adding  
15 at the end the following new subsection:

16       “(m) CREDIT OR INSURANCE TRANSACTION THAT IS  
17 NOT INITIATED BY THE CONSUMER.—The term ‘credit or  
18 insurance transaction that is not initiated by the  
19 consumer’ does not include the use of a consumer report  
20 by a person with which the consumer has an account or  
21 insurance policy, for purposes of—

22                   “(1) reviewing the account or insurance policy;

23       or

24                   “(2) collecting the account.”.

1 (d) STATE.—Section 603 of the Fair Credit Report-  
2 ing Act (15 U.S.C. 1681a) (as amended by subsection (c)  
3 of this section) is amended by adding at the end the fol-  
4 lowing new subsection:

5 “(n) STATE.—The term ‘State’ means any State, the  
6 Commonwealth of Puerto Rico, the District of Columbia,  
7 and any territory or possession of the United States.”.

8 (e) DEFINITION OF CONSUMER REPORT.—Section  
9 603(d) of the Fair Credit Reporting Act (15 U.S.C.  
10 1681a(d)) is amended—

11 (1) by striking “(d) The term” and inserting  
12 the following:

13 “(d) CONSUMER REPORT.—

14 “(1) IN GENERAL.—The term”;

15 (2) by striking “for (1) credit” and inserting  
16 the following: “for—

17 “(A) credit”;

18 (3) by striking “purposes, or (2)” and all that  
19 follows through “section 604.” and inserting the fol-  
20 lowing: “purposes;

21 “(B) employment purposes; or

22 “(C) any other purpose authorized under  
23 section 604.”; and

24 (4) by striking the second sentence and insert-  
25 ing the following:



1           “(2) EXCLUSIONS.—The term ‘consumer re-  
2       port’ does not include—

3           “(A) any—

4               “(i) report containing information  
5               solely as to transactions or experiences be-  
6               tween the consumer and the person mak-  
7               ing the report;

8               “(ii) communication of that informa-  
9               tion among persons related by common  
10              ownership or affiliated by corporate con-  
11              trol; or

12              “(iii) any communication of other in-  
13              formation among persons related by com-  
14              mon ownership or affiliated by corporate  
15              control, if it is clearly and conspicuously  
16              disclosed to the consumer that the infor-  
17              mation may be communicated among such  
18              persons and the consumer is given the op-  
19              portunity, before the time that the infor-  
20              mation is initially communicated, to direct  
21              that such information not be commu-  
22              nicated among such persons;

23              “(B) any authorization or approval of a  
24              specific extension of credit directly or indirectly  
25              by the issuer of a credit card or similar device;

1           “(C) any report in which a person who has  
 2           been requested by a third party to make a spe-  
 3           cific extension of credit directly or indirectly to  
 4           a consumer conveys his or her decision with re-  
 5           spect to such request, if the third party advises  
 6           the consumer of the name and address of the  
 7           person to whom the request was made, and  
 8           such person makes the disclosures to the  
 9           consumer required under section 615; or

10           “(D) a communication described in sub-  
 11           section (o).”.

12           (f) EXCLUSION OF CERTAIN COMMUNICATIONS BY  
 13           EMPLOYMENT AGENCIES FROM DEFINITION OF  
 14           CONSUMER REPORT.—Section 603 of the Fair Credit Re-  
 15           porting Act (15 U.S.C. 1681a) is amended by adding at  
 16           the end the following new subsection:

17           “(o) EXCLUDED COMMUNICATIONS.—A communica-  
 18           tion is described in this subsection if it is a communica-  
 19           tion—

20           “(1) that, but for subsection (d)(2)(E), would  
 21           be an investigative consumer report;

22           “(2) that is made to a prospective employer for  
 23           the purpose of—

24           “(A) procuring an employee for the em-  
 25           ployer; or

1           “(B) procuring an opportunity for a natu-  
2           ral person to work for the employer;

3           “(3) that is made by a person who regularly  
4           performs such procurement;

5           “(4) that is not used by any person for any  
6           purpose other than a purpose described in subpara-  
7           graph (A) or (B) of paragraph (2); or

8           “(5) with respect to which—

9           “(A) the consumer who is the subject of  
10          the communication—

11           “(i) consents orally or in writing to  
12           the nature and scope of the communica-  
13           tion, before the collection of any informa-  
14           tion for the purpose of making the commu-  
15           nication;

16           “(ii) consents orally or in writing to  
17           the making of the communication to a pro-  
18           spective employer, before the making of the  
19           communication; and

20           “(iii) in the case of consent under  
21           clause (i) or (ii) given orally, is provided  
22           written confirmation of that consent by the  
23           person making the communication, not  
24           later than 3 business days after the receipt  
25           of the consent by that person;

1           “(B) the person who makes the commu-  
2           nication does not, for the purpose of making  
3           the communication, make any inquiry that if  
4           made by a prospective employer of the  
5           consumer who is the subject of the communica-  
6           tion would violate any applicable Federal or  
7           State equal employment opportunity law or reg-  
8           ulation; and

9           “(C) the person who makes the commu-  
10          nication—

11               “(i) discloses in writing to the  
12               consumer who is the subject of the commu-  
13               nication, not later than 5 business days  
14               after receiving any request from the  
15               consumer for such disclosure, the nature  
16               and substance of all information in the  
17               consumer’s file at the time of the request,  
18               except that the sources of any information  
19               that is acquired solely for use in making  
20               the communication and is actually used for  
21               no other purpose, need not be disclosed  
22               other than under appropriate discovery  
23               procedures in any court of competent juris-  
24               diction in which an action is brought; and

1                   “(ii) notifies the consumer who is the  
2                   subject of the communication, in writing,  
3                   of the consumer’s right to request the in-  
4                   formation described in clause (i).”.

5           (g) CONSUMER REPORTING AGENCY THAT COM-  
6 PILES AND MAINTAINS FILES ON A NATIONWIDE  
7 BASIS.—Section 603 of the Fair Credit Reporting Act (15  
8 U.S.C. 1681a) (as amended by subsection (f) of this sec-  
9 tion) is amended by adding at the end the following new  
10 subsection:

11           “(p) CONSUMER REPORTING AGENCY THAT COM-  
12 PILES AND MAINTAINS FILES ON CONSUMERS ON A NA-  
13 TIONWIDE BASIS.—The term ‘consumer reporting agency  
14 that compiles and maintains files on consumers on a na-  
15 tionwide basis’ means a consumer reporting agency that  
16 regularly engages in the practice of assembling or evaluat-  
17 ing, and maintaining, for the purpose of furnishing  
18 consumer reports to third parties bearing on a consumer’s  
19 credit worthiness, credit standing, or credit capacity, each  
20 of the following regarding consumers residing nationwide:

21                   “(1) Public record information.

22                   “(2) Credit account information from persons  
23                   who furnish that information regularly and in the  
24                   ordinary course of business.”.

1 **SEC. 2403. FURNISHING CONSUMER REPORTS; USE FOR EM-**  
2 **PLOYMENT PURPOSES.**

3 (a) FURNISHING CONSUMER REPORTS FOR BUSI-  
4 NESS TRANSACTIONS.—Section 604 of the Fair Credit Re-  
5 porting Act (15 U.S.C. 1681b) is amended—

6 (1) by inserting “(a) IN GENERAL.—” before  
7 “A consumer reporting agency”; and

8 (2) in subsection (a)(3) (as so designated by  
9 paragraph (1) of this subsection), by striking sub-  
10 paragraph (E) and inserting the following:

11 “(E) intends to use the information, as a  
12 potential investor or servicer, or current in-  
13 surer, in connection with a valuation of, or an  
14 assessment of the credit or prepayment risks  
15 associated with, an existing credit obligation; or

16 “(F) otherwise has a legitimate business  
17 need for the information—

18 “(i) in connection with a business  
19 transaction that is initiated by the  
20 consumer; or

21 “(ii) to review an account to deter-  
22 mine whether the consumer continues to  
23 meet the terms of the account.”.

24 (b) FURNISHING AND USING CONSUMER REPORTS  
25 FOR EMPLOYMENT PURPOSES.—Section 604 of the Fair

1 Credit Reporting Act (15 U.S.C. 1681b) is amended by  
2 adding at the end the following new subsection:

3 “(b) CONDITIONS FOR FURNISHING AND USING  
4 CONSUMER REPORTS FOR EMPLOYMENT PURPOSES.—

5 “(1) CERTIFICATION FROM USER.—A consumer  
6 reporting agency may furnish a consumer report for  
7 employment purposes only if—

8 “(A) the person who obtains such report  
9 from the agency certifies to the agency that—

10 “(i) the person has complied with  
11 paragraph (2) with respect to the  
12 consumer report, and the person will com-  
13 ply with paragraph (3) with respect to the  
14 consumer report if paragraph (3) becomes  
15 applicable; and

16 “(ii) information from the consumer  
17 report will not be used in violation of any  
18 applicable Federal or State equal employ-  
19 ment opportunity law or regulation; and

20 “(B) the consumer reporting agency pro-  
21 vides with the report a summary of the consum-  
22 er’s rights under this title, as prescribed by the  
23 Federal Trade Commission under section  
24 609(c)(3).

1           “(2) DISCLOSURE TO CONSUMER.—A person  
2           may not procure a consumer report, or cause a  
3           consumer report to be procured, for employment  
4           purposes with respect to any consumer, unless—

5                   “(A) a clear and conspicuous disclosure  
6           has been made in writing to the consumer at  
7           any time before the report is procured or  
8           caused to be procured, in a document that con-  
9           sists solely of the disclosure, that a consumer  
10          report may be obtained for employment pur-  
11          poses; and

12                   “(B) the consumer has authorized in writ-  
13          ing the procurement of the report by that per-  
14          son.

15           “(3) CONDITIONS ON USE FOR ADVERSE AC-  
16          TIONS.—In using a consumer report for employment  
17          purposes, before taking any adverse action based in  
18          whole or in part on the report, the person intending  
19          to take such adverse action shall provide to the  
20          consumer to whom the report relates—

21                   “(A) a copy of the report; and

22                   “(B) a description in writing of the rights  
23          of the consumer under this title, as prescribed  
24          by the Federal Trade Commission under section  
25          609(c)(3).”.



1 **SEC. 2404. USE OF CONSUMER REPORTS FOR**  
2 **PRESCREENING; PROHIBITION ON UNAU-**  
3 **THORIZED OR UNCERTIFIED USE OF INFOR-**  
4 **MATION.**

5 (a) IN GENERAL.—Section 604 of the Fair Credit  
6 Reporting Act (15 U.S.C. 1681b) (as amended by section  
7 2403 of this chapter) is amended—

8 (1) in subsection (a), by striking “A consumer  
9 reporting agency” and inserting “Subject to sub-  
10 section (c), any consumer reporting agency”; and

11 (2) by adding at the end the following new sub-  
12 sections:

13 “(c) FURNISHING REPORTS IN CONNECTION WITH  
14 CREDIT OR INSURANCE TRANSACTIONS THAT ARE NOT  
15 INITIATED BY THE CONSUMER.—

16 “(1) IN GENERAL.—A consumer reporting  
17 agency may furnish a consumer report relating to  
18 any consumer pursuant to subparagraph (A) or (C)  
19 of subsection (a)(3) in connection with any credit or  
20 insurance transaction that is not initiated by the  
21 consumer only if—

22 “(A) the consumer authorizes the agency  
23 to provide such report to such person; or

24 “(B)(i) the transaction consists of a firm  
25 offer of credit or insurance;

1           “(ii) the consumer reporting agency has  
2           complied with subsection (e); and

3           “(iii) there is not in effect an election by  
4           the consumer, made in accordance with sub-  
5           section (e), to have the consumer’s name and  
6           address excluded from lists of names provided  
7           by the agency pursuant to this paragraph.

8           “(2) LIMITS ON INFORMATION RECEIVED  
9           UNDER PARAGRAPH (1)(B).—A person may receive  
10          pursuant to paragraph (1)(B) only—

11           “(A) the name and address of a consumer;

12           “(B) an identifier that is not unique to the  
13           consumer and that is used by the person solely  
14           for the purpose of verifying the identity of the  
15           consumer; and

16           “(C) other information pertaining to a  
17           consumer that does not identify the relationship  
18           or experience of the consumer with respect to a  
19           particular creditor or other entity.

20           “(3) INFORMATION REGARDING INQUIRIES.—  
21          Except as provided in section 609(a)(5), a consumer  
22          reporting agency shall not furnish to any person a  
23          record of inquiries in connection with a credit or in-  
24          surance transaction that is not initiated by a  
25          consumer.

1 “(d) RESERVED.

2 “(e) ELECTION OF CONSUMER TO BE EXCLUDED  
3 FROM LISTS.—

4 “(1) IN GENERAL.—A consumer may elect to  
5 have the consumer’s name and address excluded  
6 from any list provided by a consumer reporting  
7 agency under subsection (c)(1)(B) in connection  
8 with a credit or insurance transaction that is not ini-  
9 tiated by the consumer by notifying the agency in  
10 accordance with paragraph (2) that the consumer  
11 does not consent to any use of a consumer report re-  
12 lating to the consumer in connection with any credit  
13 or insurance transaction that is not initiated by the  
14 consumer.

15 “(2) MANNER OF NOTIFICATION.—A consumer  
16 shall notify a consumer reporting agency under  
17 paragraph (1)—

18 “(A) through the notification system main-  
19 tained by the agency under paragraph (5); or

20 “(B) by submitting to the agency a signed  
21 notice of election form issued by the agency for  
22 purposes of this subparagraph.

23 “(3) RESPONSE OF AGENCY AFTER NOTIFICA-  
24 TION THROUGH SYSTEM.—Upon receipt of notifica-  
25 tion of the election of a consumer under paragraph

1 (1) through the notification system maintained by  
2 the agency under paragraph (5), a consumer report-  
3 ing agency shall—

4 “(A) inform the consumer that the election  
5 is effective only for the 2-year period following  
6 the election if the consumer does not submit to  
7 the agency a signed notice of election form is-  
8 sued by the agency for purposes of paragraph  
9 (2)(B); and

10 “(B) provide to the consumer a notice of  
11 election form, if requested by the consumer, not  
12 later than 5 business days after receipt of the  
13 notification of the election through the system  
14 established under paragraph (5), in the case of  
15 a request made at the time the consumer pro-  
16 vides notification through the system.

17 “(4) EFFECTIVENESS OF ELECTION.—An elec-  
18 tion of a consumer under paragraph (1)—

19 “(A) shall be effective with respect to a  
20 consumer reporting agency beginning 5 busi-  
21 ness days after the date on which the consumer  
22 notifies the agency in accordance with para-  
23 graph (2);

24 “(B) shall be effective with respect to a  
25 consumer reporting agency—

1 “(i) subject to subparagraph (C), dur-  
2 ing the 2-year period beginning 5 business  
3 days after the date on which the consumer  
4 notifies the agency of the election, in the  
5 case of an election for which a consumer  
6 notifies the agency only in accordance with  
7 paragraph (2)(A); or

8 “(ii) until the consumer notifies the  
9 agency under subparagraph (C), in the  
10 case of an election for which a consumer  
11 notifies the agency in accordance with  
12 paragraph (2)(B);

13 “(C) shall not be effective after the date on  
14 which the consumer notifies the agency,  
15 through the notification system established by  
16 the agency under paragraph (5), that the elec-  
17 tion is no longer effective; and

18 “(D) shall be effective with respect to each  
19 affiliate of the agency.

20 “(5) NOTIFICATION SYSTEM.—

21 “(A) IN GENERAL.—Each consumer re-  
22 porting agency that, under subsection (c)(1)(B),  
23 furnishes a consumer report in connection with  
24 a credit or insurance transaction that is not ini-  
25 tiated by a consumer shall—

1 “(i) establish and maintain a notifica-  
2 tion system, including a toll-free telephone  
3 number, which permits any consumer  
4 whose consumer report is maintained by  
5 the agency to notify the agency, with ap-  
6 propriate identification, of the consumer’s  
7 election to have the consumer’s name and  
8 address excluded from any such list of  
9 names and addresses provided by the agen-  
10 cy for such a transaction; and

11 “(ii) publish by not later than 365  
12 days after the date of enactment of the  
13 Consumer Credit Reporting Reform Act of  
14 1996, and not less than annually there-  
15 after, in a publication of general circula-  
16 tion in the area served by the agency—

17 “(I) a notification that informa-  
18 tion in consumer files maintained by  
19 the agency may be used in connection  
20 with such transactions; and

21 “(II) the address and toll-free  
22 telephone number for consumers to  
23 use to notify the agency of the con-  
24 sumer’s election under clause (i).

1                   “(B) ESTABLISHMENT AND MAINTENANCE  
2                   AS COMPLIANCE.—Establishment and mainte-  
3                   nance of a notification system (including a toll-  
4                   free telephone number) and publication by a  
5                   consumer reporting agency on the agency’s own  
6                   behalf and on behalf of any of its affiliates in  
7                   accordance with this paragraph is deemed to be  
8                   compliance with this paragraph by each of  
9                   those affiliates.

10                  “(6) NOTIFICATION SYSTEM BY AGENCIES  
11                  THAT OPERATE NATIONWIDE.—Each consumer re-  
12                  porting agency that compiles and maintains files on  
13                  consumers on a nationwide basis shall establish and  
14                  maintain a notification system for purposes of para-  
15                  graph (5) jointly with other such consumer reporting  
16                  agencies.”.

17                  (b) USE OF INFORMATION OBTAINED FROM RE-  
18                  PORTS.—Section 604 of the Fair Credit Reporting Act (15  
19                  U.S.C. 1681b) (as amended by subsection (a) of this sec-  
20                  tion) is amended by adding at the end the following new  
21                  subsection:

22                  “(f) CERTAIN USE OR OBTAINING OF INFORMATION  
23                  PROHIBITED.—A person shall not use or obtain a  
24                  consumer report for any purpose unless—

1           “(1) the consumer report is obtained for a pur-  
2           pose for which the consumer report is authorized to  
3           be furnished under this section; and

4           “(2) the purpose is certified in accordance with  
5           section 607 by a prospective user of the report  
6           through a general or specific certification.”.

7           (c) FTC GUIDELINES REGARDING PRESCREENING  
8           FOR INSURANCE TRANSACTIONS.—The Federal Trade  
9           Commission may issue such guidelines as it deems nec-  
10          essary with respect to the use of consumer reports in con-  
11          nection with insurance transactions that are not initiated  
12          by the consumer pursuant to section 604(c) of the Fair  
13          Credit Reporting Act, as added by subsection (a) of this  
14          section.

15   **SEC. 2405. CONSUMER CONSENT REQUIRED TO FURNISH**  
16                   **CONSUMER REPORT CONTAINING MEDICAL**  
17                   **INFORMATION.**

18          Section 604 of the Fair Credit Reporting Act (15  
19          U.S.C. 1681b) is amended by adding at the end the follow-  
20          ing new subsection:

21          “(g) FURNISHING REPORTS CONTAINING MEDICAL  
22          INFORMATION.—A consumer reporting agency shall not  
23          furnish for employment purposes, or in connection with  
24          a credit or insurance transaction or a direct marketing  
25          transaction, a consumer report that contains medical in-



1 formation about a consumer, unless the consumer con-  
2 sents to the furnishing of the report.”.

3 **SEC. 2406. OBSOLETE INFORMATION AND INFORMATION**  
4 **CONTAINED IN CONSUMER REPORTS.**

5 (a) AMENDMENT TO LARGE-DOLLAR EXCEPTION.—  
6 Section 605 of the Fair Credit Reporting Act (15 U.S.C.  
7 1681c) is amended—

8 (1) by inserting “INFORMATION EXCLUDED  
9 FROM CONSUMER REPORTS.—” after “(a)”;

10 (2) in subsection (b)—

11 (A) in paragraph (1), by striking  
12 “\$50,000” and inserting “\$150,000”;

13 (B) in paragraph (2), by striking  
14 “\$50,000” and inserting “\$150,000”; and

15 (C) in paragraph (3), by striking  
16 “\$20,000” and inserting “\$75,000”.

17 (b) CLARIFICATION OF REPORTING PERIOD.—Sec-  
18 tion 605 of the Fair Credit Reporting Act (15 U.S.C.  
19 1681c) (as amended by subsection (a) of this section) is  
20 amended by adding at the end the following new sub-  
21 section:

22 “(c) RUNNING OF REPORTING PERIOD.—

23 “(1) IN GENERAL.—The 7-year period referred  
24 to in paragraphs (4) and (6) of subsection (a) shall  
25 begin, with respect to any delinquent account that is

1 placed for collection (internally or by referral to a  
2 third party, whichever is earlier), charged to profit  
3 and loss, or subjected to any similar action, upon the  
4 expiration of the 180-day period beginning on the  
5 date of the commencement of the delinquency which  
6 immediately preceded the collection activity, charge  
7 to profit and loss, or similar action.

8 “(2) EFFECTIVE DATE.—Paragraph (1) shall  
9 apply only to items of information added to the file  
10 of a consumer on or after the date that is 455 days  
11 after the date of enactment of the Consumer Credit  
12 Reporting Reform Act of 1996.”.

13 (c) ADDITIONAL INFORMATION ON BANKRUPTCY  
14 FILINGS REQUIRED.—Section 605 of the Fair Credit Re-  
15 porting Act (15 U.S.C. 1681c) is amended by adding at  
16 the end the following new subsection:

17 “(d) INFORMATION REQUIRED TO BE DISCLOSED.—  
18 Any consumer reporting agency that furnishes a consumer  
19 report that contains information regarding any case in-  
20 volving the consumer that arises under title 11, United  
21 States Code, shall include in the report an identification  
22 of the chapter of such title 11 under which such case  
23 arises if provided by the source of the information. If any  
24 case arising or filed under title 11, United States Code,  
25 is withdrawn by the consumer before a final judgment, the

1 consumer reporting agency shall include in the report that  
2 such case or filing was withdrawn upon receipt of docu-  
3 mentation certifying such withdrawal.”.

4 (d) INDICATION OF CLOSURE OF ACCOUNT; INDICA-  
5 TION OF DISPUTE BY CONSUMER.—Section 605 of the  
6 Fair Credit Reporting Act (15 U.S.C. 1681e) is amended  
7 by adding at the end the following new subsections:

8 “(e) INDICATION OF CLOSURE OF ACCOUNT BY  
9 CONSUMER.—If a consumer reporting agency is notified  
10 pursuant to section 623(a)(4) that a credit account of a  
11 consumer was voluntarily closed by the consumer, the  
12 agency shall indicate that fact in any consumer report that  
13 includes information related to the account.

14 “(f) INDICATION OF DISPUTE BY CONSUMER.—If a  
15 consumer reporting agency is notified pursuant to section  
16 623(a)(3) that information regarding a consumer who was  
17 furnished to the agency is disputed by the consumer, the  
18 agency shall indicate that fact in each consumer report  
19 that includes the disputed information.”.

20 (e) CONFORMING AMENDMENTS.—

21 (1) Section 605 of the Fair Credit Reporting  
22 Act (15 U.S.C. 1681e) is amended in the section  
23 heading, by striking “**OBSOLETE INFORMA-**  
24 **TION**” and inserting “**REQUIREMENTS RE-**

1       **LATING TO INFORMATION CONTAINED**  
2       **IN CONSUMER REPORTS”.**

3           (2) The table of sections for the Fair Credit  
4       Reporting Act (15 U.S.C. 1681a et seq.) is amended  
5       by striking the item relating to section 605 and in-  
6       serting the following:

      “605. Requirements relating to information contained in consumer reports.”.

7       **SEC. 2407. COMPLIANCE PROCEDURES.**

8           (a) DISCLOSURE OF CONSUMER REPORTS BY  
9       USERS.—Section 607 of the Fair Credit Reporting Act  
10      (15 U.S.C. 1681e) is amended by adding at the end the  
11      following new subsection:

12       “(c) DISCLOSURE OF CONSUMER REPORTS BY  
13      USERS ALLOWED.—A consumer reporting agency may not  
14      prohibit a user of a consumer report furnished by the  
15      agency on a consumer from disclosing the contents of the  
16      report to the consumer, if adverse action against the  
17      consumer has been taken by the user based in whole or  
18      in part on the report.”.

19       (b) NOTICE TO USERS AND PROVIDERS OF INFORMA-  
20      TION TO ENSURE COMPLIANCE.—Section 607 of the Fair  
21      Credit Reporting Act (15 U.S.C. 1681e) is amended by  
22      adding after subsection (c) (as added by subsection (a))  
23      of this section) the following new subsection:

24       “(d) NOTICE TO USERS AND FURNISHERS OF INFOR-  
25      MATION.—

1           “(1) NOTICE REQUIREMENT.—A consumer re-  
2       porting agency shall provide to any person—

3           “(A) who regularly and in the ordinary  
4       course of business furnishes information to the  
5       agency with respect to any consumer; or

6           “(B) to whom a consumer report is pro-  
7       vided by the agency;

8       a notice of such person’s responsibilities under this  
9       title.

10          “(2) CONTENT OF NOTICE.—The Federal  
11       Trade Commission shall prescribe the content of no-  
12       tices under paragraph (1), and a consumer reporting  
13       agency shall be in compliance with this subsection if  
14       it provides a notice under paragraph (1) that is sub-  
15       stantially similar to the Federal Trade Commission  
16       prescription under this paragraph.”.

17       (c) RECORD OF IDENTITY OF USERS AND PURPOSES  
18       CERTIFIED BY USERS OF REPORTS.—Section 607 of the  
19       Fair Credit Reporting Act (15 U.S.C. 1681e) is amended  
20       by adding after subsection (d) (as added by subsection (b)  
21       of this section) the following new subsection:

22          “(e) PROCUREMENT OF CONSUMER REPORT FOR RE-  
23       SALE.—

24          “(1) DISCLOSURE.—A person may not procure  
25       a consumer report for purposes of reselling the re-

1 port (or any information in the report) unless the  
2 person discloses to the consumer reporting agency  
3 that originally furnishes the report—

4 “(A) the identity of the end-user of the re-  
5 port (or information); and

6 “(B) each permissible purpose under sec-  
7 tion 604 for which the report is furnished to  
8 the end-user of the report (or information).

9 “(2) RESPONSIBILITIES OF PROCURERS FOR  
10 RESALE.—A person who procures a consumer report  
11 for purposes of reselling the report (or any informa-  
12 tion in the report) shall—

13 “(A) establish and comply with reasonable  
14 procedures designed to ensure that the report  
15 (or information) is resold by the person only for  
16 a purpose for which the report may be fur-  
17 nished under section 604, including by requir-  
18 ing that each person to which the report (or in-  
19 formation) is resold and that resells or provides  
20 the report (or information) to any other per-  
21 son—

22 “(i) identifies each end user of the re-  
23 sold report (or information);

1                   “(ii) certifies each purpose for which  
2                   the report (or information) will be used;  
3                   and

4                   “(iii) certifies that the report (or in-  
5                   formation) will be used for no other pur-  
6                   pose; and

7                   “(B) before reselling the report, make rea-  
8                   sonable efforts to verify the identifications and  
9                   certifications made under subparagraph (A).”.

10 **SEC. 2408. CONSUMER DISCLOSURES.**

11           (a) ALL INFORMATION IN CONSUMER’S FILE RE-  
12 QUIRED TO BE DISCLOSED.—Section 609(a)(1) of the  
13 Fair Credit Reporting Act (15 U.S.C. 1681g(a)(1)) is  
14 amended to read as follows:

15                   “(1) All information in the consumer’s file at  
16                   the time of the request, except that nothing in this  
17                   paragraph shall be construed to require a consumer  
18                   reporting agency to disclose to a consumer any in-  
19                   formation concerning credit scores or any other risk  
20                   scores or predictors relating to the consumer.”.

21           (b) MORE INFORMATION CONCERNING RECIPIENTS  
22 OF REPORTS REQUIRED.—Section 609(a)(3) of the Fair  
23 Credit Reporting Act (15 U.S.C. 1681g(a)) is amended  
24 to read as follows:

1           “(3)(A) Identification of each person (including  
2           each end-user identified under section 607(e)(1))  
3           that procured a consumer report—

4                   “(i) for employment purposes, during the  
5           2-year period preceding the date on which the  
6           request is made; or

7                   “(ii) for any other purpose, during the 1-  
8           year period preceding the date on which the re-  
9           quest is made.

10          “(B) An identification of a person under sub-  
11          paragraph (A) shall include—

12                   “(i) the name of the person or, if applica-  
13           ble, the trade name (written in full) under  
14           which such person conducts business; and

15                   “(ii) upon request of the consumer, the ad-  
16           dress and telephone number of the person.”.

17          (c) INFORMATION REGARDING INQUIRIES.—Section  
18          609(a) of the Fair Credit Reporting Act (15 U.S.C.  
19          1681g(a)) is amended by adding at the end the following  
20          new paragraph:

21                   “(5) A record of all inquiries received by the  
22           agency during the 1-year period preceding the re-  
23           quest that identified the consumer in connection  
24           with a credit or insurance transaction that was not  
25           initiated by the consumer.”.



1       (d) SUMMARY OF RIGHTS REQUIRED TO BE IN-  
2 CLUDED WITH DISCLOSURE.—

3           (1) IN GENERAL.—Section 609 of the Fair  
4 Credit Reporting Act (15 U.S.C. 1681g) is amended  
5 by adding at the end the following new subsection:

6       “(c) SUMMARY OF RIGHTS REQUIRED TO BE IN-  
7 CLUDED WITH DISCLOSURE.—

8           “(1) SUMMARY OF RIGHTS.—A consumer re-  
9 porting agency shall provide to a consumer, with  
10 each written disclosure by the agency to the  
11 consumer under this section—

12           “(A) a written summary of all of the rights  
13 that the consumer has under this title; and

14           “(B) in the case of a consumer reporting  
15 agency that compiles and maintains files on  
16 consumers on a nationwide basis, a toll-free  
17 telephone number established by the agency, at  
18 which personnel are accessible to consumers  
19 during normal business hours.

20       “(2) SPECIFIC ITEMS REQUIRED TO BE IN-  
21 CLUDED.—The summary of rights required under  
22 paragraph (1) shall include—

23           “(A) a brief description of this title and all  
24 rights of consumers under this title;

1           “(B) an explanation of how the consumer  
2           may exercise the rights of the consumer under  
3           this title;

4           “(C) a list of all Federal agencies respon-  
5           sible for enforcing any provision of this title  
6           and the address and any appropriate phone  
7           number of each such agency, in a form that will  
8           assist the consumer in selecting the appropriate  
9           agency;

10          “(D) a statement that the consumer may  
11          have additional rights under State law and that  
12          the consumer may wish to contact a State or  
13          local consumer protection agency or a State at-  
14          torney general to learn of those rights; and

15          “(E) a statement that a consumer report-  
16          ing agency is not required to remove accurate  
17          derogatory information from a consumer’s file,  
18          unless the information is outdated under sec-  
19          tion 605 or cannot be verified.

20          “(3) FORM OF SUMMARY OF RIGHTS.—For pur-  
21          poses of this subsection and any disclosure by a  
22          consumer reporting agency required under this title  
23          with respect to consumers’ rights, the Federal Trade  
24          Commission (after consultation with each Federal  
25          agency referred to in section 621(b)) shall prescribe

1 the form and content of any such disclosure of the  
2 rights of consumers required under this title. A  
3 consumer reporting agency shall be in compliance  
4 with this subsection if it provides disclosures under  
5 paragraph (1) that are substantially similar to the  
6 Federal Trade Commission prescription under this  
7 paragraph.

8 “(4) EFFECTIVENESS.—No disclosures shall be  
9 required under this subsection until the date on  
10 which the Federal Trade Commission prescribes the  
11 form and content of such disclosures under para-  
12 graph (3).”.

13 (2) TECHNICAL AMENDMENT.—Section  
14 606(a)(1)(B) of the Fair Credit Reporting Act (15  
15 U.S.C. 1681d(a)(1)(B)) is amended by inserting  
16 “and the written summary of the rights of the  
17 consumer prepared pursuant to section 609(c)” be-  
18 fore the semicolon.

19 (e) FORM OF DISCLOSURES.—

20 (1) IN GENERAL.—Subsections (a) and (b) of  
21 section 610 of the Fair Credit Reporting Act (15  
22 U.S.C. 1681h) are amended to read as follows:

23 “(a) IN GENERAL.—

24 “(1) PROPER IDENTIFICATION.—A consumer  
25 reporting agency shall require, as a condition of

1 making the disclosures required under section 609,  
2 that the consumer furnish proper identification.

3 “(2) DISCLOSURE IN WRITING.—Except as pro-  
4 vided in subsection (b), the disclosures required to  
5 be made under section 609 shall be provided under  
6 that section in writing.

7 “(b) OTHER FORMS OF DISCLOSURE.—

8 “(1) IN GENERAL.—If authorized by a  
9 consumer, a consumer reporting agency may make  
10 the disclosures required under 609—

11 “(A) other than in writing; and

12 “(B) in such form as may be—

13 “(i) specified by the consumer in ac-  
14 cordance with paragraph (2); and

15 “(ii) available from the agency.

16 “(2) FORM.—A consumer may specify pursuant  
17 to paragraph (1) that disclosures under section 609  
18 shall be made—

19 “(A) in person, upon the appearance of the  
20 consumer at the place of business of the  
21 consumer reporting agency where disclosures  
22 are regularly provided, during normal business  
23 hours, and on reasonable notice;

1           “(B) by telephone, if the consumer has  
2           made a written request for disclosure by tele-  
3           phone;

4           “(C) by electronic means, if available from  
5           the agency; or

6           “(D) by any other reasonable means that  
7           is available from the agency.”.

8           (2) SIMPLIFIED DISCLOSURE.—Not later than  
9           90 days after the date of enactment of this Act, each  
10          consumer reporting agency shall develop a form on  
11          which such consumer reporting agency shall make  
12          the disclosures required under section 609(a) of the  
13          Fair Credit Reporting Act, for the purpose of maxi-  
14          mizing the comprehensibility and standardization of  
15          such disclosures.

16          (3) GOALS.—The Federal Trade Commission  
17          shall take appropriate action to assure that the goals  
18          of comprehensibility and standardization are  
19          achieved in accordance with paragraph (2).

20          (4) DEFAMATION.—Section 610(e) of the Fair  
21          Credit Reporting Act (15 U.S.C. 1681h(e)) is  
22          amended by inserting “or based on information dis-  
23          closed by a user of a consumer report to or for a  
24          consumer against whom the user has taken adverse

1 action, based in whole or in part on the report” be-  
 2 fore “except”.

3 (5) CONFORMING AMENDMENTS.—The Fair  
 4 Credit Reporting Act (15 U.S.C. 1681 et seq.) is  
 5 amended—

6 (A) in section 609(a), in the matter pre-  
 7 ceding paragraph (1), by striking “and proper  
 8 identification of any consumer” and inserting “,  
 9 and subject to section 610(a)(1)”;

10 (B) in section 610, in the section heading,  
 11 by inserting “**AND FORM**” after “**CONDI-**  
 12 **TIONS**”; and

13 (C) in the table of sections at the begin-  
 14 ning of that Act, in the item relating to section  
 15 610, by inserting “and form” after “condi-  
 16 tions”.

17 **SEC. 2409. PROCEDURES IN CASE OF THE DISPUTED ACCU-**  
 18 **RACY OF ANY INFORMATION IN A CONSUM-**  
 19 **ER’S FILE.**

20 (a) IN GENERAL.—Section 611(a) of the Fair Credit  
 21 Reporting Act (15 U.S.C. 1681i(a)) is amended to read  
 22 as follows:

23 “(a) REINVESTIGATIONS OF DISPUTED INFORMA-  
 24 TION.—

25 “(1) REINVESTIGATION REQUIRED.—

1           “(A) IN GENERAL.—If the completeness or  
2 accuracy of any item of information contained  
3 in a consumer’s file at a consumer reporting  
4 agency is disputed by the consumer and the  
5 consumer notifies the agency directly of such  
6 dispute, the agency shall reinvestigate free of  
7 charge and record the current status of the dis-  
8 puted information, or delete the item from the  
9 file in accordance with paragraph (5), before  
10 the end of the 30-day period beginning on the  
11 date on which the agency receives the notice of  
12 the dispute from the consumer.

13           “(B) EXTENSION OF PERIOD TO REINVES-  
14 TIGATE.—Except as provided in subparagraph  
15 (C), the 30-day period described in subpara-  
16 graph (A) may be extended for not more than  
17 15 additional days if the consumer reporting  
18 agency receives information from the consumer  
19 during that 30-day period that is relevant to  
20 the reinvestigation.

21           “(C) LIMITATIONS ON EXTENSION OF PE-  
22 RIOD TO REINVESTIGATE.—Subparagraph (B)  
23 shall not apply to any reinvestigation in which,  
24 during the 30-day period described in subpara-  
25 graph (A), the information that is the subject

1 of the reinvestigation is found to be inaccurate  
2 or incomplete or the consumer reporting agency  
3 determines that the information cannot be veri-  
4 fied.

5 “(2) PROMPT NOTICE OF DISPUTE TO FUR-  
6 NISHER OF INFORMATION.—

7 “(A) IN GENERAL.—Before the expiration  
8 of the 5-business-day period beginning on the  
9 date on which a consumer reporting agency re-  
10 ceives notice of a dispute from any consumer in  
11 accordance with paragraph (1), the agency shall  
12 provide notification of the dispute to any person  
13 who provided any item of information in dis-  
14 pute, at the address and in the manner estab-  
15 lished with the person. The notice shall include  
16 all relevant information regarding the dispute  
17 that the agency has received from the  
18 consumer.

19 “(B) PROVISION OF OTHER INFORMATION  
20 FROM CONSUMER.—The consumer reporting  
21 agency shall promptly provide to the person  
22 who provided the information in dispute all rel-  
23 evant information regarding the dispute that is  
24 received by the agency from the consumer after  
25 the period referred to in subparagraph (A) and



1 before the end of the period referred to in para-  
2 graph (1)(A).

3 “(3) DETERMINATION THAT DISPUTE IS FRIVO-  
4 LOUS OR IRRELEVANT.—

5 “(A) IN GENERAL.—Notwithstanding para-  
6 graph (1), a consumer reporting agency may  
7 terminate a reinvestigation of information dis-  
8 puted by a consumer under that paragraph if  
9 the agency reasonably determines that the dis-  
10 pute by the consumer is frivolous or irrelevant,  
11 including by reason of a failure by a consumer  
12 to provide sufficient information to investigate  
13 the disputed information.

14 “(B) NOTICE OF DETERMINATION.—Upon  
15 making any determination in accordance with  
16 subparagraph (A) that a dispute is frivolous or  
17 irrelevant, a consumer reporting agency shall  
18 notify the consumer of such determination not  
19 later than 5 business days after making such  
20 determination, by mail or, if authorized by the  
21 consumer for that purpose, by any other means  
22 available to the agency.

23 “(C) CONTENTS OF NOTICE.—A notice  
24 under subparagraph (B) shall include—

1 “(i) the reasons for the determination  
2 under subparagraph (A); and

3 “(ii) identification of any information  
4 required to investigate the disputed infor-  
5 mation, which may consist of a standard-  
6 ized form describing the general nature of  
7 such information.

8 “(4) CONSIDERATION OF CONSUMER INFORMA-  
9 TION.—In conducting any reinvestigation under  
10 paragraph (1) with respect to disputed information  
11 in the file of any consumer, the consumer reporting  
12 agency shall review and consider all relevant infor-  
13 mation submitted by the consumer in the period de-  
14 scribed in paragraph (1)(A) with respect to such dis-  
15 puted information.

16 “(5) TREATMENT OF INACCURATE OR UNVERI-  
17 FIABLE INFORMATION.—

18 “(A) IN GENERAL.—If, after any reinves-  
19 tigation under paragraph (1) of any informa-  
20 tion disputed by a consumer, an item of the in-  
21 formation is found to be inaccurate or incom-  
22 plete or cannot be verified, the consumer re-  
23 porting agency shall promptly delete that item  
24 of information from the consumer’s file or mod-

1           ify that item of information, as appropriate,  
2           based on the results of the reinvestigation.

3                   “(B) REQUIREMENTS RELATING TO RE-  
4           INSERTION OF PREVIOUSLY DELETED MATE-  
5           RIAL.—

6                           “(i) CERTIFICATION OF ACCURACY OF  
7           INFORMATION.—If any information is de-  
8           leted from a consumer’s file pursuant to  
9           subparagraph (A), the information may  
10          not be reinserted in the file by the  
11          consumer reporting agency unless the per-  
12          son who furnishes the information certifies  
13          that the information is complete and accu-  
14          rate.

15                           “(ii) NOTICE TO CONSUMER.—If any  
16          information that has been deleted from a  
17          consumer’s file pursuant to subparagraph  
18          (A) is reinserted in the file, the consumer  
19          reporting agency shall notify the consumer  
20          of the reinsertion in writing not later than  
21          5 business days after the reinsertion or, if  
22          authorized by the consumer for that pur-  
23          pose, by any other means available to the  
24          agency.

1           “(iii) ADDITIONAL INFORMATION.—As  
2           part of, or in addition to, the notice under  
3           clause (ii), a consumer reporting agency  
4           shall provide to a consumer in writing not  
5           later than 5 business days after the date of  
6           the reinsertion—

7                   “(I) a statement that the dis-  
8                   puted information has been re-  
9                   inserted;

10                   “(II) the business name and ad-  
11                   dress of any furnisher of information  
12                   contacted and the telephone number  
13                   of such furnisher, if reasonably avail-  
14                   able, or of any furnisher of informa-  
15                   tion that contacted the consumer re-  
16                   porting agency, in connection with the  
17                   reinsertion of such information; and

18                   “(III) a notice that the consumer  
19                   has the right to add a statement to  
20                   the consumer’s file disputing the accu-  
21                   racy or completeness of the disputed  
22                   information.

23           “(C) PROCEDURES TO PREVENT RE-  
24           APPEARANCE.—A consumer reporting agency  
25           shall maintain reasonable procedures designed

1 to prevent the reappearance in a consumer's  
2 file, and in consumer reports on the consumer,  
3 of information that is deleted pursuant to this  
4 paragraph (other than information that is re-  
5 inserted in accordance with subparagraph  
6 (B)(i)).

7 “(D) AUTOMATED REINVESTIGATION SYS-  
8 TEM.—Any consumer reporting agency that  
9 compiles and maintains files on consumers on a  
10 nationwide basis shall implement an automated  
11 system through which furnishers of information  
12 to that consumer reporting agency may report  
13 the results of a reinvestigation that finds in-  
14 complete or inaccurate information in a con-  
15 sumer's file to other such consumer reporting  
16 agencies.

17 “(6) NOTICE OF RESULTS OF REINVESTIGA-  
18 TION.—

19 “(A) IN GENERAL.—A consumer reporting  
20 agency shall provide written notice to a  
21 consumer of the results of a reinvestigation  
22 under this subsection not later than 5 business  
23 days after the completion of the reinvestigation,  
24 by mail or, if authorized by the consumer for

1           that purpose, by other means available to the  
2           agency.

3           “(B) CONTENTS.—As part of, or in addi-  
4           tion to, the notice under subparagraph (A), a  
5           consumer reporting agency shall provide to a  
6           consumer in writing before the expiration of the  
7           5-day period referred to in subparagraph (A)—

8                   “(i) a statement that the reinvestiga-  
9                   tion is completed;

10                   “(ii) a consumer report that is based  
11                   upon the consumer’s file as that file is re-  
12                   vised as a result of the reinvestigation;

13                   “(iii) a notice that, if requested by the  
14                   consumer, a description of the procedure  
15                   used to determine the accuracy and com-  
16                   pleteness of the information shall be pro-  
17                   vided to the consumer by the agency, in-  
18                   cluding the business name and address of  
19                   any furnisher of information contacted in  
20                   connection with such information and the  
21                   telephone number of such furnisher, if rea-  
22                   sonably available;

23                   “(iv) a notice that the consumer has  
24                   the right to add a statement to the con-

1 consumer's file disputing the accuracy or com-  
2 pleteness of the information; and

3 “(v) a notice that the consumer has  
4 the right to request under subsection (d)  
5 that the consumer reporting agency fur-  
6 nish notifications under that subsection.

7 “(7) DESCRIPTION OF REINVESTIGATION PRO-  
8 CEDURE.—A consumer reporting agency shall pro-  
9 vide to a consumer a description referred to in para-  
10 graph (6)(B)(iv) by not later than 15 days after re-  
11 ceiving a request from the consumer for that de-  
12 scription.

13 “(8) EXPEDITED DISPUTE RESOLUTION.—If a  
14 dispute regarding an item of information in a con-  
15 sumer's file at a consumer reporting agency is re-  
16 solved in accordance with paragraph (5)(A) by the  
17 deletion of the disputed information by not later  
18 than 3 business days after the date on which the  
19 agency receives notice of the dispute from the  
20 consumer in accordance with paragraph (1)(A), then  
21 the agency shall not be required to comply with  
22 paragraphs (2), (6), and (7) with respect to that dis-  
23 pute if the agency—

24 “(A) provides prompt notice of the deletion  
25 to the consumer by telephone;

1 “(B) includes in that notice, or in a writ-  
2 ten notice that accompanies a confirmation and  
3 consumer report provided in accordance with  
4 subparagraph (C), a statement of the consum-  
5 er’s right to request under subsection (d) that  
6 the agency furnish notifications under that sub-  
7 section; and

8 “(C) provides written confirmation of the  
9 deletion and a copy of a consumer report on the  
10 consumer that is based on the consumer’s file  
11 after the deletion, not later than 5 business  
12 days after making the deletion.”.

13 (b) CONFORMING AMENDMENT.—Section 611(d) of  
14 the Fair Credit Reporting Act (15 U.S.C. 1681i(d)) is  
15 amended by striking “The consumer reporting agency  
16 shall clearly” and all that follows through the end of the  
17 subsection.

18 **SEC. 2410. CHARGES FOR CERTAIN DISCLOSURES.**

19 Section 612 of the Fair Credit Reporting Act (15  
20 U.S.C. 1681j) is amended to read as follows:

21 **“SEC. 612. CHARGES FOR CERTAIN DISCLOSURES.**

22 “(a) REASONABLE CHARGES ALLOWED FOR CER-  
23 TAIN DISCLOSURES.—

24 “(1) IN GENERAL.—Except as provided in sub-  
25 sections (b), (c), and (d), a consumer reporting



1       agency may impose a reasonable charge on a  
2       consumer—

3               “(A) for making a disclosure to the  
4       consumer pursuant to section 609, which  
5       charge—

6                       “(i) shall not exceed \$8; and

7                       “(ii) shall be indicated to the  
8       consumer before making the disclosure;  
9       and

10              “(B) for furnishing, pursuant to section  
11       611(d), following a reinvestigation under sec-  
12       tion 611(a), a statement, codification, or sum-  
13       mary to a person designated by the consumer  
14       under that section after the 30-day period be-  
15       ginning on the date of notification of the  
16       consumer under paragraph (6) or (8) of section  
17       611(a) with respect to the reinvestigation,  
18       which charge—

19                      “(i) shall not exceed the charge that  
20       the agency would impose on each des-  
21       ignated recipient for a consumer report;  
22       and

23                      “(ii) shall be indicated to the  
24       consumer before furnishing such informa-  
25       tion.

1           “(2) MODIFICATION OF AMOUNT.—The Federal  
2       Trade Commission shall increase the amount re-  
3       ferred to in paragraph (1)(A)(i) on January 1 of  
4       each year, based proportionally on changes in the  
5       Consumer Price Index, with fractional changes  
6       rounded to the nearest fifty cents.

7           “(b) FREE DISCLOSURE AFTER ADVERSE NOTICE  
8       TO CONSUMER.—Each consumer reporting agency that  
9       maintains a file on a consumer shall make all disclosures  
10      pursuant to section 609 without charge to the consumer  
11      if, not later than 60 days after receipt by such consumer  
12      of a notification pursuant to section 615, or of a notifica-  
13      tion from a debt collection agency affiliated with that  
14      consumer reporting agency stating that the consumer’s  
15      credit rating may be or has been adversely affected, the  
16      consumer makes a request under section 609.

17          “(c) FREE DISCLOSURE UNDER CERTAIN OTHER  
18      CIRCUMSTANCES.—Upon the request of the consumer, a  
19      consumer reporting agency shall make all disclosures pur-  
20      suant to section 609 once during any 12-month period  
21      without charge to that consumer if the consumer certifies  
22      in writing that the consumer—

23           “(1) is unemployed and intends to apply for  
24      employment in the 60-day period beginning on the  
25      date on which the certification is made;

1 “(2) is a recipient of public welfare assistance;

2 or

3 “(3) has reason to believe that the file on the  
4 consumer at the agency contains inaccurate informa-  
5 tion due to fraud.

6 “(d) OTHER CHARGES PROHIBITED.—A consumer  
7 reporting agency shall not impose any charge on a  
8 consumer for providing any notification required by this  
9 title or making any disclosure required by this title, except  
10 as authorized by subsection (a).”.

11 **SEC. 2411. DUTIES OF USERS OF CONSUMER REPORTS.**

12 (a) DUTIES OF USERS TAKING ADVERSE ACTIONS.—  
13 Section 615(a) of the Fair Credit Reporting Act (15  
14 U.S.C. 1681m(a)) is amended to read as follows:

15 “(a) DUTIES OF USERS TAKING ADVERSE ACTIONS  
16 ON THE BASIS OF INFORMATION CONTAINED IN  
17 CONSUMER REPORTS.—If any person takes any adverse  
18 action with respect to any consumer that is based in whole  
19 or in part on any information contained in a consumer  
20 report, the person shall—

21 “(1) provide oral, written, or electronic notice of  
22 the adverse action to the consumer;

23 “(2) provide to the consumer orally, in writing,  
24 or electronically—

1           “(A) the name, address, and telephone  
2           number of the consumer reporting agency (in-  
3           cluding a toll-free telephone number established  
4           by the agency if the agency compiles and main-  
5           tains files on consumers on a nationwide basis)  
6           that furnished the report to the person; and

7           “(B) a statement that the consumer re-  
8           porting agency did not make the decision to  
9           take the adverse action and is unable to provide  
10          the consumer the specific reasons why the ad-  
11          verse action was taken; and

12          “(3) provide to the consumer an oral, written,  
13          or electronic notice of the consumer’s right—

14               “(A) to obtain, under section 612, a free  
15               copy of a consumer report on the consumer  
16               from the consumer reporting agency referred to  
17               in paragraph (2), which notice shall include an  
18               indication of the 60-day period under that sec-  
19               tion for obtaining such a copy; and

20               “(B) to dispute, under section 611, with a  
21               consumer reporting agency the accuracy or  
22               completeness of any information in a consumer  
23               report furnished by the agency.”.

24          (b) DUTIES OF USERS MAKING CERTAIN CREDIT SO-  
25          LICITATIONS.—Section 615 of the Fair Credit Reporting

1 Act (15 U.S.C. 1681m) is amended by adding at the end  
2 the following new subsection:

3 “(d) DUTIES OF USERS MAKING WRITTEN CREDIT  
4 OR INSURANCE SOLICITATIONS ON THE BASIS OF INFOR-  
5 MATION CONTAINED IN CONSUMER FILES.—

6 “(1) IN GENERAL.—Any person who uses a  
7 consumer report on any consumer in connection with  
8 any credit or insurance transaction that is not initi-  
9 ated by the consumer, that is provided to that per-  
10 son under section 604(c)(1)(B), shall provide with  
11 each written solicitation made to the consumer re-  
12 garding the transaction a clear and conspicuous  
13 statement that—

14 “(A) information contained in the consum-  
15 er’s consumer report was used in connection  
16 with the transaction;

17 “(B) the consumer received the offer of  
18 credit or insurance because the consumer satis-  
19 fied the criteria for credit worthiness or insur-  
20 ability under which the consumer was selected  
21 for the offer;

22 “(C) if applicable, the credit or insurance  
23 may not be extended if, after the consumer re-  
24 sponds to the offer, the consumer does not meet  
25 the criteria used to select the consumer for the

1 offer or any applicable criteria bearing on credit  
2 worthiness or insurability or does not furnish  
3 any required collateral;

4 “(D) the consumer has a right to prohibit  
5 information contained in the consumer’s file  
6 with any consumer reporting agency from being  
7 used in connection with any credit or insurance  
8 transaction that is not initiated by the  
9 consumer; and

10 “(E) the consumer may exercise the right  
11 referred to in subparagraph (D) by notifying a  
12 notification system established under section  
13 604(e).

14 “(2) DISCLOSURE OF ADDRESS AND TELE-  
15 PHONE NUMBER.—A statement under paragraph (1)  
16 shall include the address and toll-free telephone  
17 number of the appropriate notification system estab-  
18 lished under section 604(e).

19 “(3) MAINTAINING CRITERIA ON FILE.—A per-  
20 son who makes an offer of credit or insurance to a  
21 consumer under a credit or insurance transaction  
22 described in paragraph (1) shall maintain on file the  
23 criteria used to select the consumer to receive the  
24 offer, all criteria bearing on credit worthiness or in-  
25 surability, as applicable, that are the basis for deter-

1 mining whether or not to extend credit or insurance  
2 pursuant to the offer, and any requirement for the  
3 furnishing of collateral as a condition of the exten-  
4 sion of credit or insurance, until the expiration of  
5 the 3-year period beginning on the date on which the  
6 offer is made to the consumer.

7 “(4) AUTHORITY OF FEDERAL AGENCIES RE-  
8 GARDING UNFAIR OR DECEPTIVE ACTS OR PRAC-  
9 TICES NOT AFFECTED.—This section is not intended  
10 to affect the authority of any Federal or State agen-  
11 cy to enforce a prohibition against unfair or decep-  
12 tive acts or practices, including the making of false  
13 or misleading statements in connection with a credit  
14 or insurance transaction that is not initiated by the  
15 consumer.”.

16 (c) DUTIES OF USERS MAKING OTHER SOLICITA-  
17 TIONS.—Section 615 of the Fair Credit Reporting Act (15  
18 U.S.C. 1681m) is amended by adding at the end the fol-  
19 lowing new subsection:

20 “(e)

21 (d) CONFORMING AMENDMENT.—Section 615(c) of  
22 the Fair Credit Reporting Act (15 U.S.C. 1681m(c)) is  
23 amended by striking “subsections (a) and (b)” and insert-  
24 ing “this section”.

1       (e) DUTIES OF PERSON TAKING CERTAIN ACTIONS  
2 BASED ON INFORMATION PROVIDED BY AFFILIATE.—  
3 Section 615(b) of the Fair Credit Reporting Act (15  
4 U.S.C. 1681m(b)) is amended—

5           (1) by striking “(b) Whenever credit” and in-  
6       serting the following:

7       “(b) ADVERSE ACTION BASED ON INFORMATION OB-  
8 TAINED FROM THIRD PARTIES OTHER THAN CONSUMER  
9 REPORTING AGENCIES.—

10           “(1) IN GENERAL.—Whenever credit”;

11           (2) by adding at the end the following new  
12       paragraph:

13           “(2) DUTIES OF PERSON TAKING CERTAIN AC-  
14 TIONS BASED ON INFORMATION PROVIDED BY AF-  
15 FILLATE.—

16           “(A) DUTIES, GENERALLY.—If a person  
17       takes an action described in subparagraph (B)  
18       with respect to a consumer, based in whole or  
19       in part on information described in subpara-  
20       graph (C), the person shall—

21           “(i) notify the consumer of the action,  
22       including a statement that the consumer  
23       may obtain the information in accordance  
24       with clause (ii); and



1 “(ii) upon a written request from the  
2 consumer received within 60 days after  
3 transmittal of the notice required by clause  
4 (i), disclose to the consumer the nature of  
5 the information upon which the action is  
6 based by not later than 30 days after re-  
7 ceipt of the request.

8 “(B) ACTION DESCRIBED.—An action re-  
9 ferred to in subparagraph (A) is an adverse ac-  
10 tion described in section 603(k)(1)(A), taken in  
11 connection with a transaction initiated by the  
12 consumer, or any adverse action described in  
13 clause (i) or (ii) of section 603(k)(1)(B).

14 “(C) INFORMATION DESCRIBED.—Informa-  
15 tion referred to in subparagraph (A)—

16 “(i) except as provided in clause (ii),  
17 is information that—

18 “(I) is furnished to the person  
19 taking the action by a person related  
20 by common ownership or affiliated by  
21 common corporate control to the per-  
22 son taking the action; and

23 “(II) bears on the credit worthi-  
24 ness, credit standing, credit capacity,  
25 character, general reputation, per-

1                   sonal characteristics, or mode of living  
 2                   of the consumer; and  
 3                   “(ii) does not include—  
 4                         “(I) information solely as to  
 5                         transactions or experiences between  
 6                         the consumer and the person furnish-  
 7                         ing the information; or  
 8                         “(II) information in a consumer  
 9                         report.”.

10 **SEC. 2412. CIVIL LIABILITY.**

11         (a) CIVIL LIABILITY FOR WILLFUL NONCOMPLI-  
 12 ANCE.—Section 616 of the Fair Credit Reporting Act (15  
 13 U.S.C. 1681n) is amended by striking “Any consumer re-  
 14 porting agency or user of information which” and insert-  
 15 ing “(a) IN GENERAL.—Any person who”.

16         (b) MINIMUM CIVIL LIABILITY FOR WILLFUL NON-  
 17 COMPLIANCE.—Section 616(a)(1) of the Fair Credit Re-  
 18 porting Act (15 U.S.C. 1681n(1)), as so designated by  
 19 subsection (a) of this section, is amended to read as fol-  
 20 lows:

21                 “(1)(A) any actual damages sustained by the  
 22                 consumer as a result of the failure or damages of  
 23                 not less than \$100 and not more than \$1,000; or  
 24                 “(B) in the case of liability of a natural person  
 25                 for obtaining a consumer report under false pre-

1       tenses or knowingly without a permissible purpose,  
2       actual damages sustained by the consumer as a re-  
3       sult of the failure or \$1,000, whichever is greater;”.

4       (c) CIVIL LIABILITY FOR KNOWING NONCOMPLI-  
5 ANCE.—Section 616 of the Fair Credit Reporting Act (15  
6 U.S.C. 1681n) is amended by adding at the end the follow-  
7 ing new subsection:

8       “(b) CIVIL LIABILITY FOR KNOWING NONCOMPLI-  
9 ANCE.—Any person who obtains a consumer report from  
10 a consumer reporting agency under false pretenses or  
11 knowingly without a permissible purpose shall be liable to  
12 the consumer reporting agency for actual damages sus-  
13 tained by the consumer reporting agency or \$1,000,  
14 whichever is greater.”.

15       (d) CIVIL LIABILITY FOR NEGLIGENT NONCOMPLI-  
16 ANCE.—Section 617 of the Fair Credit Reporting Act (15  
17 U.S.C. 1681o) is amended by striking “Any consumer re-  
18 porting agency or user of information which” and insert-  
19 ing “(a) IN GENERAL.—Any person who”.

20       (e) ATTORNEY’S FEES.—

21               (1) WILLFUL NONCOMPLIANCE.—Section 616  
22 of the Fair Credit Reporting Act (15 U.S.C. 1681n)  
23 is amended by adding at the end the following new  
24 subsection:

1       “(c) ATTORNEY’S FEES.—Upon a finding by the  
2 court that an unsuccessful pleading, motion, or other  
3 paper filed in connection with an action under this section  
4 was filed in bad faith or for purposes of harassment, the  
5 court shall award to the prevailing party attorney’s fees  
6 reasonable in relation to the work expended in responding  
7 to the pleading, motion, or other paper.”.

8           (2) NEGLIGENT NONCOMPLIANCE.—Section  
9       617 of the Fair Credit Reporting Act (15 U.S.C.  
10       1681o) is amended by adding at the end the follow-  
11       ing new subsection:

12       “(b) ATTORNEY’S FEES.—On a finding by the court  
13 that an unsuccessful pleading, motion, or other paper filed  
14 in connection with an action under this section was filed  
15 in bad faith or for purposes of harassment, the court shall  
16 award to the prevailing party attorney’s fees reasonable  
17 in relation to the work expended in responding to the  
18 pleading, motion, or other paper.”.

19 **SEC. 2413. RESPONSIBILITIES OF PERSONS WHO FURNISH**  
20 **INFORMATION TO CONSUMER REPORTING**  
21 **AGENCIES.**

22       (a) IN GENERAL.—The Fair Credit Reporting Act  
23 (15 U.S.C. 1681 et seq.) is amended—

24           (1) by redesignating section 623 as section 624;  
25       and

1 (2) by inserting after section 622 the following:

2 **“SEC. 623. RESPONSIBILITIES OF FURNISHERS OF INFOR-**  
3 **MATION TO CONSUMER REPORTING AGEN-**  
4 **CIES.**

5 “(a) DUTY OF FURNISHERS OF INFORMATION TO  
6 PROVIDE ACCURATE INFORMATION.—

7 “(1) PROHIBITION.—

8 “(A) REPORTING INFORMATION WITH AC-  
9 TUAL KNOWLEDGE OF ERRORS.—A person shall  
10 not furnish any information relating to a  
11 consumer to any consumer reporting agency if  
12 the person knows or consciously avoids knowing  
13 that the information is inaccurate.

14 “(B) REPORTING INFORMATION AFTER  
15 NOTICE AND CONFIRMATION OF ERRORS.—A  
16 person shall not furnish information relating to  
17 a consumer to any consumer reporting agency  
18 if—

19 “(i) the person has been notified by  
20 the consumer, at the address specified by  
21 the person for such notices, that specific  
22 information is inaccurate; and

23 “(ii) the information is, in fact, inac-  
24 curate.

1           “(C) NO ADDRESS REQUIREMENT.—A per-  
2           son who clearly and conspicuously specifies to  
3           the consumer an address for notices referred to  
4           in subparagraph (B) shall not be subject to  
5           subparagraph (A); however, nothing in subpara-  
6           graph (B) shall require a person to specify such  
7           an address.

8           “(2) DUTY TO CORRECT AND UPDATE INFOR-  
9           MATION.—A person who—

10           “(A) regularly and in the ordinary course  
11           of business furnishes information to one or  
12           more consumer reporting agencies about the  
13           person’s transactions or experiences with any  
14           consumer; and

15           “(B) has furnished to a consumer report-  
16           ing agency information that the person deter-  
17           mines is not complete or accurate,

18           shall promptly notify the consumer reporting agency  
19           of that determination and provide to the agency any  
20           corrections to that information, or any additional in-  
21           formation, that is necessary to make the information  
22           provided by the person to the agency complete and  
23           accurate, and shall not thereafter furnish to the  
24           agency any of the information that remains not com-  
25           plete or accurate.

1           “(3) DUTY TO PROVIDE NOTICE OF DISPUTE.—

2           If the completeness or accuracy of any information  
3           furnished by any person to any consumer reporting  
4           agency is disputed to such person by a consumer,  
5           the person may not furnish the information to any  
6           consumer reporting agency without notice that such  
7           information is disputed by the consumer.

8           “(4) DUTY TO PROVIDE NOTICE OF CLOSED AC-

9           COUNTS.—A person who regularly and in the ordi-  
10          nary course of business furnishes information to a  
11          consumer reporting agency regarding a consumer  
12          who has a credit account with that person shall no-  
13          tify the agency of the voluntary closure of the ac-  
14          count by the consumer, in information regularly fur-  
15          nished for the period in which the account is closed.

16          “(5) DUTY TO PROVIDE NOTICE OF DELIN-

17          QUENCY OF ACCOUNTS.—A person who furnishes in-  
18          formation to a consumer reporting agency regarding  
19          a delinquent account being placed for collection,  
20          charged to profit or loss, or subjected to any similar  
21          action shall, not later than 90 days after furnishing  
22          the information, notify the agency of the month and  
23          year of the commencement of the delinquency that  
24          immediately preceded the action.

1       “(b) DUTIES OF FURNISHERS OF INFORMATION  
2 UPON NOTICE OF DISPUTE.—

3               “(1) IN GENERAL.—After receiving notice pur-  
4 suant to section 611(a)(2) of a dispute with regard  
5 to the completeness or accuracy of any information  
6 provided by a person to a consumer reporting agen-  
7 cy, the person shall—

8               “(A) conduct an investigation with respect  
9 to the disputed information;

10              “(B) review all relevant information pro-  
11 vided by the consumer reporting agency pursu-  
12 ant to section 611(a)(2);

13              “(C) report the results of the investigation  
14 to the consumer reporting agency; and

15              “(D) if the investigation finds that the in-  
16 formation is incomplete or inaccurate, report  
17 those results to all other consumer reporting  
18 agencies to which the person furnished the in-  
19 formation and that compile and maintain files  
20 on consumers on a nationwide basis.

21              “(2) DEADLINE.—A person shall complete all  
22 investigations, reviews, and reports required under  
23 paragraph (1) regarding information provided by the  
24 person to a consumer reporting agency, before the  
25 expiration of the period under section 611(a)(1)



1       within which the consumer reporting agency is re-  
2       quired to complete actions required by that section  
3       regarding that information.

4       “(c) LIMITATION ON LIABILITY.—Sections 616 and  
5       617 do not apply to any failure to comply with subsection  
6       (a), except as provided in section 621(c)(1)(B).

7       “(d) LIMITATION ON ENFORCEMENT.—Subsection  
8       (a) shall be enforced exclusively under section 621 by the  
9       Federal agencies and officials and the State officials iden-  
10      tified in that section.”.

11      (b) CONFORMING AMENDMENT.—The table of sec-  
12      tions at the beginning of the Fair Credit Reporting Act  
13      (15 U.S.C. 1681a et seq.) is amended by striking the item  
14      relating to section 623 and inserting the following:

“623. Responsibilities of furnishers of information to consumer reporting agen-  
cies.

“624. Relation to State laws.”.

15      **SEC. 2414. INVESTIGATIVE CONSUMER REPORTS.**

16      Section 606 of the Fair Credit Reporting Act (15  
17      U.S.C. 1681d) is amended—

18              (1) in subsection (a)(1), by striking “or” at the  
19              end and inserting “and”;

20              (2) by striking subsection (a)(2) and inserting  
21              the following:

22                      “(2) the person certifies or has certified to the  
23              consumer reporting agency that—

1           “(A) the person has made the disclosures  
2           to the consumer required by paragraph (1); and

3           “(B) the person will comply with sub-  
4           section (b).”;

5           (3) in subsection (b), by striking “shall” the  
6           second place such term appears; and

7           (4) by adding at the end the following new sub-  
8           section:

9           “(d) PROHIBITIONS.—

10           “(1) CERTIFICATION.—A consumer reporting  
11           agency shall not prepare or furnish an investigative  
12           consumer report unless the agency has received a  
13           certification under subsection (a)(2) from the person  
14           who requested the report.

15           “(2) INQUIRIES.—A consumer reporting agency  
16           shall not make an inquiry for the purpose of prepar-  
17           ing an investigative consumer report on a consumer  
18           for employment purposes if the making of the in-  
19           quiry by an employer or prospective employer of the  
20           consumer would violate any applicable Federal or  
21           State equal employment opportunity law or regula-  
22           tion.

23           “(3) CERTAIN PUBLIC RECORD INFORMA-  
24           TION.—Except as otherwise provided in section 613,  
25           a consumer reporting agency shall not furnish an in-

1       vestigative consumer report that includes informa-  
2       tion that is a matter of public record and that re-  
3       lates to an arrest, indictment, conviction, civil judi-  
4       cial action, tax lien, or outstanding judgment, unless  
5       the agency has verified the accuracy of the informa-  
6       tion during the 30-day period ending on the date on  
7       which the report is furnished.

8               “(4) CERTAIN ADVERSE INFORMATION.—A  
9       consumer reporting agency shall not prepare or fur-  
10      nish an investigative consumer report on a consumer  
11      that contains information that is adverse to the in-  
12      terest of the consumer and that is obtained through  
13      a personal interview with a neighbor, friend, or asso-  
14      ciate of the consumer or with another person with  
15      whom the consumer is acquainted or who has knowl-  
16      edge of such item of information, unless—

17               “(A) the agency has followed reasonable  
18      procedures to obtain confirmation of the infor-  
19      mation, from an additional source that has  
20      independent and direct knowledge of the infor-  
21      mation; or

22               “(B) the person interviewed is the best  
23      possible source of the information.”.

1 **SEC. 2415. INCREASED CRIMINAL PENALTIES FOR OBTAIN-**  
2 **ING INFORMATION UNDER FALSE PRE-**  
3 **TENSES.**

4 (a) OBTAINING INFORMATION UNDER FALSE PRE-  
5 TENSES.—Section 619 of the Fair Credit Reporting Act  
6 (15 U.S.C. 1681q) is amended by striking “fined not more  
7 than \$5,000 or imprisoned not more than one year, or  
8 both” and inserting “fined under title 18, United States  
9 Code, imprisoned for not more than 2 years, or both”.

10 (b) UNAUTHORIZED DISCLOSURES BY OFFICERS OR  
11 EMPLOYEES.—Section 620 of the Fair Credit Reporting  
12 Act (15 U.S.C. 1681r) is amended by striking “fined not  
13 more than \$5,000 or imprisoned not more than one year,  
14 or both” and inserting “fined under title 18, United States  
15 Code, imprisoned for not more than 2 years, or both”.

16 **SEC. 2416. ADMINISTRATIVE ENFORCEMENT.**

17 (a) AVAILABLE ENFORCEMENT POWERS.—Section  
18 621(a) of the Fair Credit Reporting Act (15 U.S.C.  
19 1681s(a)) is amended—

20 (1) by inserting “(1)” after “(a)”;

21 (2) by adding at the end the following new  
22 paragraph:

23 “(2)(A) In the event of a knowing violation, which  
24 constitutes a pattern or practice of violations of this title,  
25 the Commission may commence a civil action to recover  
26 a civil penalty in a district court of the United States

1 against any person that violates this title. In such action,  
2 such person shall be liable for a civil penalty of not more  
3 than \$2,500 per violation.

4 “(B) In determining the amount of a civil penalty  
5 under subparagraph (A), the court shall take into account  
6 the degree of culpability, any history of prior such con-  
7 duct, ability to pay, effect on ability to continue to do busi-  
8 ness, and such other matters as justice may require.

9 “(3) Notwithstanding paragraph (2), a court may not  
10 impose any civil penalty on a person for a violation of sec-  
11 tion 623(a)(1) unless the person has been enjoined from  
12 committing the violation, or ordered not to commit the vio-  
13 lation, in an action or proceeding brought by or on behalf  
14 of the Federal Trade Commission, and has violated the  
15 injunction or order, and the court may not impose any  
16 civil penalty for any violation occurring before the date  
17 of the violation of the injunction or order.

18 “(4) Neither the Commission nor any other agency  
19 referred to in subsection (b) may prescribe trade regula-  
20 tion rules or other regulations with respect to this title.”.

21 (b) AGENCIES RESPONSIBLE FOR ENFORCEMENT.—  
22 Section 621 of the Fair Credit Reporting Act (15 U.S.C.  
23 1681s) is amended—

1           (1) in subsection (a), by inserting “ENFORCE-  
2       MENT BY FEDERAL TRADE COMMISSION.—” before  
3       “Compliance with the requirements”;

4           (2) in subsection (b), by striking the matter  
5       preceding paragraph (1) and inserting the following:  
6       “(b) ENFORCEMENT BY OTHER AGENCIES.—Compli-  
7       ance with the requirements imposed under this title with  
8       respect to consumer reporting agencies, persons who use  
9       consumer reports from such agencies, persons who furnish  
10      information to such agencies, and users of information  
11      that are subject to subsection (d) or (e) of section 615  
12      shall be enforced under—”; and

13          (3) in subsection (c), by adding at the end the  
14      following: “Notwithstanding the preceding, no agen-  
15      cy referred to in subsection (b) may conduct an ex-  
16      amination of a bank, savings association, or credit  
17      union regarding compliance with the provisions of  
18      this title, except in response to a complaint (or if the  
19      agency otherwise has knowledge) that the bank, sav-  
20      ings association, or credit union has violated a provi-  
21      sion of this title, in which case, the agency may con-  
22      duct an examination as necessary to investigate the  
23      complaint. If an agency determines during an inves-  
24      tigation in response to a complaint that a violation  
25      of this title has occurred, the agency may, during its

1 next 2 regularly scheduled examinations of the bank,  
2 savings association, or credit union, examine for  
3 compliance with this title.”.

4 **SEC. 2417. STATE ENFORCEMENT OF FAIR CREDIT REPORT-**  
5 **ING ACT.**

6 Section 621 of the Fair Credit Reporting Act (15  
7 U.S.C. 1681s) is amended—

8 (1) by redesignating subsection (c) as sub-  
9 section (d); and

10 (2) by inserting after subsection (b) the follow-  
11 ing new subsection:

12 “(c) STATE ACTION FOR VIOLATIONS.—

13 “(1) AUTHORITY OF STATES.—In addition to  
14 such other remedies as are provided under State  
15 law, if the chief law enforcement officer of a State,  
16 or an official or agency designated by a State, has  
17 reason to believe that any person has violated or is  
18 violating this title, the State—

19 “(A) may bring an action to enjoin such  
20 violation in any appropriate United States dis-  
21 trict court or in any other court of competent  
22 jurisdiction;

23 “(B) subject to paragraph (5), may bring  
24 an action on behalf of the residents of the State  
25 to recover—

1 “(i) damages for which the person is  
2 liable to such residents under sections 616  
3 and 617 as a result of the violation;

4 “(ii) in the case of a violation of sec-  
5 tion 623(a), damages for which the person  
6 would, but for section 623(c), be liable to  
7 such residents as a result of the violation;  
8 or

9 “(iii) damages of not more than  
10 \$1,000 for each willful or negligent viola-  
11 tion; and

12 “(C) in the case of any successful action  
13 under subparagraph (A) or (B), shall be award-  
14 ed the costs of the action and reasonable attor-  
15 ney fees as determined by the court.

16 “(2) RIGHTS OF FEDERAL REGULATORS.—The  
17 State shall serve prior written notice of any action  
18 under paragraph (1) upon the Federal Trade Com-  
19 mission or the appropriate Federal regulator deter-  
20 mined under subsection (b) and provide the Commis-  
21 sion or appropriate Federal regulator with a copy of  
22 its complaint, except in any case in which such prior  
23 notice is not feasible, in which case the State shall  
24 serve such notice immediately upon instituting such



1 action. The Federal Trade Commission or appro-  
2 priate Federal regulator shall have the right—

3 “(A) to intervene in the action;

4 “(B) upon so intervening, to be heard on  
5 all matters arising therein;

6 “(C) to remove the action to the appro-  
7 priate United States district court; and

8 “(D) to file petitions for appeal.

9 “(3) INVESTIGATORY POWERS.—For purposes  
10 of bringing any action under this subsection, nothing  
11 in this subsection shall prevent the chief law enforce-  
12 ment officer, or an official or agency designated by  
13 a State, from exercising the powers conferred on the  
14 chief law enforcement officer or such official by the  
15 laws of such State to conduct investigations or to  
16 administer oaths or affirmations or to compel the at-  
17 tendance of witnesses or the production of documen-  
18 tary and other evidence.

19 “(4) LIMITATION ON STATE ACTION WHILE  
20 FEDERAL ACTION PENDING.—If the Federal Trade  
21 Commission or the appropriate Federal regulator  
22 has instituted a civil action or an administrative ac-  
23 tion under section 8 of the Federal Deposit Insur-  
24 ance Act for a violation of this title, no State may,  
25 during the pendency of such action, bring an action

1 under this section against any defendant named in  
2 the complaint of the Commission or the appropriate  
3 Federal regulator for any violation of this title that  
4 is alleged in that complaint.

5 “(5) LIMITATIONS ON STATE ACTIONS FOR VIO-  
6 LATION OF SECTION 623(a)(1).—

7 “(A) VIOLATION OF INJUNCTION RE-  
8 QUIRED.—A State may not bring an action  
9 against a person under paragraph (1)(B) for a  
10 violation of section 623(a)(1), unless—

11 “(i) the person has been enjoined  
12 from committing the violation, in an action  
13 brought by the State under paragraph  
14 (1)(A); and

15 “(ii) the person has violated the in-  
16 junction.

17 “(B) LIMITATION ON DAMAGES RECOVER-  
18 ABLE.—In an action against a person under  
19 paragraph (1)(B) for a violation of section  
20 623(a)(1), a State may not recover any dam-  
21 ages incurred before the date of the violation of  
22 an injunction on which the action is based.”.

1 **SEC. 2418. FEDERAL RESERVE BOARD AUTHORITY.**

2 Section 621 of the Fair Credit Reporting Act (15  
3 U.S.C. 1681s) is amended by adding at the end the follow-  
4 ing new subsection:

5 “(e) INTERPRETIVE AUTHORITY.—The Board of  
6 Governors of the Federal Reserve System may issue inter-  
7 pretations of any provision of this title as such provision  
8 may apply to any persons identified under paragraph (1),  
9 (2), and (3) of subsection (b), or to the holding companies  
10 and affiliates of such persons, in consultation with Federal  
11 agencies identified in paragraphs (1), (2), and (3) of sub-  
12 section (b).”.

13 **SEC. 2419. PREEMPTION OF STATE LAW.**

14 Section 624 of the Fair Credit Reporting Act (as re-  
15 designated by section 2413(a) of this chapter) is amend-  
16 ed—

17 (1) by striking “This title” and inserting “(a)  
18 IN GENERAL.—Except as provided in subsections  
19 (b) and (c), this title”; and

20 (2) by adding at the end the following new sub-  
21 section:

22 “(b) GENERAL EXCEPTIONS.—No requirement or  
23 prohibition may be imposed under the laws of any State—

24 “(1) with respect to any subject matter regu-  
25 lated under—

1           “(A) subsection (c) or (e) of section 604,  
2 relating to the prescreening of consumer re-  
3 ports;

4           “(B) section 611, relating to the time by  
5 which a consumer reporting agency must take  
6 any action, including the provision of notifica-  
7 tion to a consumer or other person, in any pro-  
8 cedure related to the disputed accuracy of infor-  
9 mation in a consumer’s file, except that this  
10 subparagraph shall not apply to any State law  
11 in effect on the date of enactment of the  
12 Consumer Credit Reporting Reform Act of  
13 1996;

14           “(C) subsections (a) and (b) of section  
15 615, relating to the duties of a person who  
16 takes any adverse action with respect to a  
17 consumer;

18           “(D) section 615(d), relating to the duties  
19 of persons who use a consumer report of a  
20 consumer in connection with any credit or in-  
21 surance transaction that is not initiated by the  
22 consumer and that consists of a firm offer of  
23 credit or insurance;

24           “(E) section 605, relating to information  
25 contained in consumer reports, except that this

1           subparagraph shall not apply to any State law  
2           in effect on the date of enactment of the  
3           Consumer Credit Reporting Reform Act of  
4           1996; or

5           “(F) section 623, relating to the respon-  
6           sibilities of persons who furnish information to  
7           consumer reporting agencies, except that this  
8           paragraph shall not apply—

9           “(i) with respect to section 54A(a) of  
10          chapter 93 of the Massachusetts Anno-  
11          tated Laws (as in effect on the date of en-  
12          actment of the Consumer Credit Reporting  
13          Reform Act of 1996); or

14          “(ii) with respect to section  
15          1785.25(a) of the California Civil Code (as  
16          in effect on the date of enactment of the  
17          Consumer Credit Reporting Reform Act of  
18          1996);

19          “(2) with respect to the exchange of informa-  
20          tion among persons affiliated by common ownership  
21          or common corporate control, except that this para-  
22          graph shall not apply with respect to subsection (a)  
23          or (c)(1) of section 2480e of title 9, Vermont Stat-  
24          utes Annotated (as in effect on the date of enact-

1       ment of the Consumer Credit Reporting Reform Act  
2       of 1996); or

3               “(3) with respect to the form and content of  
4       any disclosure required to be made under section  
5       609(c).

6       “(c) DEFINITION OF FIRM OFFER OF CREDIT OR IN-  
7       SURANCE.—Notwithstanding any definition of the term  
8       ‘firm offer of credit or insurance’ (or any equivalent term)  
9       under the laws of any State, the definition of that term  
10      contained in section 603(l) shall be construed to apply in  
11      the enforcement and interpretation of the laws of any  
12      State governing consumer reports.

13      “(d) LIMITATIONS.—Subsections (b) and (c)—

14               “(1) do not affect any settlement, agreement, or  
15      consent judgment between any State Attorney Gen-  
16      eral and any consumer reporting agency in effect on  
17      the date of enactment of the Consumer Credit Re-  
18      porting Reform Act of 1996; and

19               “(2) do not apply to any provision of State law  
20      (including any provision of a State constitution)  
21      that—

22                       “(A) is enacted after January 1, 2004;

23                       “(B) states explicitly that the provision is  
24      intended to supplement this title; and

1                   “(C) gives greater protection to consumers  
2                   than is provided under this title.”.

3   **SEC. 2420. EFFECTIVE DATE.**

4           (a) IN GENERAL.—Except as otherwise specifically  
5   provided in this chapter, the amendments made by this  
6   chapter shall become effective 365 days after the date of  
7   enactment of this Act.

8           (b) EARLY COMPLIANCE.—Any person or other entity  
9   that is subject to the requirements of this chapter may,  
10  at its option, comply with any provision of this chapter  
11  before the date on which that provision becomes effective  
12  under this chapter, in which case, each of the correspond-  
13  ing provisions of this chapter shall be fully applicable to  
14  such person or entity.

15   **SEC. 2421. RELATIONSHIP TO OTHER LAW.**

16           Nothing in this chapter or the amendments made by  
17  this chapter shall be considered to supersede or otherwise  
18  affect section 2721 of title 18, United States Code, with  
19  respect to motor vehicle records for surveys, marketing,  
20  or solicitations.

21   **SEC. 2422. FEDERAL RESERVE BOARD STUDY.**

22           (a) STUDY REQUIRED.—The Board of Governors of  
23  the Federal Reserve System, in consultation with the other  
24  Federal banking agencies (as defined in section 3 of the  
25  Federal Deposit Insurance Act) and the Federal Trade

1 Commission, shall conduct a study of whether organiza-  
2 tions which, as of the date of the enactment of this Act,  
3 are not subject to the Fair Credit Reporting Act as  
4 consumer reporting agencies (as defined in section 603 of  
5 such Act) are engaged in the business of making sensitive  
6 consumer identification information, including social secu-  
7 rity numbers, mothers' maiden names, prior addresses,  
8 and dates of birth, available to the general public.

9 (b) DETERMINATION OF POTENTIAL FOR FRAUD.—  
10 If the Board of Governors of the Federal Reserve System  
11 determines that organizations referred to in subsection (a)  
12 are engaged in the business of making sensitive consumer  
13 identification information available to the general public,  
14 the Board shall determine—

15 (1) whether such activities create undue poten-  
16 tial for fraud and risk of loss to insured depository  
17 institutions (as defined in section 3 of the Federal  
18 Deposit Insurance Act); and

19 (2) if so, whether changes in Federal law are  
20 necessary to address such risks of fraud and loss.

21 (c) REPORT TO CONGRESS.—Before the end of the  
22 6-month period beginning on the date of the enactment  
23 of this Act, the Board of Governors of the Federal Reserve  
24 System shall submit a report to the Congress containing—



1 (1) the findings and conclusion of the Board in  
 2 connection with the study required under subsections  
 3 (a) and (b); and

4 (2) recommendations for such legislative or ad-  
 5 ministrative action as the Board determines to be  
 6 appropriate.

7 **CHAPTER 2—CREDIT REPAIR**  
 8 **ORGANIZATIONS**

9 **SEC. 2451. REGULATION OF CREDIT REPAIR ORGANIZA-**  
 10 **TIONS.**

11 Title IV of the Consumer Credit Protection Act (Pub-  
 12 lic Law 90–321, 82 Stat. 164) is amended to read as fol-  
 13 lows:

14 **“TITLE IV—CREDIT REPAIR**  
 15 **ORGANIZATIONS**

- “Sec.
- “401. Short title.
- “402. Findings and purposes.
- “403. Definitions.
- “404. Prohibited practices.
- “405. Disclosures.
- “406. Credit repair organizations contracts.
- “407. Right to cancel contract.
- “408. Noncompliance with this title.
- “409. Civil liability.
- “410. Administrative enforcement.
- “411. Statute of limitations.
- “412. Relation to State law.
- “413. Effective date.

16 **“SEC. 401. SHORT TITLE.**

17 “This title may be cited as the ‘Credit Repair Organi-  
 18 zations Act’.

1 **“SEC. 402. FINDINGS AND PURPOSES.**

2 “(a) FINDINGS.—The Congress makes the following  
3 findings:

4 “(1) Consumers have a vital interest in estab-  
5 lishing and maintaining their credit worthiness and  
6 credit standing in order to obtain and use credit. As  
7 a result, consumers who have experienced credit  
8 problems may seek assistance from credit repair or-  
9 ganizations which offer to improve the credit stand-  
10 ing of such consumers.

11 “(2) Certain advertising and business practices  
12 of some companies engaged in the business of credit  
13 repair services have worked a financial hardship  
14 upon consumers, particularly those of limited eco-  
15 nomic means and who are inexperienced in credit  
16 matters.

17 “(b) PURPOSES.—The purposes of this title are—

18 “(1) to ensure that prospective buyers of the  
19 services of credit repair organizations are provided  
20 with the information necessary to make an informed  
21 decision regarding the purchase of such services; and

22 “(2) to protect the public from unfair or decep-  
23 tive advertising and business practices by credit re-  
24 pair organizations.

1   **“SEC. 403. DEFINITIONS.**

2           “For purposes of this title, the following definitions  
3   apply:

4           “(1) CONSUMER.—The term ‘consumer’ means  
5   an individual.

6           “(2) CONSUMER CREDIT TRANSACTION.—The  
7   term ‘consumer credit transaction’ means any trans-  
8   action in which credit is offered or extended to an  
9   individual for personal, family, or household pur-  
10   poses.

11          “(3) CREDIT REPAIR ORGANIZATION.—The  
12   term ‘credit repair organization’—

13           “(A) means any person who uses any in-  
14   strumentality of interstate commerce or the  
15   mails to sell, provide, or perform (or represent  
16   that such person can or will sell, provide, or  
17   perform) any service, in return for the payment  
18   of money or other valuable consideration, for  
19   the express or implied purpose of—

20           “(i) improving any consumer’s credit  
21   record, credit history, or credit rating; or

22           “(ii) providing advice or assistance to  
23   any consumer with regard to any activity  
24   or service described in clause (i); and

25          “(B) does not include—

1 “(i) any nonprofit organization which  
2 is exempt from taxation under section  
3 501(c)(3) of the Internal Revenue Code of  
4 1986;

5 “(ii) any creditor (as defined in sec-  
6 tion 103 of the Truth in Lending Act),  
7 with respect to any consumer, to the extent  
8 the creditor is assisting the consumer to  
9 restructure any debt owed by the consumer  
10 to the creditor; or

11 “(iii) any depository institution (as  
12 that term is defined in section 3 of the  
13 Federal Deposit Insurance Act) or any  
14 Federal or State credit union (as those  
15 terms are defined in section 101 of the  
16 Federal Credit Union Act), or any affiliate  
17 or subsidiary of such a depository institu-  
18 tion or credit union.

19 “(4) CREDIT.—The term ‘credit’ has the mean-  
20 ing given to such term in section 103(e) of this Act.

21 **“SEC. 404. PROHIBITED PRACTICES.**

22 “(a) IN GENERAL.—No person may—

23 “(1) make any statement, or counsel or advise  
24 any consumer to make any statement, which is un-  
25 true or misleading (or which, upon the exercise of

1 reasonable care, should be known by the credit re-  
2 pair organization, officer, employee, agent, or other  
3 person to be untrue or misleading) with respect to  
4 any consumer's credit worthiness, credit standing, or  
5 credit capacity to—

6 “(A) any consumer reporting agency (as  
7 defined in section 603(f) of this Act); or

8 “(B) any person—

9 “(i) who has extended credit to the  
10 consumer; or

11 “(ii) to whom the consumer has ap-  
12 plied or is applying for an extension of  
13 credit;

14 “(2) make any statement, or counsel or advise  
15 any consumer to make any statement, the intended  
16 effect of which is to alter the consumer's identifica-  
17 tion to prevent the display of the consumer's credit  
18 record, history, or rating for the purpose of conceal-  
19 ing adverse information that is accurate and not ob-  
20 solete to—

21 “(A) any consumer reporting agency;

22 “(B) any person—

23 “(i) who has extended credit to the  
24 consumer; or

1 “(ii) to whom the consumer has ap-  
2 plied or is applying for an extension of  
3 credit;

4 “(3) make or use any untrue or misleading rep-  
5 resentation of the services of the credit repair orga-  
6 nization; or

7 “(4) engage, directly or indirectly, in any act,  
8 practice, or course of business that constitutes or re-  
9 sults in the commission of, or an attempt to commit,  
10 a fraud or deception on any person in connection  
11 with the offer or sale of the services of the credit re-  
12 pair organization.

13 “(b) PAYMENT IN ADVANCE.—No credit repair orga-  
14 nization may charge or receive any money or other valu-  
15 able consideration for the performance of any service  
16 which the credit repair organization has agreed to perform  
17 for any consumer before such service is fully performed.

18 **“SEC. 405. DISCLOSURES.**

19 “(a) DISCLOSURE REQUIRED.—Any credit repair or-  
20 ganization shall provide any consumer with the following  
21 written statement before any contract or agreement be-  
22 tween the consumer and the credit repair organization is  
23 executed:

1       **“Consumer Credit File Rights**  
2       **Under State and Federal Law**

3       “‘You have a right to dispute inaccurate information  
4 in your credit report by contacting the credit bureau di-  
5 rectly. However, neither you nor any “credit repair” com-  
6 pany or credit repair organization has the right to have  
7 accurate, current, and verifiable information removed  
8 from your credit report. The credit bureau must remove  
9 accurate, negative information from your report only if it  
10 is over 7 years old. Bankruptcy information can be re-  
11 ported for 10 years.

12       “‘You have a right to obtain a copy of your credit  
13 report from a credit bureau. You may be charged a rea-  
14 sonable fee. There is no fee, however, if you have been  
15 turned down for credit, employment, insurance, or a rental  
16 dwelling because of information in your credit report with-  
17 in the preceding 60 days. The credit bureau must provide  
18 someone to help you interpret the information in your  
19 credit file. You are entitled to receive a free copy of your  
20 credit report if you are unemployed and intend to apply  
21 for employment in the next 60 days, if you are a recipient  
22 of public welfare assistance, or if you have reason to be-  
23 lieve that there is inaccurate information in your credit  
24 report due to fraud.

1       “‘You have a right to sue a credit repair organization  
2 that violates the Credit Repair Organization Act. This law  
3 prohibits deceptive practices by credit repair organiza-  
4 tions.

5       “‘You have the right to cancel your contract with any  
6 credit repair organization for any reason within 3 business  
7 days from the date you signed it.

8       “‘Credit bureaus are required to follow reasonable  
9 procedures to ensure that the information they report is  
10 accurate. However, mistakes may occur.

11       “‘You may, on your own, notify a credit bureau in  
12 writing that you dispute the accuracy of information in  
13 your credit file. The credit bureau must then reinvestigate  
14 and modify or remove inaccurate or incomplete informa-  
15 tion. The credit bureau may not charge any fee for this  
16 service. Any pertinent information and copies of all docu-  
17 ments you have concerning an error should be given to  
18 the credit bureau.

19       “‘If the credit bureau’s reinvestigation does not re-  
20 solve the dispute to your satisfaction, you may send a brief  
21 statement to the credit bureau, to be kept in your file,  
22 explaining why you think the record is inaccurate. The  
23 credit bureau must include a summary of your statement  
24 about disputed information with any report it issues about  
25 you.



1       “‘The Federal Trade Commission regulates credit  
2       bureaus and credit repair organizations. For more infor-  
3       mation contact:

4               “‘The Public Reference Branch

5               “‘Federal Trade Commission

6               “‘Washington, D.C. 20580’.

7       “(b) SEPARATE STATEMENT REQUIREMENT.—The  
8       written statement required under this section shall be pro-  
9       vided as a document which is separate from any written  
10      contract or other agreement between the credit repair or-  
11      ganization and the consumer or any other written material  
12      provided to the consumer.

13      “(c) RETENTION OF COMPLIANCE RECORDS.—

14              “(1) IN GENERAL.—The credit repair organiza-  
15      tion shall maintain a copy of the statement signed  
16      by the consumer acknowledging receipt of the state-  
17      ment.

18              “(2) MAINTENANCE FOR 2 YEARS.—The copy  
19      of any consumer’s statement shall be maintained in  
20      the organization’s files for 2 years after the date on  
21      which the statement is signed by the consumer.

22      **“SEC. 406. CREDIT REPAIR ORGANIZATIONS CONTRACTS.**

23              “(a) WRITTEN CONTRACTS REQUIRED.—No services  
24      may be provided by any credit repair organization for any  
25      consumer—

1           “(1) unless a written and dated contract (for  
2           the purchase of such services) which meets the re-  
3           quirements of subsection (b) has been signed by the  
4           consumer; or

5           “(2) before the end of the 3-business-day period  
6           beginning on the date the contract is signed.

7           “(b) TERMS AND CONDITIONS OF CONTRACT.—No  
8           contract referred to in subsection (a) meets the require-  
9           ments of this subsection unless such contract includes (in  
10          writing)—

11           “(1) the terms and conditions of payment, in-  
12           cluding the total amount of all payments to be made  
13           by the consumer to the credit repair organization or  
14           to any other person;

15           “(2) a full and detailed description of the serv-  
16           ices to be performed by the credit repair organiza-  
17           tion for the consumer, including—

18                   “(A) all guarantees of performance; and

19                   “(B) an estimate of—

20                           “(i) the date by which the perform-  
21                           ance of the services (to be performed by  
22                           the credit repair organization or any other  
23                           person) will be complete; or

24                           “(ii) the length of the period nec-  
25                           essary to perform such services;

1           “(3) the credit repair organization’s name and  
2           principal business address; and

3           “(4) a conspicuous statement in bold face type,  
4           in immediate proximity to the space reserved for the  
5           consumer’s signature on the contract, which reads as  
6           follows: ‘You may cancel this contract without pen-  
7           alty or obligation at any time before midnight of the  
8           3rd business day after the date on which you signed  
9           the contract. See the attached notice of cancellation  
10          form for an explanation of this right.’.

11   **“SEC. 407. RIGHT TO CANCEL CONTRACT.**

12          “(a) IN GENERAL.—Any consumer may cancel any  
13          contract with any credit repair organization without pen-  
14          alty or obligation by notifying the credit repair organiza-  
15          tion of the consumer’s intention to do so at any time be-  
16          fore midnight of the 3rd business day which begins after  
17          the date on which the contract or agreement between the  
18          consumer and the credit repair organization is executed  
19          or would, but for this subsection, become enforceable  
20          against the parties.

21          “(b) CANCELLATION FORM AND OTHER INFORMA-  
22          TION.—Each contract shall be accompanied by a form, in  
23          duplicate, which has the heading ‘Notice of Cancellation’  
24          and contains in bold face type the following statement:

1           “‘You may cancel this contract, without any  
2           penalty or obligation, at any time before midnight of  
3           the 3rd day which begins after the date the contract  
4           is signed by you.

5           “‘To cancel this contract, mail or deliver a  
6           signed, dated copy of this cancellation notice, or any  
7           other written notice to [ name of credit repair  
8           organization ] at [ address of credit repair  
9           organization ] before midnight on [ date ]

10           “‘I hereby cancel this transaction,  
11           [ date ]  
12           [ purchaser’s signature ].’.

13           “(c) CONSUMER COPY OF CONTRACT REQUIRED.—  
14           Any consumer who enters into any contract with any cred-  
15           it repair organization shall be given, by the organization—

16           “(1) a copy of the completed contract and the  
17           disclosure statement required under section 405; and

18           “(2) a copy of any other document the credit  
19           repair organization requires the consumer to sign,  
20           at the time the contract or the other document is signed.

21           **“SEC. 408. NONCOMPLIANCE WITH THIS TITLE.**

22           “(a) CONSUMER WAIVERS INVALID.—Any waiver by  
23           any consumer of any protection provided by or any right  
24           of the consumer under this title—

25           “(1) shall be treated as void; and

1           “(2) may not be enforced by any Federal or  
2       State court or any other person.

3       “(b) ATTEMPT TO OBTAIN WAIVER.—Any attempt  
4 by any person to obtain a waiver from any consumer of  
5 any protection provided by or any right of the consumer  
6 under this title shall be treated as a violation of this title.

7       “(c) CONTRACTS NOT IN COMPLIANCE.—Any con-  
8 tract for services which does not comply with the applica-  
9 ble provisions of this title—

10           “(1) shall be treated as void; and

11           “(2) may not be enforced by any Federal or  
12       State court or any other person.

13   **“SEC. 409. CIVIL LIABILITY.**

14       “(a) LIABILITY ESTABLISHED.—Any person who  
15 fails to comply with any provision of this title with respect  
16 to any other person shall be liable to such person in an  
17 amount equal to the sum of the amounts determined  
18 under each of the following paragraphs:

19           “(1) ACTUAL DAMAGES.—The greater of—

20               “(A) the amount of any actual damage  
21           sustained by such person as a result of such  
22           failure; or

23               “(B) any amount paid by the person to the  
24           credit repair organization.

25           “(2) PUNITIVE DAMAGES.—

1           “(A) INDIVIDUAL ACTIONS.—In the case of  
2           any action by an individual, such additional  
3           amount as the court may allow.

4           “(B) CLASS ACTIONS.—In the case of a  
5           class action, the sum of—

6                   “(i) the aggregate of the amount  
7                   which the court may allow for each named  
8                   plaintiff; and

9                   “(ii) the aggregate of the amount  
10                  which the court may allow for each other  
11                  class member, without regard to any mini-  
12                  mum individual recovery.

13          “(3) ATTORNEYS’ FEES.—In the case of any  
14          successful action to enforce any liability under para-  
15          graph (1) or (2), the costs of the action, together  
16          with reasonable attorneys’ fees.

17          “(b) FACTORS TO BE CONSIDERED IN AWARDING  
18 PUNITIVE DAMAGES.—In determining the amount of any  
19 liability of any credit repair organization under subsection  
20 (a)(2), the court shall consider, among other relevant fac-  
21 tors—

22                  “(1) the frequency and persistence of non-  
23                  compliance by the credit repair organization;

24                  “(2) the nature of the noncompliance;

1           “(3) the extent to which such noncompliance  
2       was intentional; and

3           “(4) in the case of any class action, the number  
4       of consumers adversely affected.

5   **“SEC. 410. ADMINISTRATIVE ENFORCEMENT.**

6       “(a) IN GENERAL.—Compliance with the require-  
7       ments imposed under this title with respect to credit repair  
8       organizations shall be enforced under the Federal Trade  
9       Commission Act by the Federal Trade Commission.

10      “(b) VIOLATIONS OF THIS TITLE TREATED AS VIO-  
11     LATIONS OF FEDERAL TRADE COMMISSION ACT.—

12           “(1) IN GENERAL.—For the purpose of the ex-  
13       ercise by the Federal Trade Commission of the Com-  
14       mission’s functions and powers under the Federal  
15       Trade Commission Act, any violation of any require-  
16       ment or prohibition imposed under this title with re-  
17       spect to credit repair organizations shall constitute  
18       an unfair or deceptive act or practice in commerce  
19       in violation of section 5(a) of the Federal Trade  
20       Commission Act.

21           “(2) ENFORCEMENT AUTHORITY UNDER OTHER  
22       LAW.—All functions and powers of the Federal  
23       Trade Commission under the Federal Trade Com-  
24       mission Act shall be available to the Commission to  
25       enforce compliance with this title by any person sub-

1       ject to enforcement by the Federal Trade Commis-  
2       sion pursuant to this subsection, including the power  
3       to enforce the provisions of this title in the same  
4       manner as if the violation had been a violation of  
5       any Federal Trade Commission trade regulation  
6       rule, without regard to whether the credit repair or-  
7       ganization—

8               “(A) is engaged in commerce; or

9               “(B) meets any other jurisdictional tests in  
10              the Federal Trade Commission Act.

11       “(c) STATE ACTION FOR VIOLATIONS.—

12              “(1) AUTHORITY OF STATES.—In addition to  
13       such other remedies as are provided under State  
14       law, whenever the chief law enforcement officer of a  
15       State, or an official or agency designated by a State,  
16       has reason to believe that any person has violated or  
17       is violating this title, the State—

18              “(A) may bring an action to enjoin such  
19       violation;

20              “(B) may bring an action on behalf of its  
21       residents to recover damages for which the per-  
22       son is liable to such residents under section 409  
23       as a result of the violation; and

24              “(C) in the case of any successful action  
25       under subparagraph (A) or (B), shall be award-



1           ed the costs of the action and reasonable attor-  
2           ney fees as determined by the court.

3           “(2) RIGHTS OF COMMISSION.—

4                 “(A) NOTICE TO COMMISSION.—The State  
5           shall serve prior written notice of any civil ac-  
6           tion under paragraph (1) upon the Federal  
7           Trade Commission and provide the Commission  
8           with a copy of its complaint, except in any case  
9           where such prior notice is not feasible, in which  
10          case the State shall serve such notice imme-  
11          diately upon instituting such action.

12                “(B) INTERVENTION.—The Commission  
13          shall have the right—

14                   “(i) to intervene in any action re-  
15                  ferred to in subparagraph (A);

16                   “(ii) upon so intervening, to be heard  
17                  on all matters arising in the action; and

18                   “(iii) to file petitions for appeal.

19           “(3) INVESTIGATORY POWERS.—For purposes  
20          of bringing any action under this subsection, nothing  
21          in this subsection shall prevent the chief law enforce-  
22          ment officer, or an official or agency designated by  
23          a State, from exercising the powers conferred on the  
24          chief law enforcement officer or such official by the  
25          laws of such State to conduct investigations or to

1 administer oaths or affirmations or to compel the at-  
2 tendance of witnesses or the production of documen-  
3 tary and other evidence.

4 “(4) LIMITATION.—Whenever the Federal  
5 Trade Commission has instituted a civil action for  
6 violation of this title, no State may, during the pend-  
7 ency of such action, bring an action under this sec-  
8 tion against any defendant named in the complaint  
9 of the Commission for any violation of this title that  
10 is alleged in that complaint.

11 **“SEC. 411. STATUTE OF LIMITATIONS.**

12 “Any action to enforce any liability under this title  
13 may be brought before the later of—

14 “(1) the end of the 5-year period beginning on  
15 the date of the occurrence of the violation involved;  
16 or

17 “(2) in any case in which any credit repair or-  
18 ganization has materially and willfully misrepres-  
19 sented any information which—

20 “(A) the credit repair organization is re-  
21 quired, by any provision of this title, to disclose  
22 to any consumer; and

23 “(B) is material to the establishment of  
24 the credit repair organization’s liability to the  
25 consumer under this title,

1 the end of the 5-year period beginning on the date  
2 of the discovery by the consumer of the misrepresentation.  
3

4 **“SEC. 412. RELATION TO STATE LAW.**

5 “This title shall not annul, alter, affect, or exempt  
6 any person subject to the provisions of this title from complying with any law of any State except to the extent that  
7 such law is inconsistent with any provision of this title,  
8 and then only to the extent of the inconsistency.  
9

10 **“SEC. 413. EFFECTIVE DATE.**

11 “This title shall apply after the end of the 6-month  
12 period beginning on the date of the enactment of the Credit Repair Organizations Act, except with respect to contracts entered into by a credit repair organization before  
13 the end of such period.”.  
14

16 **SEC. 2452. CREDIT WORTHINESS.**

17 It is the sense of the Senate that—

18 (1) individuals should generally be judged for  
19 credit worthiness based on their own credit worthiness and not on the zip code or neighborhood in  
20 which they live; and  
21

22 (2) the Federal Trade Commission, after consultation with the appropriate Federal banking agency, should report to the Committee on Banking,  
23 Housing, and Urban Affairs of the Senate as to  
24  
25

1       whether and how the location of the residence of an  
2       applicant for unsecured credit is considered by many  
3       companies and financial institutions in deciding  
4       whether an applicant should be granted credit.

5       **Subtitle E—Asset Conservation,**  
6       **Lender Liability, and Deposit**  
7       **Insurance Protection**

8       **SEC. 2501. SHORT TITLE.**

9       This subtitle may be cited as the “Asset Conserva-  
10      tion, Lender Liability, and Deposit Insurance Protection  
11      Act of 1996”.

12      **SEC. 2502. CERCLA LENDER AND FIDUCIARY LIABILITY**  
13                                   **LIMITATIONS AMENDMENTS.**

14      (a) IN GENERAL.—Section 107 of the Comprehensive  
15      Environmental Response, Compensation, and Liability Act  
16      of 1980 (42 U.S.C. 9607) is amended by adding at the  
17      end the following:

18           “(n) LIABILITY OF FIDUCIARIES.—

19                   “(1) IN GENERAL.—The liability of a fiduciary  
20      under any provision of this Act for the release or  
21      threatened release of a hazardous substance at,  
22      from, or in connection with a vessel or facility held  
23      in a fiduciary capacity shall not exceed the assets  
24      held in the fiduciary capacity.

1           “(2) EXCLUSION.—Paragraph (1) does not  
2       apply to the extent that a person is liable under this  
3       Act independently of the person’s ownership of a  
4       vessel or facility as a fiduciary or actions taken in  
5       a fiduciary capacity.

6           “(3) LIMITATION.—Paragraphs (1) and (4) do  
7       not limit the liability pertaining to a release or  
8       threatened release of a hazardous substance if neg-  
9       ligence of a fiduciary causes or contributes to the re-  
10      lease or threatened release.

11          “(4) SAFE HARBOR.—A fiduciary shall not be  
12      liable in its personal capacity under this Act for—

13           “(A) undertaking or directing another per-  
14      son to undertake a response action under sub-  
15      section (d)(1) or under the direction of an on  
16      scene coordinator designated under the Na-  
17      tional Contingency Plan;

18           “(B) undertaking or directing another per-  
19      son to undertake any other lawful means of ad-  
20      dressing a hazardous substance in connection  
21      with the vessel or facility;

22           “(C) terminating the fiduciary relationship;

23           “(D) including in the terms of the fidu-  
24      ciary agreement a covenant, warranty, or other  
25      term or condition that relates to compliance

1 with an environmental law, or monitoring,  
2 modifying or enforcing the term or condition;

3 “(E) monitoring or undertaking 1 or more  
4 inspections of the vessel or facility;

5 “(F) providing financial or other advice or  
6 counseling to other parties to the fiduciary rela-  
7 tionship, including the settlor or beneficiary;

8 “(G) restructuring, renegotiating, or other-  
9 wise altering the terms and conditions of the fi-  
10 duciary relationship;

11 “(H) administering, as a fiduciary, a vessel  
12 or facility that was contaminated before the fi-  
13 duciary relationship began; or

14 “(I) declining to take any of the actions  
15 described in subparagraphs (B) through (H).

16 “(5) DEFINITIONS.—As used in this Act:

17 “(A) FIDUCIARY.—The term ‘fiduciary’—

18 “(i) means a person acting for the  
19 benefit of another party as a bona fide—

20 “(I) trustee;

21 “(II) executor;

22 “(III) administrator;

23 “(IV) custodian;

24 “(V) guardian of estates or  
25 guardian ad litem;

1 “(VI) receiver;

2 “(VII) conservator;

3 “(VIII) committee of estates of  
4 incapacitated persons;

5 “(IX) personal representative;

6 “(X) trustee (including a succes-  
7 sor to a trustee) under an indenture  
8 agreement, trust agreement, lease, or  
9 similar financing agreement, for debt  
10 securities, certificates of interest or  
11 certificates of participation in debt se-  
12 curities, or other forms of indebted-  
13 ness as to which the trustee is not, in  
14 the capacity of trustee, the lender; or

15 “(XI) representative in any other  
16 capacity that the Administrator, after  
17 providing public notice, determines to  
18 be similar to the capacities described  
19 in subclauses (I) through (X); and

20 “(ii) does not include—

21 “(I) a person that is acting as a  
22 fiduciary with respect to a trust or  
23 other fiduciary estate that was orga-  
24 nized for the primary purpose of, or is  
25 engaged in, actively carrying on a

1 trade or business for profit, unless the  
2 trust or other fiduciary estate was  
3 created as part of, or to facilitate, 1  
4 or more estate plans or because of the  
5 incapacity of a natural person; or

6 “(II) a person that acquires own-  
7 ership or control of a vessel or facility  
8 with the objective purpose of avoiding  
9 liability of the person or of any other  
10 person.

11 “(B) FIDUCIARY CAPACITY.—The term ‘fi-  
12 duciary capacity’ means the capacity of a per-  
13 son in holding title to a vessel or facility, or  
14 otherwise having control of or an interest in the  
15 vessel or facility, pursuant to the exercise of the  
16 responsibilities of the person as a fiduciary.

17 “(6) SAVINGS CLAUSE.—Nothing in this sub-  
18 section—

19 “(A) affects the rights or immunities or  
20 other defenses that are available under this Act  
21 or other law that is applicable to a person sub-  
22 ject to this subsection; or

23 “(B) creates any liability for a person or a  
24 private right of action against a fiduciary or  
25 any other person.



1           “(7) NO EFFECT ON CERTAIN PERSONS.—

2           Nothing in this subsection applies to a person if the  
3           person—

4                   “(A)(i) acts in a capacity other than that  
5                   of a fiduciary or in a beneficiary capacity; and

6                   “(ii) in that capacity, directly or indirectly  
7                   benefits from a trust or fiduciary relationship;  
8                   or

9                   “(B)(i) is a beneficiary and a fiduciary  
10                  with respect to the same fiduciary estate; and

11                  “(ii) as a fiduciary, receives benefits that  
12                  exceed customary or reasonable compensation,  
13                  and incidental benefits, permitted under other  
14                  applicable law.

15           “(8) LIMITATION.—This subsection does not  
16           preclude a claim under this Act against—

17                   “(A) the assets of the estate or trust ad-  
18                   ministered by the fiduciary; or

19                   “(B) a nonemployee agent or independent  
20                   contractor retained by a fiduciary.”.

21           (b) DEFINITION OF OWNER OR OPERATOR.—Section  
22   101(20) of the Comprehensive Environmental Response,  
23   Compensation, and Liability Act of 1980 (42 U.S.C.  
24   9601(20)) is amended by adding at the end the following:

1           “(E) EXCLUSION OF LENDERS NOT PAR-  
2           TICIPANTS IN MANAGEMENT.—

3           “(i) INDICIA OF OWNERSHIP TO PRO-  
4           TECT SECURITY.—The term ‘owner or op-  
5           erator’ does not include a person that is a  
6           lender that, without participating in the  
7           management of a vessel or facility, holds  
8           indicia of ownership primarily to protect  
9           the security interest of the person in the  
10          vessel or facility.

11          “(ii) FORECLOSURE.—The term  
12          ‘owner or operator’ does not include a per-  
13          son that is a lender that did not partici-  
14          pate in management of a vessel or facility  
15          prior to foreclosure, notwithstanding that  
16          the person—

17                 “(I) forecloses on the vessel or  
18                 facility; and

19                 “(II) after foreclosure, sells, re-  
20                 leases (in the case of a lease finance  
21                 transaction), or liquidates the vessel  
22                 or facility, maintains business activi-  
23                 ties, winds up operations, undertakes  
24                 a response action under section  
25                 107(d)(1) or under the direction of an

1           on-scene coordinator appointed under  
2           the National Contingency Plan, with  
3           respect to the vessel or facility, or  
4           takes any other measure to preserve,  
5           protect, or prepare the vessel or facil-  
6           ity prior to sale or disposition,  
7           if the person seeks to sell, re-lease (in the  
8           case of a lease finance transaction), or oth-  
9           erwise divest the person of the vessel or fa-  
10          cility at the earliest practicable, commer-  
11          cially reasonable time, on commercially  
12          reasonable terms, taking into account mar-  
13          ket conditions and legal and regulatory re-  
14          quirements.

15           “(F) PARTICIPATION IN MANAGEMENT.—

16           For purposes of subparagraph (E)—

17                   “(i) the term ‘participate in manage-  
18                   ment’—

19                           “(I) means actually participating  
20                           in the management or operational af-  
21                           fairs of a vessel or facility; and

22                           “(II) does not include merely  
23                           having the capacity to influence, or  
24                           the unexercised right to control, vessel  
25                           or facility operations;

1           “(ii) a person that is a lender and  
2           that holds indicia of ownership primarily to  
3           protect a security interest in a vessel or fa-  
4           cility shall be considered to participate in  
5           management only if, while the borrower is  
6           still in possession of the vessel or facility  
7           encumbered by the security interest, the  
8           person—

9                       “(I) exercises decisionmaking  
10                      control over the environmental compli-  
11                      ance related to the vessel or facility,  
12                      such that the person has undertaken  
13                      responsibility for the hazardous sub-  
14                      stance handling or disposal practices  
15                      related to the vessel or facility; or

16                     “(II) exercises control at a level  
17                     comparable to that of a manager of  
18                     the vessel or facility, such that the  
19                     person has assumed or manifested re-  
20                     sponsibility—

21                     “(aa) for the overall man-  
22                     agement of the vessel or facility  
23                     encompassing day-to-day deci-  
24                     sionmaking with respect to envi-  
25                     ronmental compliance; or

1                   “(bb) over all or substan-  
2                   tially all of the operational func-  
3                   tions (as distinguished from fi-  
4                   nancial or administrative func-  
5                   tions) of the vessel or facility  
6                   other than the function of envi-  
7                   ronmental compliance;

8                   “(iii) the term ‘participate in manage-  
9                   ment’ does not include performing an act  
10                  or failing to act prior to the time at which  
11                  a security interest is created in a vessel or  
12                  facility; and

13                  “(iv) the term ‘participate in manage-  
14                  ment’ does not include—

15                       “(I) holding a security interest or  
16                       abandoning or releasing a security in-  
17                       terest;

18                       “(II) including in the terms of an  
19                       extension of credit, or in a contract or  
20                       security agreement relating to the ex-  
21                       tension, a covenant, warranty, or  
22                       other term or condition that relates to  
23                       environmental compliance;

1 “(III) monitoring or enforcing  
2 the terms and conditions of the exten-  
3 sion of credit or security interest;

4 “(IV) monitoring or undertaking  
5 1 or more inspections of the vessel or  
6 facility;

7 “(V) requiring a response action  
8 or other lawful means of addressing  
9 the release or threatened release of a  
10 hazardous substance in connection  
11 with the vessel or facility prior to,  
12 during, or on the expiration of the  
13 term of the extension of credit;

14 “(VI) providing financial or other  
15 advice or counseling in an effort to  
16 mitigate, prevent, or cure default or  
17 diminution in the value of the vessel  
18 or facility;

19 “(VII) restructuring, renegotiat-  
20 ing, or otherwise agreeing to alter the  
21 terms and conditions of the extension  
22 of credit or security interest, exercis-  
23 ing forbearance;

24 “(VIII) exercising other remedies  
25 that may be available under applicable

1 law for the breach of a term or condi-  
2 tion of the extension of credit or secu-  
3 rity agreement; or

4 “(IX) conducting a response ac-  
5 tion under section 107(d) or under  
6 the direction of an on-scene coordina-  
7 tor appointed under the National Con-  
8 tingency Plan,

9 if the actions do not rise to the level of  
10 participating in management (within the  
11 meaning of clauses (i) and (ii)).

12 “(G) OTHER TERMS.—As used in this Act:

13 “(i) EXTENSION OF CREDIT.—The  
14 term ‘extension of credit’ includes a lease  
15 finance transaction—

16 “(I) in which the lessor does not  
17 initially select the leased vessel or fa-  
18 cility and does not during the lease  
19 term control the daily operations or  
20 maintenance of the vessel or facility;  
21 or

22 “(II) that conforms with regula-  
23 tions issued by the appropriate Fed-  
24 eral banking agency or the appro-  
25 priate State bank supervisor (as those

1 terms are defined in section 3 of the  
2 Federal Deposit Insurance Act (12  
3 U.S.C. 1813) or with regulations is-  
4 sued by the National Credit Union  
5 Administration Board, as appropriate.

6 “(ii) FINANCIAL OR ADMINISTRATIVE  
7 FUNCTION.—The term ‘financial or admin-  
8 istrative function’ includes a function such  
9 as that of a credit manager, accounts pay-  
10 able officer, accounts receivable officer,  
11 personnel manager, comptroller, or chief fi-  
12 nancial officer, or a similar function.

13 “(iii) FORECLOSURE; FORECLOSE.—  
14 The terms ‘foreclosure’ and ‘foreclose’  
15 mean, respectively, acquiring, and to ac-  
16 quire, a vessel or facility through—

17 “(I)(aa) purchase at sale under a  
18 judgment or decree, power of sale, or  
19 nonjudicial foreclosure sale;

20 “(bb) a deed in lieu of fore-  
21 closure, or similar conveyance from a  
22 trustee; or

23 “(cc) repossession,  
24 if the vessel or facility was security for an  
25 extension of credit previously contracted;



1 “(II) conveyance pursuant to an  
2 extension of credit previously con-  
3 tracted, including the termination of a  
4 lease agreement; or

5 “(III) any other formal or infor-  
6 mal manner by which the person ac-  
7 quires, for subsequent disposition,  
8 title to or possession of a vessel or fa-  
9 cility in order to protect the security  
10 interest of the person.

11 “(iv) LENDER.—The term ‘lender’  
12 means—

13 “(I) an insured depository insti-  
14 tution (as defined in section 3 of the  
15 Federal Deposit Insurance Act (12  
16 U.S.C. 1813));

17 “(II) an insured credit union (as  
18 defined in section 101 of the Federal  
19 Credit Union Act (12 U.S.C. 1752));

20 “(III) a bank or association char-  
21 tered under the Farm Credit Act of  
22 1971 (12 U.S.C. 2001 et seq.);

23 “(IV) a leasing or trust company  
24 that is an affiliate of an insured de-  
25 pository institution;

1           “(V) any person (including a suc-  
2           cessor or assignee of any such person)  
3           that makes a bona fide extension of  
4           credit to or takes or acquires a secu-  
5           rity interest from a nonaffiliated per-  
6           son;

7           “(VI) the Federal National Mort-  
8           gage Association, the Federal Home  
9           Loan Mortgage Corporation, the Fed-  
10          eral Agricultural Mortgage Corpora-  
11          tion, or any other entity that in a  
12          bona fide manner buys or sells loans  
13          or interests in loans;

14          “(VII) a person that insures or  
15          guarantees against a default in the re-  
16          payment of an extension of credit, or  
17          acts as a surety with respect to an ex-  
18          tension of credit, to a nonaffiliated  
19          person; and

20          “(VIII) a person that provides  
21          title insurance and that acquires a  
22          vessel or facility as a result of assign-  
23          ment or conveyance in the course of  
24          underwriting claims and claims settle-  
25          ment.

1                   “(v) OPERATIONAL FUNCTION.—The  
2                   term ‘operational function’ includes a func-  
3                   tion such as that of a facility or plant  
4                   manager, operations manager, chief oper-  
5                   ating officer, or chief executive officer.

6                   “(vi) SECURITY INTEREST.—The term  
7                   ‘security interest’ includes a right under a  
8                   mortgage, deed of trust, assignment, judg-  
9                   ment lien, pledge, security agreement, fac-  
10                  toring agreement, or lease and any other  
11                  right accruing to a person to secure the re-  
12                  payment of money, the performance of a  
13                  duty, or any other obligation by a non-  
14                  affiliated person.”.

15 **SEC. 2503. CONFORMING AMENDMENT.**

16           Section 9003(h) of the Solid Waste Disposal Act (42  
17 U.S.C. 6991b(h)) is amended by striking paragraph (9)  
18 and inserting the following:

19                   “(9) DEFINITION OF OWNER OR OPERATOR.—

20                   “(A) IN GENERAL.—As used in this sub-  
21                   title, the terms ‘owner’ and ‘operator’ do not in-  
22                   clude a person that, without participating in the  
23                   management of an underground storage tank  
24                   and otherwise not engaged in petroleum produc-  
25                   tion, refining, or marketing, holds indicia of

1 ownership primarily to protect the person's se-  
2 curity interest.

3 “(B) SECURITY INTEREST HOLDERS.—The  
4 provisions regarding holders of security inter-  
5 ests in subparagraphs (E) through (G) of sec-  
6 tion 101(20) and the provisions regarding fidu-  
7 ciaries at section 107(n) of the Comprehensive  
8 Environmental Response, Compensation, and  
9 Liability Act of 1980 shall apply in determining  
10 a person's liability as an owner or operator of  
11 an underground storage tank for the purposes  
12 of this subtitle.

13 “(C) EFFECT ON RULE.—Nothing in sub-  
14 paragraph (B) shall be construed as modifying  
15 or affecting the final rule issued by the Admin-  
16 istrator on September 7, 1995 (60 Fed. Reg.  
17 46,692), or as limiting the authority of the Ad-  
18 ministrator to amend the final rule, in accord-  
19 ance with applicable law. The final rule in effect  
20 on the date of enactment of this subparagraph  
21 shall prevail over any inconsistent provision re-  
22 garding holders of security interests in subpara-  
23 graphs (E) through (G) of section 101(20) or  
24 any inconsistent provision regarding fiduciaries  
25 in section 107(n) of the Comprehensive Envi-

1           ronmental Response, Compensation, and Liabil-  
2           ity Act of 1980. Any amendment to the final  
3           rule shall be consistent with the provisions re-  
4           garding holders of security interests in subpara-  
5           graphs (E) through (G) of section 101(20) and  
6           the provisions regarding fiduciaries in section  
7           107(n) of the Comprehensive Environmental  
8           Response, Compensation, and Liability Act of  
9           1980. This subparagraph does not preclude ju-  
10          dicial review of any amendment of the final rule  
11          made after the date of enactment of this sub-  
12          paragraph.”.

13 **SEC. 2504. LENDER LIABILITY RULE.**

14       (a) IN GENERAL.—Effective on the date of enact-  
15      ment of this Act, the portion of the final rule issued by  
16      the Administrator of the Environmental Protection Agen-  
17      cy on April 29, 1992 (57 Fed. Reg. 18,344), prescribing  
18      section 300.1105 of title 40, Code of Federal Regulations,  
19      shall be deemed to have been validly issued under author-  
20      ity of the Comprehensive Environmental Response, Com-  
21      pensation, and Liability Act of 1980 (42 U.S.C. 9601 et  
22      seq.) and to have been effective according to the terms  
23      of the final rule. No additional judicial proceedings shall  
24      be necessary or may be held with respect to such portion  
25      of the final rule. Any reference in that portion of the final

1 rule to section 300.1100 of title 40, Code of Federal Regu-  
2 lations, shall be deemed to be a reference to the amend-  
3 ments made by this subtitle.

4 (b) JUDICIAL REVIEW.—Notwithstanding section  
5 113(a) of the Comprehensive Environmental Response,  
6 Compensation, and Liability Act of 1980 (42 U.S.C.  
7 9613(a)), no court shall have jurisdiction to review the  
8 portion of the final rule issued by the Administrator of  
9 the Environmental Protection Agency on April 29, 1992  
10 (57 Fed. Reg. 18,344) that prescribed section 300.1105  
11 of title 40, Code of Federal Regulations.

12 (c) AMENDMENT.—No provision of this section shall  
13 be construed as limiting the authority of the President or  
14 a delegatee of the President to amend the portion of the  
15 final rule issued by the Administrator of the Environ-  
16 mental Protection Agency on April 29, 1992 (57 Fed. Reg.  
17 18,344), prescribing section 300.1105 of title 40, Code of  
18 Federal Regulations, consistent with the amendments  
19 made by this subtitle and other applicable law.

20 (d) JUDICIAL REVIEW.—No provision of this section  
21 shall be construed as precluding judicial review of any  
22 amendment of section 300.1105 of title 40, Code of Fed-  
23 eral Regulations, made after the date of enactment of this  
24 Act.

1 **SEC. 2505. EFFECTIVE DATE.**

2       The amendments made by this subtitle shall be appli-  
3 cable with respect to any claim that has not been finally  
4 adjudicated as of the date of enactment of this Act.

5                   **Subtitle F—Miscellaneous**

6 **SEC. 2601. FEDERAL RESERVE BOARD STUDY.**

7       (a) STUDY OF ELECTRONIC STORED VALUE PROD-  
8 UCTS.—

9               (1) STUDY.—The Board shall conduct a study  
10 of electronic stored value products which evaluates  
11 whether provisions of the Electronic Fund Transfer  
12 Act could be applied to such products without ad-  
13 versely impacting the cost, development, and oper-  
14 ation of such products.

15              (2) CONSIDERATIONS.—In conducting its study  
16 under paragraph (1), the Board shall consider  
17 whether alternatives to regulation under the Elec-  
18 tronic Fund Transfer Act, such as allowing competi-  
19 tive market forces to shape the development and op-  
20 eration of electronic stored value products, could  
21 more efficiently achieve the objectives embodied in  
22 that Act.

23       (b) REPORT.—The Board shall submit a report of its  
24 study under subsection (a) to the Congress not later than  
25 6 months after the date of enactment of this Act.

1 (c) ACTION TO FINALIZE.—The Board shall take no  
2 action to finalize any amendments to regulations under  
3 the Electronic Fund Transfer Act that would regulate  
4 electronic stored value products until the later of—

5 (1) 3 months after the date on which the report  
6 is submitted to the Congress under subsection (b);  
7 or

8 (2) 9 months after the date of enactment of  
9 this Act.

10 **SEC. 2602. TREATMENT OF CLAIMS ARISING FROM BREACH**  
11 **OF CONTRACTS EXECUTED BY THE RE-**  
12 **CEIVER OR CONSERVATOR.**

13 Section 11(d) of the Federal Deposit Insurance Act  
14 (12 U.S.C. 1821(d)) is amended by adding at the end the  
15 following new paragraph:

16 “(20) TREATMENT OF CLAIMS ARISING FROM  
17 BREACH OF CONTRACTS EXECUTED BY THE RE-  
18 CEIVER OR CONSERVATOR.—Notwithstanding any  
19 other provision of this subsection, any final and  
20 unappealable judgment for monetary damages en-  
21 tered against a receiver or conservator for an in-  
22 sured depository institution for the breach of an  
23 agreement executed or approved by such receiver or  
24 conservator after the date of its appointment shall  
25 be paid as an administrative expense of the receiver



1 or conservator. Nothing in this paragraph shall be  
 2 construed to limit the power of a receiver or con-  
 3 servator to exercise any rights under contract or law,  
 4 including to terminate, breach, cancel, or otherwise  
 5 discontinue such agreement.”.

6 **SEC. 2603. CRIMINAL SANCTIONS FOR FICTITIOUS FINAN-**  
 7 **CIAL INSTRUMENTS AND COUNTERFEITING.**

8 (a) INCREASED PENALTIES FOR COUNTERFEITING  
 9 VIOLATIONS.—Sections 474 and 474A of title 18, United  
 10 States Code, are amended by striking “class C felony”  
 11 each place that term appears and inserting “class B fel-  
 12 ony”.

13 (b) CRIMINAL PENALTY FOR PRODUCTION, SALE,  
 14 TRANSPORTATION, POSSESSION OF FICTITIOUS FINAN-  
 15 CIAL INSTRUMENTS PURPORTING TO BE THOSE OF THE  
 16 STATES, OF POLITICAL SUBDIVISIONS, AND OF PRIVATE  
 17 ORGANIZATIONS.—

18 (1) IN GENERAL.—Chapter 25 of title 18, Unit-  
 19 ed States Code, is amended by inserting after sec-  
 20 tion 513, the following new section:

21 **“§ 514. Fictitious obligations**

22 “(a) Whoever, with the intent to defraud—

23 “(1) draws, prints, processes, produces, pub-  
 24 lishes, or otherwise makes, or attempts or causes the  
 25 same, within the United States;

1           “(2) passes, utters, presents, offers, brokers, is-  
2       sues, sells, or attempts or causes the same, or with  
3       like intent possesses, within the United States; or

4           “(3) utilizes interstate or foreign commerce, in-  
5       cluding the use of the mails or wire, radio, or other  
6       electronic communication, to transmit, transport,  
7       ship, move, transfer, or attempts or causes the same,  
8       to, from, or through the United States,

9       any false or fictitious instrument, document, or other item  
10      appearing, representing, purporting, or contriving through  
11      scheme or artifice, to be an actual security or other finan-  
12      cial instrument issued under the authority of the United  
13      States, a foreign government, a State or other political  
14      subdivision of the United States, or an organization, shall  
15      be guilty of a class B felony.

16       “(b) For purposes of this section, any term used in  
17      this section that is defined in section 513(c) has the same  
18      meaning given such term in section 513(c).

19       “(c) The United States Secret Service, in addition to  
20      any other agency having such authority, shall have author-  
21      ity to investigate offenses under this section.”.

22           (2) TECHNICAL AMENDMENT.—The analysis for  
23      chapter 25 of title 18, United States Code, is  
24      amended by inserting after the item relating to sec-  
25      tion 513 the following:

“514. Fictitious obligations.”.

1 **SEC. 2604. AMENDMENTS TO THE TRUTH IN SAVINGS ACT.**

2 (a) REPEAL.—Effective as of the end of the 5-year  
3 period beginning on the date of the enactment of this Act,  
4 section 271 of the Truth in Savings Act (12 U.S.C. 4310)  
5 is repealed.

6 (b) ON-PREMISES DISPLAYS.—Section 263(c) of the  
7 Truth in Savings Act (12 U.S.C. 4302(c)) is amended—

8 (1) by striking paragraph (2);

9 (2) by striking “(1) IN GENERAL.—”; and

10 (3) by redesignating subparagraphs (A) and  
11 (B) as paragraphs (1) and (2), respectively, and in-  
12 denting appropriately.

13 (c) DEPOSITORY INSTITUTION DEFINITION.—Section  
14 274(6) of the Truth in Savings Act (12 U.S.C. 4313(6))  
15 is amended by inserting before the period “, but does not  
16 include any nonautomated credit union that was not re-  
17 quired to comply with the requirements of this title as of  
18 the date of enactment of the Economic Growth and Regu-  
19 latory Paperwork Reduction Act of 1996, pursuant to the  
20 determination of the National Credit Union Administra-  
21 tion Board”.

22 (d) TIME DEPOSITS.—Section 266(a)(3) of the Truth  
23 in Savings Act (12 U.S.C. 4305(a)(3)) is amended by in-  
24 serting “has a maturity of more than 30 days” after “de-  
25 posit which”.

1 **SEC. 2605. CONSUMER LEASING ACT AMENDMENTS.**

2 (a) CONGRESSIONAL FINDINGS AND DECLARATION  
3 OF PURPOSES.—

4 (1) FINDINGS.—The Congress finds that—

5 (A) competition among the various finan-  
6 cial institutions and other firms engaged in the  
7 business of consumer leasing is greatest when  
8 there is informed use of leasing;

9 (B) the informed use of leasing results  
10 from an awareness of the cost of leasing by con-  
11 sumers; and

12 (C) there has been a continued trend to-  
13 ward leasing automobiles and other durable  
14 goods for consumer use as an alternative to in-  
15 stallment credit sales and that leasing product  
16 advances have occurred such that lessors have  
17 been unable to provide consistent industry-wide  
18 disclosures to fully account for the competitive  
19 progress that has occurred.

20 (2) PURPOSES.—The purposes of this section  
21 are—

22 (A) to assure a simple, meaningful disclo-  
23 sure of leasing terms so that the consumer will  
24 be able to compare more readily the various  
25 leasing terms available to the consumer and  
26 avoid the uninformed use of leasing, and to pro-

1 tect the consumer against inaccurate and unfair  
2 leasing practices;

3 (B) to provide for adequate cost disclo-  
4 sures that reflect the marketplace without im-  
5 pairing competition and the development of new  
6 leasing products; and

7 (C) to provide the Board with the regu-  
8 latory authority to assure a simplified, mean-  
9 ingful definition and disclosure of the terms of  
10 certain leases of personal property for personal,  
11 family, or household purposes so as to—

12 (i) enable the lessee to compare more  
13 readily the various lease terms available to  
14 the lessee;

15 (ii) enable comparison of lease terms  
16 with credit terms, as appropriate; and

17 (iii) assure meaningful and accurate  
18 disclosures of lease terms in advertise-  
19 ments.

20 (b) REGULATIONS.—

21 (1) IN GENERAL.—Chapter 5 of the Truth in  
22 Lending Act (15 U.S.C. 1667 et seq.) is amended by  
23 adding at the end the following new section:

24 **“SEC. 187. REGULATIONS.**

25 **“(a) REGULATIONS AUTHORIZED.—**

1           “(1) IN GENERAL.—The Board shall prescribe  
2 regulations to update and clarify the requirements  
3 and definitions applicable to lease disclosures and  
4 contracts, and any other issues specifically related to  
5 consumer leasing, to the extent that the Board de-  
6 termines such action to be necessary—

7                   “(A) to carry out this chapter;

8                   “(B) to prevent any circumvention of this  
9 chapter; or

10                  “(C) to facilitate compliance with the re-  
11 quirements of the chapter.

12           “(2) CLASSIFICATIONS, ADJUSTMENTS.—Any  
13 regulations prescribed under paragraph (1) may con-  
14 tain classifications and differentiations, and may  
15 provide for adjustments and exceptions for any class  
16 of transactions, as the Board considers appropriate.

17           “(b) MODEL DISCLOSURE.—

18                  “(1) PUBLICATION.—The Board shall establish  
19 and publish model disclosure forms to facilitate com-  
20 pliance with the disclosure requirements of this  
21 chapter and to aid the consumer in understanding  
22 the transaction to which the subject disclosure form  
23 relates.

24                  “(2) USE OF AUTOMATED EQUIPMENT.—In es-  
25 tablishing model forms under this subsection, the

1 Board shall consider the use by lessors of data proc-  
2 essing or similar automated equipment.

3 “(3) USE OPTIONAL.—A lessor may utilize a  
4 model disclosure form established by the Board  
5 under this subsection for purposes of compliance  
6 with this chapter, at the discretion of the lessor.

7 “(4) EFFECT OF USE.—Any lessor who prop-  
8 erly uses the material aspects of any model disclo-  
9 sure form established by the Board under this sub-  
10 section shall be deemed to be in compliance with the  
11 disclosure requirements to which the form relates.”.

12 (2) EFFECTIVE DATE.—

13 (A) IN GENERAL.—Any regulation of the  
14 Board, or any amendment or interpretation of  
15 any regulation of the Board issued pursuant to  
16 section 187 of the Truth in Lending Act (as  
17 added by paragraph (1) of this subsection),  
18 shall become effective on the first October 1  
19 that follows the date of promulgation of that  
20 regulation, amendment, or interpretation by not  
21 less than 6 months.

22 (B) LONGER PERIOD.—The Board may, at  
23 the discretion of the Board, extend the time pe-  
24 riod referred to in subparagraph (A) in accord-  
25 ance with subparagraph (C), to permit lessors

1 to adjust their disclosure forms to accommodate  
2 the requirements of section 127 of the Truth in  
3 Lending Act (as added by paragraph (1) of this  
4 subsection).

5 (C) SHORTER PERIOD.—The Board may  
6 shorten the time period referred to in subpara-  
7 graph (A), if the Board makes a specific finding  
8 that such action is necessary to comply with the  
9 findings of a court or to prevent an unfair or  
10 deceptive practice.

11 (D) COMPLIANCE BEFORE EFFECTIVE  
12 DATE.—Any lessor may comply with any means  
13 of disclosure provided for in section 127 of the  
14 Truth in Lending Act (as added by paragraph  
15 (1) of this subsection) before the effective date  
16 of such requirement.

17 (E) DEFINITIONS.—For purposes of this  
18 subsection, the term “lessor” has the same  
19 meaning as in section 181 of the Truth in  
20 Lending Act.

21 (3) CLERICAL AMENDMENT.—The table of sec-  
22 tions for chapter 5 of title I of the Truth in Lending  
23 Act (15 U.S.C. 1601 et seq.) is amended by insert-  
24 ing after the item relating to section 186 the follow-  
25 ing new item:

“187. Regulations.”.



1       (c) CONSUMER LEASE ADVERTISING.—Section 184  
2 of the Truth in Lending Act (15 U.S.C. 1667c) is amend-  
3 ed—

4           (1) by striking subsections (a) and (c);

5           (2) by redesignating subsection (b) as sub-  
6 section (c); and

7           (3) by inserting before subsection (c), as so re-  
8 designated, the following:

9       “(a) IN GENERAL.—If an advertisement for a  
10 consumer lease includes a statement of the amount of any  
11 payment or a statement that any or no initial payment  
12 is required, the advertisement shall clearly and conspicu-  
13 ously state, as applicable—

14           “(1) the transaction advertised is a lease;

15           “(2) the total amount of any initial payments  
16 required on or before consummation of the lease or  
17 delivery of the property, whichever is later;

18           “(3) that a security deposit is required;

19           “(4) the number, amount, and timing of sched-  
20 uled payments; and

21           “(5) with respect to a lease in which the liabil-  
22 ity of the consumer at the end of the lease term is  
23 based on the anticipated residual value of the prop-  
24 erty, that an extra charge may be imposed at the  
25 end of the lease term.

1       “(b) ADVERTISING MEDIUM NOT LIABLE.—No  
2 owner or employee of any entity that serves as a medium  
3 in which an advertisement appears or through which an  
4 advertisement is disseminated, shall be liable under this  
5 section.”.

6 **SEC. 2606. STUDY OF CORPORATE CREDIT UNIONS.**

7       (a) DEFINITIONS.—For purposes of this section, the  
8 following definitions shall apply:

9           (1) ADMINISTRATION.—The term “Administra-  
10 tion” means the National Credit Union Administra-  
11 tion.

12           (2) BOARD.—The term “Board” means the Na-  
13 tional Credit Union Administration Board.

14           (3) CORPORATE CREDIT UNION.—The term  
15 “corporate credit union” has the meaning given such  
16 term by rule or regulation of the Board.

17           (4) FUND.—The term “Fund” means the Na-  
18 tional Credit Union Share Insurance Fund estab-  
19 lished under section 203 of the Federal Credit  
20 Union Act.

21           (5) SECRETARY.—The term “Secretary” means  
22 the Secretary of the Treasury.

23       (b) STUDY.—

24           (1) IN GENERAL.—The Secretary, in consulta-  
25 tion with the Board, the Corporation, the Comptrol-

1       ler of the Currency, and the Administration, shall  
2       conduct a study and evaluation of—

3               (A) the oversight and supervisory practices  
4               of the Administration concerning the Fund, in-  
5               cluding the treatment of amounts deposited in  
6               the Fund pursuant to section 202(c) of the  
7               Federal Credit Union Act, including analysis  
8               of—

9                       (i) whether those amounts should  
10                      be—

11                               (I) refundable; or

12                               (II) treated as expenses; and

13                      (ii) the use of those amounts in deter-  
14                      mining equity capital ratios;

15               (B) the potential for, and potential effects  
16               of, administration of the Fund by an entity  
17               other than the Administration;

18               (C) the 10 largest corporate credit unions  
19               in the United States, conducted in cooperation  
20               with appropriate employees of other Federal  
21               agencies with expertise in the examination of  
22               federally insured financial institutions, includ-  
23               ing—

24                      (i) the investment practices of those  
25                      credit unions; and

1 (ii) the financial stability, financial  
2 operations, and financial controls of those  
3 credit unions;

4 (D) the regulations of the Administration;  
5 and

6 (E) the supervision of corporate credit  
7 unions by the Administration.

8 (c) REPORT.—Not later than 12 months after the  
9 date of enactment of this Act, the Secretary shall submit  
10 to the appropriate committees of the Congress, a report  
11 that includes the results of the study and evaluation con-  
12 ducted under subsection (b), together with any rec-  
13 ommendations that the Secretary considers to be appro-  
14 priate.

15 **SEC. 2607. REPORT ON THE RECONCILIATION OF DIF-**  
16 **FERENCES BETWEEN REGULATORY AC-**  
17 **COUNTING PRINCIPLES AND GENERALLY AC-**  
18 **CEPTED ACCOUNTING PRINCIPLES.**

19 Not later than 180 days after the date of enactment  
20 of this Act, each appropriate Federal banking agency shall  
21 submit to the Committee on Banking and Financial Serv-  
22 ices of the House of Representatives and the Committee  
23 on Banking, Housing, and Urban Affairs of the Senate,  
24 a report describing both the actions that have been taken  
25 by the agency and the actions that will be taken by the

1 agency to eliminate or conform inconsistent or duplicative  
2 accounting and reporting requirements applicable to re-  
3 ports or statements filed with any such agency by insured  
4 depository institutions, as required by section 121 of the  
5 Federal Deposit Insurance Corporation Improvement Act  
6 of 1991.

7 **SEC. 2608. STATE-BY-STATE AND METROPOLITAN AREA-BY-**  
8 **METROPOLITAN AREA STUDY OF BANK FEES.**

9 Section 1002(b)(2)(A) of the Financial Institutions  
10 Reform, Recovery, and Enforcement Act of 1989 (12  
11 U.S.C. 1811 note) is amended to read as follows:

12 “(A) a description of any discernible trend,  
13 in the Nation as a whole, in each of the 50  
14 States, and in each consolidated metropolitan  
15 statistical area or primary metropolitan statis-  
16 tical area (as defined by the Director of the Of-  
17 fice of Management and Budget), in the cost  
18 and availability of retail banking services (in-  
19 cluding fees imposed for providing such serv-  
20 ices), that delineates differences between in-  
21 sured depository institutions on the basis of  
22 both the size of the institution and any engage-  
23 ment of the institution in multistate activity;  
24 and”.

1   **SEC. 2609. PROSPECTIVE APPLICATION OF GOLD CLAUSES**  
2                           **IN CONTRACTS.**

3           Section 5118(d)(2) of title 31, United States Code,  
4 is amended by adding at the end the following: “This  
5 paragraph shall apply to any obligation issued on or before  
6 October 27, 1977, notwithstanding any assignment or no-  
7 vation of such obligation after October 27, 1977, unless  
8 all parties to the assignment or novation specifically agree  
9 to include a gold clause in the new agreement. Nothing  
10 in the preceding sentence shall be construed to affect the  
11 enforceability of a Gold Clause contained in any obligation  
12 issued after October 27, 1977 if the enforceability of that  
13 Gold Clause has been finally adjudicated before the date  
14 of enactment of the Economic Growth and Regulatory Pa-  
15 perwork Reduction Act of 1996.”.

16   **SEC. 2610. QUALIFIED FAMILY PARTNERSHIPS.**

17           Section 2 of the Bank Holding Company Act of 1956  
18 (12 U.S.C. 1841) is amended—

19                   (1) in subsection (b), by inserting “, and shall  
20           not include a qualified family partnership” after “by  
21           any State”; and

22                   (2) in subsection (o), by adding at the end the  
23           following:

24                   “(10) QUALIFIED FAMILY PARTNERSHIP.—The  
25           term ‘qualified family partnership’ means a general  
26           or limited partnership that the Board determines—

1           “(A) does not directly control any bank,  
2           except through a registered bank holding com-  
3           pany;

4           “(B) does not control more than 1 reg-  
5           istered bank holding company;

6           “(C) does not engage in any business ac-  
7           tivity, except indirectly through ownership of  
8           other business entities;

9           “(D) has no investments other than those  
10          permitted for a bank holding company pursuant  
11          to section 4(e);

12          “(E) is not obligated on any debt, either  
13          directly or as a guarantor;

14          “(F) has partners, all of whom are ei-  
15          ther—

16               “(i) individuals related to each other  
17               by blood, marriage (including former mar-  
18               riage), or adoption; or

19               “(ii) trusts for the primary benefit of  
20               individuals related as described in clause  
21               (i); and

22          “(G) has filed with the Board a statement  
23          that includes—

24               “(i) the basis for the eligibility of the  
25               partnership under subparagraph (F);

1 “(ii) a list of the existing activities  
2 and investments of the partnership;

3 “(iii) a commitment to comply with  
4 this paragraph;

5 “(iv) a commitment to comply with  
6 section 7 of the Federal Deposit Insurance  
7 Act with respect to any acquisition of con-  
8 trol of an insured depository institution oc-  
9 ccurring after date of enactment of this  
10 paragraph; and

11 “(v) a commitment to be subject, to  
12 the same extent as if the qualified family  
13 partnership were a bank holding com-  
14 pany—

15 “(I) to examination by the Board  
16 to assure compliance with this para-  
17 graph; and

18 “(II) to section 8 of the Federal  
19 Deposit Insurance Act.”.

20 **SEC. 2611. COOPERATIVE EFFORTS BETWEEN DEPOSITORY**  
21 **INSTITUTIONS AND FARMERS AND RANCH-**  
22 **ERS IN DROUGHT-STRICKEN AREAS.**

23 (a) FINDINGS.—The Congress hereby finds the fol-  
24 lowing:



1           (1) Severe drought is being experienced in the  
2       Plains and the Southwest portions of our country.

3           (2) Soil erosion is becoming a critical issue as  
4       the dry season approaches and summer winds may  
5       rob these fields of nutrient-rich topsoil.

6           (3) Without immediate assistance, ranchers and  
7       farmers would be forced to cull their herds bringing  
8       tremendous volatility in the beef market.

9           (4) The American people will feel the impact of  
10      this drought in their pocketbooks through higher  
11      prices for grain products.

12          (5) The communities in drought-stricken areas  
13      are suffering and borrowers may have difficulty  
14      meeting their obligations to financial institutions.

15          (6) Congress has already passed the Depository  
16      Institutions Disaster Relief Act of 1992 which allows  
17      financial institutions to make emergency exceptions  
18      to the appraisal requirement in times of national dis-  
19      asters.

20      (b) SENSE OF THE CONGRESS.—It is the sense of  
21      the Congress that financial institutions and Federal bank  
22      regulators should work cooperatively with farmers and  
23      ranchers in communities affected by drought conditions to  
24      allow financial obligations to be met without imposing  
25      undue burdens.

1 **SEC. 2612. STREAMLINING PROCESS FOR DETERMINING**  
2 **NEW NONBANKING ACTIVITIES.**

3 Section 4(c)(8) of the Bank Holding Company Act  
4 of 1956 (12 U.S.C. 1843(c)(8)) is amended by striking  
5 “and opportunity for hearing” and inserting the following:  
6 “(and opportunity for hearing in the case of an acquisition  
7 of a savings association)”.

8 **SEC. 2613. AUTHORIZING BANK SERVICE COMPANIES TO**  
9 **ORGANIZE AS LIMITED LIABILITY COMPA-**  
10 **NIES.**

11 (a) AMENDMENT TO SHORT TITLE.—Section 1 of the  
12 Bank Service Corporation Act (12 U.S.C. 1861(a)) is  
13 amended by striking subsection (a) and inserting the fol-  
14 lowing new subsection:

15 “(a) SHORT TITLE.—This Act may be cited as the  
16 ‘Bank Service Company Act’.”;

17 (b) AMENDMENTS TO DEFINITIONS.—Section 1(b) of  
18 the Bank Service Corporation Act (12 U.S.C. 1861(b)) is  
19 amended—

20 (1) by striking paragraph (2) and inserting the  
21 following new paragraph:

22 “(2) the term ‘bank service company’ means—

23 “(A) any corporation—

24 “(i) which is organized to perform  
25 services authorized by this Act; and

1 “(ii) all of the capital stock of which  
2 is owned by 1 or more insured banks; and

3 “(B) any limited liability company—

4 “(i) which is organized to perform  
5 services authorized by this Act; and

6 “(ii) all of the members of which are  
7 1 or more insured banks.”;

8 (2) in paragraph (6)—

9 (A) by striking “corporation” and inserting  
10 “company”; and

11 (B) by striking “and” after the semicolon;

12 (3) by redesignating paragraph (7) as para-  
13 graph (8) and inserting after paragraph (6) the fol-  
14 lowing new paragraph:

15 “(7) the term ‘limited liability company’ means  
16 any company, partnership, trust, or similar business  
17 entity organized under the law of a State (as defined  
18 in section 3 of the Federal Deposit Insurance Act)  
19 which provides that a member or manager of such  
20 company is not personally liable for a debt, obliga-  
21 tion, or liability of the company solely by reason of  
22 being, or acting as, a member or manager of such  
23 company; and”;

24 (4) in paragraph (8) (as so redesignated)—

1 (A) by striking “corporation” each place  
2 such term appears and inserting “company”;  
3 and

4 (B) by striking “capital stock” and insert-  
5 ing “equity”.

6 (c) AMENDMENTS TO SECTION 2.—Section 2 of the  
7 Bank Service Corporation Act (12 U.S.C. 1862) is amend-  
8 ed—

9 (1) by striking “corporation” and inserting  
10 “company”;

11 (2) by striking “corporations” and inserting  
12 “companies”; and

13 (3) in the heading for such section, by striking  
14 “CORPORATION” and inserting “COMPANY”.

15 (d) AMENDMENTS TO SECTION 3.—Section 3 of the  
16 Bank Service Corporation Act (12 U.S.C. 1863) is amend-  
17 ed—

18 (1) by striking “corporation” each place such  
19 term appears and inserting “company”; and

20 (2) in the heading for such section, by striking  
21 “CORPORATION” and inserting “COMPANY”.

22 (e) AMENDMENTS TO SECTION 4.—Section 4 of the  
23 Bank Service Corporation Act (12 U.S.C. 1864) is amend-  
24 ed—

1           (1) by striking “corporation” each place such  
2 term appears and inserting “company”;

3           (2) in subsection (b), by inserting “or mem-  
4 bers” after “shareholders” each place such term ap-  
5 pears;

6           (3) in subsections (c) and (d), by inserting “or  
7 member” after “shareholder” each place such term  
8 appears;

9           (4) in subsection (e)—

10               (A) by inserting “or members” after “na-  
11 tional bank and State bank shareholders”;

12               (B) by striking “its national bank share-  
13 holder or shareholders” and inserting “any  
14 shareholder or member of the company which is  
15 a national bank”;

16               (C) by striking “its State bank shareholder  
17 or shareholders” and inserting “any share-  
18 holder or member of the company which is a  
19 State bank”;

20               (D) by striking “such State bank or  
21 banks” and inserting “any such State bank”;  
22 and

23               (E) by inserting “or members” after  
24 “State bank and national bank shareholders”;  
25 and

1           (5) in the heading for such section, by striking  
2       “CORPORATION” and inserting “COMPANY”.

3       (f) AMENDMENTS TO SECTION 5.—Section 5 of the  
4 Bank Service Corporation Act (12 U.S.C. 1865) is amend-  
5 ed—

6           (1) by striking “corporation” each place such  
7 term appears and inserting “company”; and

8           (2) in the heading for such section, by striking  
9       “CORPORATIONS” and inserting “COMPANIES”.

10       (g) AMENDMENTS TO SECTION 6.—Section 6 of the  
11 Bank Service Corporation Act (12 U.S.C. 1866) is amend-  
12 ed—

13           (1) by striking “corporation” each place such  
14 term appears and inserting “company”;

15           (2) by inserting “or is not a member of” after  
16 “does not own stock in”;

17           (3) by striking “the nonstockholding institu-  
18 tion” and inserting “such depository institution”;

19           (4) by inserting “or is a member of” after “that  
20 owns stock in”;

21           (5) in paragraphs (1) and (2), by inserting “or  
22 nonmember” after “nonstockholding”; and

23           (6) in the heading for such section by inserting  
24       “OR NONMEMBERS” after “NONSTOCKHOLDERS”.

1 (h) AMENDMENTS TO SECTION 7.—Section 7 of the  
2 Bank Service Corporation Act (12 U.S.C. 1867) is amend-  
3 ed—

4 (1) by striking “corporation” each place such  
5 term appears and inserting “company”;

6 (2) in subsection (a)—

7 (A) by inserting “or principal member”  
8 after “principal shareholder”; and

9 (B) by inserting “or member” after “other  
10 shareholder”; and

11 (3) in the heading for such section, by striking  
12 “CORPORATIONS” and inserting “COMPANIES”.

13 **SEC. 2614. RETIREMENT CERTIFICATES OF DEPOSITS.**

14 (a) IN GENERAL.—Section 3(l)(5) of the Federal De-  
15 posit Insurance Act (12 U.S.C. 1813(l)(5)) is amended—

16 (1) in subparagraph (A), by striking “and” at  
17 the end;

18 (2) in subparagraph (B), by striking the period  
19 at the end and inserting “; and”; and

20 (3) by adding at the end the following new sub-  
21 paragraph:

22 “(C) any liability of an insured depository  
23 institution that arises under an annuity con-  
24 tract, the income of which is tax deferred under

1           section 72 of the Internal Revenue Code of  
2           1986.”.

3           (b) EFFECTIVE DATE.—The amendments made by  
4 subsection (a) shall apply to any liability of an insured  
5 depository that arises under an annuity contract issued  
6 on or after the date of enactment of this Act.

7   **SEC. 2615. PROHIBITIONS ON CERTAIN DEPOSITORY INSTI-**  
8                           **TUTION ASSOCIATIONS WITH GOVERNMENT-**  
9                           **SPONSORED ENTERPRISES.**

10          (a) CREDIT UNIONS.—Section 201 of the Federal  
11 Credit Union Act (12 U.S.C. 1781) is amended by adding  
12 at the end the following new subsection:

13          “(e) PROHIBITION ON CERTAIN ASSOCIATIONS.—

14               “(1) IN GENERAL.—No insured credit union  
15 may be sponsored by or accept financial support, di-  
16 rectly or indirectly, from any Government-sponsored  
17 enterprise, if the credit union includes the customers  
18 of the Government-sponsored enterprise in the field  
19 of membership of the credit union.

20               “(2) ROUTINE BUSINESS FINANCING.—Para-  
21 graph (1) shall not apply with respect to advances  
22 or other forms of financial assistance generally pro-  
23 vided by a Government-sponsored enterprise in the  
24 ordinary course of business of the enterprise.



1           “(3) GOVERNMENT-SPONSORED ENTERPRISE  
2     DEFINED.—For purposes of this subsection, the  
3     term ‘Government-sponsored enterprise’ has the  
4     meaning given to such term in section 1404(e)(1)(A)  
5     of the Financial Institutions Reform, Recovery, and  
6     Enforcement Act of 1989.

7           “(4) EMPLOYEE CREDIT UNION.—No provision  
8     of this subsection shall be construed as prohibiting  
9     any employee of a Government-sponsored enterprise  
10    from becoming a member of a credit union whose  
11    field of membership is the employees of such enter-  
12    prise.”.

13       (b) BANKS AND SAVINGS ASSOCIATIONS.—Section 18  
14 of the Federal Deposit Insurance Act (12 U.S.C. 1828)  
15 is amended by adding at the end the following new sub-  
16 section:

17       “(s) PROHIBITION ON CERTAIN AFFILIATIONS.—

18           “(1) IN GENERAL.—No depository institution  
19     may be an affiliate of, be sponsored by, or accept fi-  
20     nancial support, directly or indirectly, from any Gov-  
21     ernment-sponsored enterprise.

22           “(2) EXCEPTION FOR MEMBERS OF A FEDERAL  
23     HOME LOAN BANK.—Paragraph (1) shall not apply  
24     with respect to the membership of a depository insti-  
25     tution in a Federal home loan bank.

1           “(3) ROUTINE BUSINESS FINANCING.—Para-  
 2       graph (1) shall not apply with respect to advances  
 3       or other forms of financial assistance provided by a  
 4       Government-sponsored enterprise pursuant to the  
 5       statutes governing such enterprise.

6           “(4) GOVERNMENT-SPONSORED ENTERPRISE  
 7       DEFINED.—For purposes of this subsection, the  
 8       term ‘Government-sponsored enterprise’ has the  
 9       meaning given to such term in section 1404(e)(1)(A)  
 10      of the Financial Institutions Reform, Recovery, and  
 11      Enforcement Act of 1989.”.

12      (c) EFFECTIVE DATE.—The amendments made by  
 13      this section shall apply on and after January 1, 1996.

## 14           **Subtitle G—Deposit Insurance** 15                           **Funds**

### 16   **SEC. 2701. SHORT TITLE.**

17           This subtitle may be cited as the “Deposit Insurance  
 18   Funds Act of 1996”.

### 19   **SEC. 2702. SPECIAL ASSESSMENT TO CAPITALIZE SAIF.**

20           (a) IN GENERAL.—Except as provided in subsection  
 21   (f), the Board of Directors of the Federal Deposit Insur-  
 22   ance Corporation shall impose a special assessment on the  
 23   SAIF-assessable deposits of each insured depository insti-  
 24   tution in accordance with assessment regulations of the  
 25   Corporation at a rate applicable to all such institutions

1 that the Board of Directors, in its sole discretion, deter-  
2 mines (after taking into account the adjustments de-  
3 scribed in subsections (g), (h), and (j)) will cause the Sav-  
4 ings Association Insurance Fund to achieve the designated  
5 reserve ratio on the first business day of the 1st month  
6 beginning after the date of the enactment of this Act.

7 (b) FACTORS TO BE CONSIDERED.—In carrying out  
8 subsection (a), the Board of Directors shall base its deter-  
9 mination on—

10 (1) the monthly Savings Association Insurance  
11 Fund balance most recently calculated;

12 (2) data on insured deposits reported in the  
13 most recent reports of condition filed not later than  
14 70 days before the date of enactment of this Act by  
15 insured depository institutions; and

16 (3) any other factors that the Board of Direc-  
17 tors deems appropriate.

18 (c) DATE OF DETERMINATION.—For purposes of  
19 subsection (a), the amount of the SAIF-assessable depos-  
20 its of an insured depository institution shall be determined  
21 as of March 31, 1995.

22 (d) DATE PAYMENT DUE.—Except as provided in  
23 subsection (g), the special assessment imposed under this  
24 section shall be—

1           (1) due on the first business day of the 1st  
2           month beginning after the date of the enactment of  
3           this Act; and

4           (2) paid to the Corporation on the later of—

5                 (A) the first business day of the 1st month  
6                 beginning after such date of enactment; or

7                 (B) such other date as the Corporation  
8                 shall prescribe, but not later than 60 days after  
9                 the date of enactment of this Act.

10          (e) ASSESSMENT DEPOSITED IN SAIF.—Notwith-  
11          standing any other provision of law, the proceeds of the  
12          special assessment imposed under this section shall be de-  
13          posited in the Savings Association Insurance Fund.

14          (f) EXEMPTIONS FOR CERTAIN INSTITUTIONS.—

15                 (1) EXEMPTION FOR WEAK INSTITUTIONS.—

16          The Board of Directors may, by order, in its sole  
17          discretion, exempt any insured depository institution  
18          that the Board of Directors determines to be weak,  
19          from paying the special assessment imposed under  
20          this section if the Board of Directors determines  
21          that the exemption would reduce risk to the Savings  
22          Association Insurance Fund.

23                 (2) GUIDELINES REQUIRED.—Not later than 30  
24          days after the date of enactment of this Act, the  
25          Board of Directors shall prescribe guidelines setting

1       forth the criteria that the Board of Directors will  
2       use in exempting institutions under paragraph (1).  
3       Such guidelines shall be published in the Federal  
4       Register.

5               (3) EXEMPTION FOR CERTAIN NEWLY CHAR-  
6       TERED AND OTHER DEFINED INSTITUTIONS.—

7               (A) IN GENERAL.—In addition to the insti-  
8       tutions exempted from paying the special as-  
9       sessment under paragraph (1), the Board of  
10      Directors shall exempt any insured depository  
11      institution from payment of the special assess-  
12      ment if the institution—

13              (i) was in existence on October 1,  
14              1995, and held no SAIF-assessable depos-  
15              its before January 1, 1993;

16              (ii) is a Federal savings bank which—

17              (I) was established de novo in  
18              April 1994 in order to acquire the de-  
19              posits of a savings association which  
20              was in default or in danger of default;  
21              and

22              (II) received minority interim  
23              capital assistance from the Resolution  
24              Trust Corporation under section  
25              21A(w) of the Federal Home Loan

1 Bank Act in connection with the ac-  
2 quisition of any such savings associa-  
3 tion; or

4 (iii) is a savings association, the de-  
5 posits of which are insured by the Savings  
6 Association Insurance Fund, which—

7 (I) before January 1, 1987, was  
8 chartered as a Federal savings bank  
9 insured by the Federal Savings and  
10 Loan Insurance Corporation for the  
11 purpose of acquiring all or substan-  
12 tially all of the assets and assuming  
13 all or substantially all of the deposit  
14 liabilities of a national bank in a  
15 transaction consummated after July  
16 1, 1986; and

17 (II) as of the date of that trans-  
18 action, had assets of less than  
19 \$150,000,000.

20 (B) DEFINITION.—For purposes of this  
21 paragraph, an institution shall be deemed to  
22 have held SAIF-assessable deposits before Jan-  
23 uary 1, 1993, if—

24 (i) it directly held SAIF-assessable de-  
25 posits before that date; or

1           (ii) it succeeded to, acquired, pur-  
2           chased, or otherwise holds any SAIF-as-  
3           sessable deposits as of the date of enact-  
4           ment of this Act that were SAIF-assess-  
5           able deposits before January 1, 1993.

6           (4) EXEMPT INSTITUTIONS REQUIRED TO PAY  
7           ASSESSMENTS AT FORMER RATES.—

8           (A) PAYMENTS TO SAIF AND DIF.—Any in-  
9           sured depository institution that the Board of  
10          Directors exempts under this subsection from  
11          paying the special assessment imposed under  
12          this section shall pay semiannual assessments—

13           (i) during calendar years 1996, 1997,  
14           and 1998, into the Savings Association In-  
15           surance Fund, based on SAIF-assessable  
16           deposits of that institution, at assessment  
17           rates calculated under the schedule in ef-  
18           fect for Savings Association Insurance  
19           Fund members on June 30, 1995; and

20           (ii) during calendar year 1999—

21           (I) into the Deposit Insurance  
22           Fund, based on SAIF-assessable de-  
23           posits of that institution as of Decem-  
24           ber 31, 1998, at assessment rates cal-  
25           culated under the schedule in effect

1                   for Savings Association Insurance  
2                   Fund members on June 30, 1995; or  
3                   (II) in accordance with clause (i),  
4                   if the Bank Insurance Fund and the  
5                   Savings Association Insurance Fund  
6                   are not merged into the Deposit In-  
7                   surance Fund.

8                   (B) OPTIONAL PRO RATA PAYMENT OF  
9                   SPECIAL ASSESSMENT.—This paragraph shall  
10                  not apply with respect to any insured depository  
11                  institution (or successor insured depository in-  
12                  stitution) that has paid, during any calendar  
13                  year from 1997 through 1999, upon such terms  
14                  as the Corporation may announce, an amount  
15                  equal to the product of—

16                  (i) 16.7 percent of the special assess-  
17                  ment that the institution would have been  
18                  required to pay under subsection (a), if the  
19                  Board of Directors had not exempted the  
20                  institution; and

21                  (ii) the number of full semiannual pe-  
22                  riods remaining between the date of the  
23                  payment and December 31, 1999.



1 (g) SPECIAL ELECTION FOR CERTAIN INSTITUTIONS  
2 FACING HARDSHIP AS A RESULT OF THE SPECIAL AS-  
3 SESSMENT.—

4 (1) ELECTION AUTHORIZED.—If—

5 (A) an insured depository institution, or  
6 any depository institution holding company  
7 which, directly or indirectly, controls such insti-  
8 tution, is subject to terms or covenants in any  
9 debt obligation or preferred stock outstanding  
10 on September 13, 1995; and

11 (B) the payment of the special assessment  
12 under subsection (a) would pose a significant  
13 risk of causing such depository institution or  
14 holding company to default or violate any such  
15 term or covenant,

16 the depository institution may elect, with the ap-  
17 proval of the Corporation, to pay such special as-  
18 sessment in accordance with paragraphs (2) and (3)  
19 in lieu of paying such assessment in the manner re-  
20 quired under subsection (a).

21 (2) 1ST ASSESSMENT.—An insured depository  
22 institution which makes an election under paragraph  
23 (1) shall pay an assessment in an amount equal to  
24 50 percent of the amount of the special assessment  
25 that would otherwise apply under subsection (a), by

1 the date on which such special assessment is payable  
2 under subsection (d).

3 (3) 2D ASSESSMENT.—An insured depository  
4 institution which makes an election under paragraph  
5 (1) shall pay a 2d assessment, by the date estab-  
6 lished by the Board of Directors in accordance with  
7 paragraph (4), in an amount equal to the product of  
8 51 percent of the rate determined by the Board of  
9 Directors under subsection (a) for determining the  
10 amount of the special assessment and the SAIF-as-  
11 sessable deposits of the institution on March 31,  
12 1996, or such other date in calendar year 1996 as  
13 the Board of Directors determines to be appropriate.

14 (4) DUE DATE OF 2D ASSESSMENT.—The date  
15 established by the Board of Directors for the pay-  
16 ment of the assessment under paragraph (3) by a  
17 depository institution shall be the earliest practicable  
18 date which the Board of Directors determines to be  
19 appropriate, which is at least 15 days after the date  
20 used by the Board of Directors under paragraph (3).

21 (5) SUPPLEMENTAL SPECIAL ASSESSMENT.—  
22 An insured depository institution which makes an  
23 election under paragraph (1) shall pay a supple-  
24 mental special assessment, at the same time the pay-

1       ment under paragraph (3) is made, in an amount  
2       equal to the product of—

3               (A) 50 percent of the rate determined by  
4               the Board of Directors under subsection (a) for  
5               determining the amount of the special assess-  
6               ment; and

7               (B) 95 percent of the amount by which the  
8               SAIF-assessable deposits used by the Board of  
9               Directors for determining the amount of the 1st  
10              assessment under paragraph (2) exceeds, if any,  
11              the SAIF-assessable deposits used by the Board  
12              for determining the amount of the 2d assess-  
13              ment under paragraph (3).

14       (h) ADJUSTMENT OF SPECIAL ASSESSMENT FOR  
15       CERTAIN BANK INSURANCE FUND MEMBER BANKS.—

16              (1) IN GENERAL.—For purposes of computing  
17       the special assessment imposed under this section  
18       with respect to a Bank Insurance Fund member  
19       bank, the amount of any deposits of any insured de-  
20       pository institution which section 5(d)(3) of the Fed-  
21       eral Deposit Insurance Act treats as insured by the  
22       Savings Association Insurance Fund shall be re-  
23       duced by 20 percent—

24              (A) if the adjusted attributable deposit  
25       amount of the Bank Insurance Fund member

1 bank is less than 50 percent of the total domes-  
2 tic deposits of that member bank as of June 30,  
3 1995; or

4 (B) if, as of June 30, 1995, the Bank In-  
5 surance Fund member—

6 (i) had an adjusted attributable de-  
7 posit amount equal to less than 75 percent  
8 of the total assessable deposits of that  
9 member bank;

10 (ii) had total assessable deposits  
11 greater than \$5,000,000,000; and

12 (iii) was owned or controlled by a  
13 bank holding company that owned or con-  
14 trolled insured depository institutions hav-  
15 ing an aggregate amount of deposits in-  
16 sured or treated as insured by the Bank  
17 Insurance Fund greater than the aggre-  
18 gate amount of deposits insured or treated  
19 as insured by the Savings Association In-  
20 surance Fund.

21 (2) ADJUSTED ATTRIBUTABLE DEPOSIT  
22 AMOUNT.—For purposes of this subsection, the “ad-  
23 justed attributable deposit amount” shall be deter-  
24 mined in accordance with section 5(d)(3)(C) of the  
25 Federal Deposit Insurance Act.

1 (i) ADJUSTMENT TO THE ADJUSTED ATTRIBUTABLE  
2 DEPOSIT AMOUNT FOR CERTAIN BANK INSURANCE FUND  
3 MEMBER BANKS.—Section 5(d)(3) of the Federal Deposit  
4 Insurance Act (12 U.S.C. 1815(d)(3)) is amended—

5 (1) in subparagraph (C), by striking “The ad-  
6 justed attributable deposit amount” and inserting  
7 “Except as provided in subparagraph (K), the ad-  
8 justed attributable deposit amount”; and

9 (2) by adding at the end the following new sub-  
10 paragraph:

11 “(K) ADJUSTMENT OF ADJUSTED ATTRIB-  
12 UTABLE DEPOSIT AMOUNT.—The amount deter-  
13 mined under subparagraph (C)(i) for deposits  
14 acquired by March 31, 1995, shall be reduced  
15 by 20 percent for purposes of computing the  
16 adjusted attributable deposit amount for the  
17 payment of any assessment for any semiannual  
18 period that begins after the date of the enact-  
19 ment of the Deposit Insurance Funds Act of  
20 1996 (other than the special assessment im-  
21 posed under section 2702(a) of such Act), for  
22 a Bank Insurance Fund member bank that, as  
23 of June 30, 1995—

24 “(i) had an adjusted attributable de-  
25 posit amount that was less than 50 percent

1 of the total deposits of that member bank;  
2 or

3 “(ii)(I) had an adjusted attributable  
4 deposit amount equal to less than 75 per-  
5 cent of the total assessable deposits of that  
6 member bank;

7 “(II) had total assessable deposits  
8 greater than \$5,000,000,000; and

9 “(III) was owned or controlled by a  
10 bank holding company that owned or con-  
11 trolled insured depository institutions hav-  
12 ing an aggregate amount of deposits in-  
13 sured or treated as insured by the Bank  
14 Insurance Fund greater than the aggre-  
15 gate amount of deposits insured or treated  
16 as insured by the Savings Association In-  
17 surance Fund.”.

18 (j) ADJUSTMENT OF SPECIAL ASSESSMENT FOR  
19 CERTAIN SAVINGS ASSOCIATIONS.—

20 (1) SPECIAL ASSESSMENT REDUCTION.—For  
21 purposes of computing the special assessment im-  
22 posed under this section, in the case of any con-  
23 verted association, the amount of any deposits of  
24 such association which were insured by the Savings

1 Association Insurance Fund as of March 31, 1995,  
2 shall be reduced by 20 percent.

3 (2) CONVERTED ASSOCIATION.—For purposes  
4 of this subsection, the term “converted association”  
5 means—

6 (A) any Federal savings association—

7 (i) that is a member of the Savings  
8 Association Insurance Fund and that has  
9 deposits subject to assessment by that  
10 fund which did not exceed \$4,000,000,000,  
11 as of March 31, 1995; and

12 (ii) that had been, or is a successor by  
13 merger, acquisition, or otherwise to an in-  
14 stitution that had been, a State savings  
15 bank, the deposits of which were insured  
16 by the Federal Deposit Insurance Corpora-  
17 tion before August 9, 1989, that converted  
18 to a Federal savings association pursuant  
19 to section 5(i) of the Home Owners’ Loan  
20 Act before January 1, 1985;

21 (B) a State depository institution that is a  
22 member of the Savings Association Insurance  
23 Fund that had been a State savings bank be-  
24 fore October 15, 1982, and was a Federal sav-  
25 ings association on August 9, 1989;

1 (C) an insured bank that—

2 (i) was established de novo in order to  
3 acquire the deposits of a savings associa-  
4 tion in default or in danger of default;

5 (ii) did not open for business before  
6 acquiring the deposits of such savings as-  
7 sociation; and

8 (iii) was a Savings Association Insur-  
9 ance Fund member before the date of en-  
10 actment of this Act; and

11 (D) an insured bank that—

12 (i) resulted from a savings association  
13 before December 19, 1991, in accordance  
14 with section 5(d)(2)(G) of the Federal De-  
15 posit Insurance Act; and

16 (ii) had an increase in its capital in  
17 conjunction with the conversion in an  
18 amount equal to more than 75 percent of  
19 the capital of the institution on the day be-  
20 fore the date of the conversion.

21 **SEC. 2703. FINANCING CORPORATION FUNDING.**

22 (a) IN GENERAL.—Section 21 of the Federal Home  
23 Loan Bank Act (12 U.S.C. 1441) is amended—

24 (1) in subsection (f)(2)—



1 (A) in the matter immediately preceding  
2 subparagraph (A)—

3 (i) by striking “To the extent the  
4 amounts available pursuant to paragraph  
5 (1) are insufficient to cover the amount of  
6 interest payments, issuance costs, and cus-  
7 todial fees,” and inserting “In addition to  
8 the amounts obtained pursuant to para-  
9 graph (1),”;

10 (ii) by striking “Savings Association  
11 Insurance Fund member” and inserting  
12 “insured depository institution”; and

13 (iii) by striking “members” and in-  
14 serting “institutions”; and

15 (B) by striking “, except that—” and all  
16 that follows through the end of the paragraph  
17 and inserting “, except that—

18 “(A) the assessments imposed on insured  
19 depository institutions with respect to any BIF-  
20 assessable deposit shall be assessed at a rate  
21 equal to  $\frac{1}{5}$  of the rate of the assessments im-  
22 posed on insured depository institutions with  
23 respect to any SAIF-assessable deposit; and

24 “(B) no limitation under clause (i) or (iii)  
25 of section 7(b)(2)(A) of the Federal Deposit In-

1 insurance Act shall apply for purposes of this  
2 paragraph.”; and

3 (2) in subsection (k)—

4 (A) by striking “section—” and inserting  
5 “section, the following definitions shall apply:”;

6 (B) by striking paragraph (1);

7 (C) by redesignating paragraphs (2) and  
8 (3) as paragraphs (1) and (2), respectively; and

9 (D) by adding at the end the following new  
10 paragraphs:

11 “(3) INSURED DEPOSITORY INSTITUTION.—The  
12 term ‘insured depository institution’ has the same  
13 meaning as in section 3 of the Federal Deposit In-  
14 surance Act

15 “(4) DEPOSIT TERMS.—

16 “(A) BIF-ASSESSABLE DEPOSITS.—The  
17 term ‘BIF-assessable deposit’ means a deposit  
18 that is subject to assessment for purposes of  
19 the Bank Insurance Fund under the Federal  
20 Deposit Insurance Act (including a deposit that  
21 is treated as a deposit insured by the Bank In-  
22 surance Fund under section 5(d)(3) of the Fed-  
23 eral Deposit Insurance Act).

24 “(B) SAIF-ASSESSABLE DEPOSIT.—The  
25 term ‘SAIF-assessable deposit’ has the meaning

1           given to such term in section 2710 of the De-  
2           posit Insurance Funds Act of 1996.”.

3           (b) CONFORMING AMENDMENT.—Section 7(b)(2) of  
4 the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(2))  
5 is amended by striking subparagraph (D).

6           (c) EFFECTIVE DATE.—

7           (1) IN GENERAL.—Subsections (a) and (c) and  
8 the amendments made by such subsections shall  
9 apply with respect to semiannual periods which  
10 begin after December 31, 1996.

11           (2) TERMINATION OF CERTAIN ASSESSMENT  
12 RATES.—Subparagraph (A) of section 21(f)(2) of  
13 the Federal Home Loan Bank Act (as amended by  
14 subsection (a)) shall not apply after the earlier of—

15                   (A) December 31, 1999; or

16                   (B) the date as of which the last savings  
17 association ceases to exist.

18           (d) PROHIBITION ON DEPOSIT SHIFTING.—

19           (1) IN GENERAL.—Effective as of the date of  
20 the enactment of this Act and ending on the date  
21 provided in subsection (c)(2) of this section, the  
22 Comptroller of the Currency, the Board of Directors  
23 of the Federal Deposit Insurance Corporation, the  
24 Board of Governors of the Federal Reserve System,  
25 and the Director of the Office of Thrift Supervision

1 shall take appropriate actions, including enforcement  
2 actions, denial of applications, or imposition of en-  
3 trance and exit fees as if such transactions qualified  
4 as conversion transactions pursuant to section 5(d)  
5 of the Federal Deposit Insurance Act, to prevent in-  
6 sured depository institutions and depository institu-  
7 tion holding companies from facilitating or encour-  
8 aging the shifting of deposits from SAIF-assessable  
9 deposits to BIF-assessable deposits (as defined in  
10 section 21(k) of the Federal Home Loan Bank Act)  
11 for the purpose of evading the assessments imposed  
12 on insured depository institutions with respect to  
13 SAIF-assessable deposits under section 7(b) of the  
14 Federal Deposit Insurance Act and section 21(f)(2)  
15 of the Federal Home Loan Bank Act.

16 (2) REGULATIONS.—The Board of Directors of  
17 the Federal Deposit Insurance Corporation may  
18 issue regulations, including regulations defining  
19 terms used in paragraph (1), to prevent the shifting  
20 of deposits described in such paragraph.

21 (3) RULE OF CONSTRUCTION.—No provision of  
22 this subsection shall be construed as prohibiting con-  
23 duct or activity of any insured depository institution  
24 which—

1 (A) is undertaken in the ordinary course of  
2 business of such depository institution; and

3 (B) is not directed towards the depositors  
4 of an insured depository institution affiliate (as  
5 defined in section 2(k) of the Bank Holding  
6 Company Act of 1956) of such depository insti-  
7 tution.

8 **SEC. 2704. MERGER OF BIF AND SAIF.**

9 (a) IN GENERAL.—

10 (1) MERGER.—The Bank Insurance Fund and  
11 the Savings Association Insurance Fund shall be  
12 merged into the Deposit Insurance Fund established  
13 by section 11(a)(4) of the Federal Deposit Insurance  
14 Act, as amended by this section.

15 (2) DISPOSITION OF ASSETS AND LIABIL-  
16 ITIES.—All assets and liabilities of the Bank Insur-  
17 ance Fund and the Savings Association Insurance  
18 Fund shall be transferred to the Deposit Insurance  
19 Fund.

20 (3) NO SEPARATE EXISTENCE.—The separate  
21 existence of the Bank Insurance Fund and the Sav-  
22 ings Association Insurance Fund shall cease.

23 (b) SPECIAL RESERVE OF THE DEPOSIT INSURANCE  
24 FUND.—

1           (1) IN GENERAL.—Immediately before the  
2 merger of the Bank Insurance Fund and the Sav-  
3 ings Association Insurance Fund, if the reserve ratio  
4 of the Savings Association Insurance Fund exceeds  
5 the designated reserve ratio, the amount by which  
6 that reserve ratio exceeds the designated reserve  
7 ratio shall be placed in the Special Reserve of the  
8 Deposit Insurance Fund, established under section  
9 11(a)(5) of the Federal Deposit Insurance Act, as  
10 amended by this section.

11           (2) DEFINITION.—For purposes of this sub-  
12 section, the term “reserve ratio” means the ratio of  
13 the net worth of the Savings Association Insurance  
14 Fund to the aggregate estimated amount of deposits  
15 insured by the Savings Association Insurance Fund.

16           (c) EFFECTIVE DATE.—This section and the amend-  
17 ments made by this section shall become effective on Janu-  
18 ary 1, 1999, if no insured depository institution is a sav-  
19 ings association on that date.

20           (d) TECHNICAL AND CONFORMING AMENDMENTS.—

21           (1) DEPOSIT INSURANCE FUND.—Section  
22 11(a)(4) of the Federal Deposit Insurance Act (12  
23 U.S.C. 1821(a)(4)) is amended—

24                   (A) by redesignating subparagraph (B) as  
25 subparagraph (C);

1 (B) by striking subparagraph (A) and in-  
2 serting the following:

3 “(A) ESTABLISHMENT.—There is estab-  
4 lished the Deposit Insurance Fund, which the  
5 Corporation shall—

6 “(i) maintain and administer;

7 “(ii) use to carry out its insurance  
8 purposes in the manner provided by this  
9 subsection; and

10 “(iii) invest in accordance with section  
11 13(a).

12 “(B) USES.—The Deposit Insurance Fund  
13 shall be available to the Corporation for use  
14 with respect to Deposit Insurance Fund mem-  
15 bers.”; and

16 (C) by striking “(4) GENERAL PROVISIONS  
17 RELATING TO FUNDS.—” and inserting the fol-  
18 lowing:

19 “(4) ESTABLISHMENT OF THE DEPOSIT INSUR-  
20 ANCE FUND.—”.

21 (2) OTHER REFERENCES.—Section 11(a)(4)(C)  
22 of the Federal Deposit Insurance Act (12 U.S.C.  
23 1821(a)(4)(C), as redesignated by paragraph (1) of  
24 this subsection) is amended by striking “Bank In-  
25 surance Fund and the Savings Association Insur-

1       ance Fund” and inserting “Deposit Insurance  
2       Fund”.

3               (3) DEPOSITS INTO FUND.—Section 11(a)(4) of  
4       the Federal Deposit Insurance Act (12 U.S.C.  
5       1821(a)(4)) is amended by adding at the end the  
6       following new subparagraph:

7               “(D) DEPOSITS.—All amounts assessed  
8               against insured depository institutions by the  
9               Corporation shall be deposited in the Deposit  
10              Insurance Fund.”.

11             (4) SPECIAL RESERVE OF DEPOSITS.—Section  
12       11(a)(5) of the Federal Deposit Insurance Act (12  
13       U.S.C. 1821(a)(5)) is amended to read as follows:

14             “(5) SPECIAL RESERVE OF DEPOSIT INSUR-  
15       ANCE FUND.—

16             “(A) ESTABLISHMENT.—

17               “(i) IN GENERAL.—There is estab-  
18               lished a Special Reserve of the Deposit In-  
19               surance Fund, which shall be administered  
20               by the Corporation and shall be invested in  
21               accordance with section 13(a).

22               “(ii) LIMITATION.—The Corporation  
23               shall not provide any assessment credit, re-  
24               fund, or other payment from any amount  
25               in the Special Reserve.



1           “(B) EMERGENCY USE OF SPECIAL RE-  
2           SERVE.—Notwithstanding subparagraph (A)(ii),  
3           the Corporation may, in its sole discretion,  
4           transfer amounts from the Special Reserve to  
5           the Deposit Insurance Fund, for the purposes  
6           set forth in paragraph (4), only if—

7                     “(i) the reserve ratio of the Deposit  
8                     Insurance Fund is less than 50 percent of  
9                     the designated reserve ratio; and

10                    “(ii) the Corporation expects the re-  
11                    serve ratio of the Deposit Insurance Fund  
12                    to remain at less than 50 percent of the  
13                    designated reserve ratio for each of the  
14                    next 4 calendar quarters.

15           “(C) EXCLUSION OF SPECIAL RESERVE IN  
16           CALCULATING RESERVE RATIO.—Notwithstand-  
17           ing any other provision of law, any amounts in  
18           the Special Reserve shall be excluded in cal-  
19           culating the reserve ratio of the Deposit Insur-  
20           ance Fund under section 7.”.

21           (5) FEDERAL HOME LOAN BANK ACT.—Section  
22           21B(f)(2)(C)(ii) of the Federal Home Loan Bank  
23           Act (12 U.S.C. 1441b(f)(2)(C)(ii)) is amended—

24                     (A) in subclause (I), by striking “to Sav-  
25                     ings Associations Insurance Fund members”

1 and inserting “to insured depository institu-  
2 tions, and their successors, which were Savings  
3 Association Insurance Fund members on Sep-  
4 tember 1, 1995”; and

5 (B) in subclause (II), by striking “to Sav-  
6 ings Associations Insurance Fund members”  
7 and inserting “to insured depository institu-  
8 tions, and their successors, which were Savings  
9 Association Insurance Fund members on Sep-  
10 tember 1, 1995”.

11 (6) REPEALS.—

12 (A) SECTION 3.—Section 3(y) of the Fed-  
13 eral Deposit Insurance Act (12 U.S.C. 1813(y))  
14 is amended to read as follows:

15 “(y) DEFINITIONS RELATING TO THE DEPOSIT IN-  
16 SURANCE FUND.—

17 “(1) DEPOSIT INSURANCE FUND.—The term  
18 ‘Deposit Insurance Fund’ means the fund estab-  
19 lished under section 11(a)(4).

20 “(2) RESERVE RATIO.—The term ‘reserve ratio’  
21 means the ratio of the net worth of the Deposit In-  
22 surance Fund to aggregate estimated insured depos-  
23 its held in all insured depository institutions.

1           “(3) DESIGNATED RESERVE RATIO.—The des-  
2           ignated reserve ratio of the Deposit Insurance Fund  
3           for each year shall be—

4                   “(A) 1.25 percent of estimated insured de-  
5                   posits; or

6                   “(B) a higher percentage of estimated in-  
7                   sured deposits that the Board of Directors de-  
8                   termines to be justified for that year by cir-  
9                   cumstances raising a significant risk of sub-  
10                  stantial future losses to the fund.”

11                (B) SECTION 7.—Section 7 of the Federal  
12                Deposit Insurance Act (12 U.S.C. 1817) is  
13                amended—

14                       (i) by striking subsection (l);

15                       (ii) by redesignating subsections (m)  
16                       and (n) as subsections (l) and (m), respec-  
17                       tively;

18                       (iii) in subsection (b)(2), by striking  
19                       subparagraphs (B) and (F), and by redesi-  
20                       gnating subparagraphs (C), (E), (G), and  
21                       (H) as subparagraphs (B) through (E), re-  
22                       spectively.

23                (C) SECTION 11.—Section 11(a) of the  
24                Federal Deposit Insurance Act (12 U.S.C.  
25                1821(a)) is amended—

1 (i) by striking paragraphs (6) and (7);

2 and

3 (ii) by redesignating paragraph (8) as

4 paragraph (6).

5 (7) SECTION 5136 OF THE REVISED STAT-  
6 UTES.—The paragraph designated the “Eleventh” of  
7 section 5136 of the Revised Statutes of the United  
8 States (12 U.S.C. 24) is amended in the 5th sen-  
9 tence, by striking “affected deposit insurance fund”  
10 and inserting “Deposit Insurance Fund”.

11 (8) INVESTMENTS PROMOTING PUBLIC WEL-  
12 FARE; LIMITATIONS ON AGGREGATE INVEST-  
13 MENTS.—The 23d undesignated paragraph of sec-  
14 tion 9 of the Federal Reserve Act (12 U.S.C. 338a)  
15 is amended in the 4th sentence, by striking “affected  
16 deposit insurance fund” and inserting “Deposit In-  
17 surance Fund”.

18 (9) ADVANCES TO CRITICALLY UNDERCAPITAL-  
19 IZED DEPOSITORY INSTITUTIONS.—Section  
20 10B(b)(3)(A)(ii) of the Federal Reserve Act (12  
21 U.S.C. 347b(b)(3)(A)(ii)) is amended by striking  
22 “any deposit insurance fund in” and inserting “the  
23 Deposit Insurance Fund of”.

24 (10) AMENDMENTS TO THE BALANCED BUDGET  
25 AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—

1 Section 255(g)(1)(A) of the Balanced Budget and  
2 Emergency Deficit Control Act of 1985 (2 U.S.C.  
3 905(g)(1)(A)) is amended—

4 (A) by striking “Bank Insurance Fund”  
5 and inserting “Deposit Insurance Fund”; and

6 (B) by striking “Federal Deposit Insur-  
7 ance Corporation, Savings Association Insur-  
8 ance Fund;”.

9 (11) FURTHER AMENDMENTS TO THE FEDERAL  
10 HOME LOAN BANK ACT.—The Federal Home Loan  
11 Bank Act (12 U.S.C. 1421 et seq.) is amended—

12 (A) in section 11(k) (12 U.S.C.  
13 1431(k))—

14 (i) in the subsection heading, by strik-  
15 ing “SAIF” and inserting “THE DEPOSIT  
16 INSURANCE FUND”; and

17 (ii) by striking “Savings Association  
18 Insurance Fund” each place such term ap-  
19 pears and inserting “Deposit Insurance  
20 Fund”;

21 (B) in section 21A(b)(4)(B) (12 U.S.C.  
22 1441a(b)(4)(B)), by striking “affected deposit  
23 insurance fund” and inserting “Deposit Insur-  
24 ance Fund”;

1 (C) in section 21A(b)(6)(B) (12 U.S.C.  
2 1441a(b)(6)(B))—

3 (i) in the subparagraph heading, by  
4 striking “SAIF-INSURED BANKS” and in-  
5 serting “CHARTER CONVERSIONS”; and

6 (ii) by striking “Savings Association  
7 Insurance Fund member” and inserting  
8 “savings association”;

9 (D) in section 21A(b)(10)(A)(iv)(II) (12  
10 U.S.C. 1441a(b)(10)(A)(iv)(II)), by striking  
11 “Savings Association Insurance Fund” and in-  
12 serting “Deposit Insurance Fund”;

13 (E) in section 21B(e) (12 U.S.C.  
14 1441b(e))—

15 (i) in paragraph (5), by inserting “as  
16 of the date of funding” after “Savings As-  
17 sociation Insurance Fund members” each  
18 place such term appears;

19 (ii) by striking paragraph (7); and

20 (iii) by redesignating paragraph (8) as  
21 paragraph (7); and

22 (F) in section 21B(k) (12 U.S.C.  
23 1441b(k))—

24 (i) by striking paragraph (8); and

1 (ii) by redesignating paragraphs (9)  
2 and (10) as paragraphs (8) and (9), re-  
3 spectively.

4 (12) AMENDMENTS TO THE HOME OWNERS'  
5 LOAN ACT.—The Home Owners' Loan Act (12  
6 U.S.C. 1461 et seq.) is amended—

7 (A) in section 5—

8 (i) in subsection (c)(5)(A), by striking  
9 “that is a member of the Bank Insurance  
10 Fund”;

11 (ii) in subsection (c)(6), by striking  
12 “As used in this subsection—” and insert-  
13 ing “For purposes of this subsection, the  
14 following definitions shall apply.”;

15 (iii) in subsection (o)(1), by striking  
16 “that is a Bank Insurance Fund member”;

17 (iv) in subsection (o)(2)(A), by strik-  
18 ing “a Bank Insurance Fund member until  
19 such time as it changes its status to a Sav-  
20 ings Association Insurance Fund member”  
21 and inserting “insured by the Deposit In-  
22 surance Fund”;

23 (v) in subsection (t)(5)(D)(iii)(II), by  
24 striking “affected deposit insurance fund”  
25 and inserting “Deposit Insurance Fund”;

1 (vi) in subsection (t)(7)(C)(i)(I), by  
2 striking “affected deposit insurance fund”  
3 and inserting “Deposit Insurance Fund”;  
4 and

5 (vii) in subsection (v)(2)(A)(i), by  
6 striking “, the Savings Association Insur-  
7 ance Fund” and inserting “or the Deposit  
8 Insurance Fund”; and  
9 (B) in section 10—

10 (i) in subsection (e)(1)(A)(iii)(VII), by  
11 adding “or” at the end;

12 (ii) in subsection (e)(1)(A)(iv), by  
13 adding “and” at the end;

14 (iii) in subsection (e)(1)(B), by strik-  
15 ing “Savings Association Insurance Fund  
16 or Bank Insurance Fund” and inserting  
17 “Deposit Insurance Fund”;

18 (iv) in subsection (e)(2), by striking  
19 “Savings Association Insurance Fund or  
20 the Bank Insurance Fund” and inserting  
21 “Deposit Insurance Fund”; and

22 (v) in subsection (m)(3), by striking  
23 subparagraph (E), and by redesignating  
24 subparagraphs (F), (G), and (H) as sub-  
25 paragraphs (E), (F), and (G), respectively.



1           (13) AMENDMENTS TO THE NATIONAL HOUSING  
2     ACT.—The National Housing Act (12 U.S.C. 1701  
3     et seq.) is amended—

4           (A) in section 317(b)(1)(B) (12 U.S.C.  
5     1723i(b)(1)(B)), by striking “Bank Insurance  
6     Fund for banks or through the Savings Asso-  
7     ciation Insurance Fund for savings associa-  
8     tions” and inserting “Deposit Insurance Fund”;  
9     and

10          (B) in section 526(b)(1)(B)(ii) (12 U.S.C.  
11     1735f–14(b)(1)(B)(ii)), by striking “Bank In-  
12     surance Fund for banks and through the Sav-  
13     ings Association Insurance Fund for savings as-  
14     sociations” and inserting “Deposit Insurance  
15     Fund”.

16          (14) FURTHER AMENDMENTS TO THE FEDERAL  
17     DEPOSIT INSURANCE ACT.—The Federal Deposit In-  
18     surance Act (12 U.S.C. 1811 et seq.) is amended—

19          (A) in section 3(a)(1) (12 U.S.C.  
20     1813(a)(1)), by striking subparagraph (B) and  
21     inserting the following:

22           “(B) includes any former savings associa-  
23     tion.”;

24          (B) in section 5(b)(5) (12 U.S.C.  
25     1815(b)(5)), by striking “the Bank Insurance

1 Fund or the Savings Association Insurance  
2 Fund;” and inserting “Deposit Insurance  
3 Fund,”;

4 (C) in section 5(d) (12 U.S.C. 1815(d)),  
5 by striking paragraphs (2) and (3);

6 (D) in section 5(d)(1) (12 U.S.C.  
7 1815(d)(1))—

8 (i) in subparagraph (A), by striking  
9 “reserve ratios in the Bank Insurance  
10 Fund and the Savings Association Insur-  
11 ance Fund” and inserting “the reserve  
12 ratio of the Deposit Insurance Fund”;

13 (ii) by striking subparagraph (B) and  
14 inserting the following:

15 “(2) FEE CREDITED TO THE DEPOSIT INSUR-  
16 ANCE FUND.—The fee paid by the depository insti-  
17 tution under paragraph (1) shall be credited to the  
18 Deposit Insurance Fund.”;

19 (iii) by striking “(1) UNINSURED IN-  
20 STITUTIONS.—”; and

21 (iv) by redesignating subparagraphs  
22 (A) and (C) as paragraphs (1) and (3), re-  
23 spectively, and moving the margins 2 ems  
24 to the left;

25 (E) in section 5(e) (12 U.S.C. 1815(e))—

1 (i) in paragraph (5)(A), by striking  
2 “Bank Insurance Fund or the Savings As-  
3 sociation Insurance Fund” and inserting  
4 “Deposit Insurance Fund”;

5 (ii) by striking paragraph (6); and

6 (iii) by redesignating paragraphs (7),  
7 (8), and (9) as paragraphs (6), (7), and  
8 (8), respectively;

9 (F) in section 6(5) (12 U.S.C. 1816(5)),  
10 by striking “Bank Insurance Fund or the Sav-  
11 ings Association Insurance Fund” and inserting  
12 “Deposit Insurance Fund”;

13 (G) in section 7(b) (12 U.S.C. 1817(b))—

14 (i) in paragraph (1)(D), by striking  
15 “each deposit insurance fund” and insert-  
16 ing “the Deposit Insurance Fund”;

17 (ii) in clauses (i)(I) and (iv) of para-  
18 graph (2)(A), by striking “each deposit in-  
19 surance fund” each place such term ap-  
20 pears and inserting “the Deposit Insurance  
21 Fund”;

22 (iii) in paragraph (2)(A)(iii), by strik-  
23 ing “a deposit insurance fund” and insert-  
24 ing “the Deposit Insurance Fund”;

1 (iv) by striking clause (iv) of para-  
2 graph (2)(A);

3 (v) in paragraph (2)(C) (as redesign-  
4 nated by paragraph (6)(B) of this sub-  
5 section)—

6 (I) by striking “any deposit in-  
7 surance fund” and inserting “the De-  
8 posit Insurance Fund”; and

9 (II) by striking “that fund” each  
10 place such term appears and inserting  
11 “the Deposit Insurance Fund”;

12 (vi) in paragraph (2)(D) (as redesign-  
13 nated by paragraph (6)(B) of this sub-  
14 section)—

15 (I) in the subparagraph heading,  
16 by striking “FUNDS ACHIEVE” and in-  
17 serting “FUND ACHIEVES”; and

18 (II) by striking “a deposit insur-  
19 ance fund” and inserting “the Deposit  
20 Insurance Fund”;

21 (vii) in paragraph (3)—

22 (I) in the paragraph heading, by  
23 striking “FUNDS” and inserting  
24 “FUND”;

1 (II) by striking “members of that  
2 fund” where such term appears in the  
3 portion of subparagraph (A) which  
4 precedes clause (i) of such subpara-  
5 graph and inserting “insured deposi-  
6 tory institutions”;

7 (III) by striking “that fund”  
8 each place such term appears (other  
9 than in connection with term amended  
10 in subclause (II) of this clause) and  
11 inserting “the Deposit Insurance  
12 Fund”;

13 (IV) in subparagraph (A), by  
14 striking “Except as provided in para-  
15 graph (2)(F), if” and inserting “If”;

16 (V) in subparagraph (A), by  
17 striking “any deposit insurance fund”  
18 and inserting “the Deposit Insurance  
19 Fund”; and

20 (VI) by striking subparagraphs  
21 (C) and (D) and inserting the follow-  
22 ing:

23 “(C) AMENDING SCHEDULE.—The Cor-  
24 poration may, by regulation, amend a schedule  
25 prescribed under subparagraph (B).”; and

1 (viii) in paragraph (6)—

2 (I) by striking “any such assess-  
3 ment” and inserting “any such assess-  
4 ment is necessary”;

5 (II) by striking “(A) is nec-  
6 essary—”;

7 (III) by striking subparagraph  
8 (B);

9 (IV) by redesignating clauses (i),  
10 (ii), and (iii) as subparagraphs (A),  
11 (B), and (C), respectively, and moving  
12 the margins 2 ems to the left; and

13 (V) in subparagraph (C) (as re-  
14 designated), by striking “; and” and  
15 inserting a period;

16 (H) in section 11(f)(1) (12 U.S.C.  
17 1821(f)(1)), by striking “, except that—” and  
18 all that follows through the end of the para-  
19 graph and inserting a period;

20 (I) in section 11(i)(3) (12 U.S.C.  
21 1821(i)(3))—

22 (i) by striking subparagraph (B);

23 (ii) by redesignating subparagraph  
24 (C) as subparagraph (B); and

1 (iii) in subparagraph (B) (as redesignig-  
2 nated), by striking “subparagraphs (A)  
3 and (B)” and inserting “subparagraph  
4 (A)”;

5 (J) in section 11A(a) (12 U.S.C.  
6 1821a(a))—

7 (i) in paragraph (2), by striking “LI-  
8 ABILITIES.—” and all that follows through  
9 “Except” and inserting “LIABILITIES.—  
10 Except”;

11 (ii) by striking paragraph (2)(B); and

12 (iii) in paragraph (3), by striking “the  
13 Bank Insurance Fund, the Savings Asso-  
14 ciation Insurance Fund,” and inserting  
15 “the Deposit Insurance Fund”;

16 (K) in section 11A(b) (12 U.S.C.  
17 1821a(b)), by striking paragraph (4);

18 (L) in section 11A(f) (12 U.S.C.  
19 1821a(f)), by striking “Savings Association In-  
20 surance Fund” and inserting “Deposit Insur-  
21 ance Fund”;

22 (M) in section 13 (12 U.S.C. 1823)—

23 (i) in subsection (a)(1), by striking  
24 “Bank Insurance Fund, the Savings Asso-  
25 ciation Insurance Fund,” and inserting

1 “Deposit Insurance Fund, the Special Re-  
2 serve of the Deposit Insurance Fund,”;

3 (ii) in subsection (c)(4)(E)—

4 (I) in the subparagraph heading,  
5 by striking “FUNDS” and inserting  
6 “FUND”; and

7 (II) in clause (i), by striking  
8 “any insurance fund” and inserting  
9 “the Deposit Insurance Fund”;

10 (iii) in subsection (c)(4)(G)(ii)—

11 (I) by striking “appropriate in-  
12 surance fund” and inserting “Deposit  
13 Insurance Fund”;

14 (II) by striking “the members of  
15 the insurance fund (of which such in-  
16 stitution is a member)” and inserting  
17 “insured depository institutions”;

18 (III) by striking “each mem-  
19 ber’s” and inserting “each insured de-  
20 pository institution’s”; and

21 (IV) by striking “the member’s”  
22 each place such term appears and in-  
23 serting “the institution’s”;

24 (iv) in subsection (c), by striking  
25 paragraph (11);



1 (v) in subsection (h), by striking  
2 “Bank Insurance Fund” and inserting  
3 “Deposit Insurance Fund”;

4 (vi) in subsection (k)(4)(B)(i), by  
5 striking “Savings Association Insurance  
6 Fund” and inserting “Deposit Insurance  
7 Fund”; and

8 (vii) in subsection (k)(5)(A), by strik-  
9 ing “Savings Association Insurance Fund”  
10 and inserting “Deposit Insurance Fund”;

11 (N) in section 14(a) (12 U.S.C. 1824(a))  
12 in the 5th sentence—

13 (i) by striking “Bank Insurance Fund  
14 or the Savings Association Insurance  
15 Fund” and inserting “Deposit Insurance  
16 Fund”; and

17 (ii) by striking “each such fund” and  
18 inserting “the Deposit Insurance Fund”;

19 (O) in section 14(b) (12 U.S.C. 1824(b)),  
20 by striking “Bank Insurance Fund or Savings  
21 Association Insurance Fund” and inserting  
22 “Deposit Insurance Fund”;

23 (P) in section 14(c) (12 U.S.C. 1824(c)),  
24 by striking paragraph (3);

1           (Q) in section 14(d) (12 U.S.C.  
2       1824(d))—

3           (i) by striking “BIF” each place such  
4       term appears and inserting “DIF”; and

5           (ii) by striking “Bank Insurance  
6       Fund” each place such term appears and  
7       inserting “Deposit Insurance Fund”;

8           (R) in section 15(c)(5) (12 U.S.C.  
9       1825(c)(5))—

10          (i) by striking “the Bank Insurance  
11       Fund or Savings Association Insurance  
12       Fund, respectively” each place such term  
13       appears and inserting “the Deposit Insur-  
14       ance Fund”; and

15          (ii) in subparagraph (B), by striking  
16       “the Bank Insurance Fund or the Savings  
17       Association Insurance Fund, respectively”  
18       and inserting “the Deposit Insurance  
19       Fund”;

20       (S) in section 17(a) (12 U.S.C. 1827(a))—

21           (i) in the subsection heading, by strik-  
22       ing “BIF, SAIF,” and inserting “THE DE-  
23       POSIT INSURANCE FUND”; and

24           (ii) in paragraph (1), by striking “the  
25       Bank Insurance Fund, the Savings Asso-

1            ciation Insurance Fund,” each place such  
2            term appears and inserting “the Deposit  
3            Insurance Fund”;

4            (T) in section 17(d) (12 U.S.C. 1827(d)),  
5            by striking “the Bank Insurance Fund, the  
6            Savings Association Insurance Fund,” each  
7            place such term appears and inserting “the De-  
8            posit Insurance Fund”;

9            (U) in section 18(m)(3) (12 U.S.C.  
10           1828(m)(3))—

11            (i) by striking “Savings Association  
12            Insurance Fund” each place such term ap-  
13            pears and inserting “Deposit Insurance  
14            Fund”; and

15            (ii) in subparagraph (C), by striking  
16            “or the Bank Insurance Fund”;

17            (V) in section 18(p) (12 U.S.C. 1828(p)),  
18            by striking “deposit insurance funds” and in-  
19            serting “Deposit Insurance Fund”;

20            (W) in section 24 (12 U.S.C. 1831a) in  
21            subsections (a)(1) and (d)(1)(A), by striking  
22            “appropriate deposit insurance fund” each  
23            place such term appears and inserting “Deposit  
24            Insurance Fund”;

1 (X) in section 28 (12 U.S.C. 1831e), by  
2 striking “affected deposit insurance fund” each  
3 place such term appears and inserting “Deposit  
4 Insurance Fund”;

5 (Y) by striking section 31 (12 U.S.C.  
6 1831h);

7 (Z) in section 36(i)(3) (12 U.S.C.  
8 1831m(i)(3)) by striking “affected deposit in-  
9 surance fund” and inserting “Deposit Insur-  
10 ance Fund”;

11 (AA) in section 38(a) (12 U.S.C.  
12 1831o(a)) in the subsection heading, by striking  
13 “FUNDS” and inserting “FUND”;

14 (BB) in section 38(k) (12 U.S.C.  
15 1831o(k))—

16 (i) in paragraph (1), by striking “a  
17 deposit insurance fund” and inserting “the  
18 Deposit Insurance Fund”; and

19 (ii) in paragraph (2)(A)—

20 (I) by striking “A deposit insur-  
21 ance fund” and inserting “The De-  
22 posit Insurance Fund”; and

23 (II) by striking “the deposit in-  
24 surance fund’s outlays” and inserting

1 “the outlays of the Deposit Insurance  
2 Fund”; and

3 (CC) in section 38(o) (12 U.S.C.  
4 1831o(o))—

5 (i) by striking “ASSOCIATIONS.—”  
6 and all that follows through “Subsections  
7 (e)(2)” and inserting “ASSOCIATIONS.—  
8 Subsections (e)(2)”;

9 (ii) by redesignating subparagraphs  
10 (A), (B), and (C) as paragraphs (1), (2),  
11 and (3), respectively, and moving the mar-  
12 gins 2 ems to the left; and

13 (iii) in paragraph (1) (as redesign-  
14 nated), by redesignating clauses (i) and (ii)  
15 as subparagraphs (A) and (B), respec-  
16 tively, and moving the margins 2 ems to  
17 the left.

18 (15) AMENDMENTS TO THE FINANCIAL INSTI-  
19 TUTIONS REFORM, RECOVERY, AND ENFORCEMENT  
20 ACT OF 1989.—The Financial Institutions Reform,  
21 Recovery, and Enforcement Act is amended—

22 (A) in section 951(b)(3)(B) (12 U.S.C.  
23 1833a(b)(3)(B)), by striking “Bank Insurance  
24 Fund, the Savings Association Insurance

1 Fund,” and inserting “Deposit Insurance  
2 Fund”; and

3 (B) in section 1112(c)(1)(B) (12 U.S.C.  
4 3341(c)(1)(B)), by striking “Bank Insurance  
5 Fund, the Savings Association Insurance  
6 Fund,” and inserting “Deposit Insurance  
7 Fund”.

8 (16) AMENDMENT TO THE BANK ENTERPRISE  
9 ACT OF 1991.—Section 232(a)(1) of the Bank En-  
10 terprise Act of 1991 (12 U.S.C. 1834(a)(1)) is  
11 amended by striking “section 7(b)(2)(H)” and in-  
12 serting “section 7(b)(2)(G)”.

13 (17) AMENDMENT TO THE BANK HOLDING  
14 COMPANY ACT OF 1956.—Section 2(j)(2) of the  
15 Bank Holding Company Act of 1956 (12 U.S.C.  
16 1841(j)(2)) is amended by striking “Savings Asso-  
17 ciation Insurance Fund” and inserting “Deposit In-  
18 surance Fund”.

19 **SEC. 2705. CREATION OF SAIF SPECIAL RESERVE.**

20 Section 11(a)(6) of the Federal Deposit Insurance  
21 Act (12 U.S.C. 1821(a)(6)) is amended by adding at the  
22 end the following new subparagraph:

23 “(L) ESTABLISHMENT OF SAIF SPECIAL RE-  
24 SERVE.—

1           “(i) ESTABLISHMENT.—If, on January 1,  
2           1999, the reserve ratio of the Savings Associa-  
3           tion Insurance Fund exceeds the designated re-  
4           serve ratio, there is established a Special Re-  
5           serve of the Savings Association Insurance  
6           Fund, which shall be administered by the Cor-  
7           poration and shall be invested in accordance  
8           with section 13(a).

9           “(ii) AMOUNTS IN SPECIAL RESERVE.—If,  
10          on January 1, 1999, the reserve ratio of the  
11          Savings Association Insurance Fund exceeds  
12          the designated reserve ratio, the amount by  
13          which the reserve ratio exceeds the designated  
14          reserve ratio shall be placed in the Special Re-  
15          serve of the Savings Association Insurance  
16          Fund established by clause (i).

17          “(iii) LIMITATION.—The Corporation shall  
18          not provide any assessment credit, refund, or  
19          other payment from any amount in the Special  
20          Reserve of the Savings Association Insurance  
21          Fund.

22          “(iv) EMERGENCY USE OF SPECIAL RE-  
23          SERVE.—Notwithstanding clause (iii), the Cor-  
24          poration may, in its sole discretion, transfer  
25          amounts from the Special Reserve of the Sav-

ings Association Insurance Fund to the Savings Association Insurance Fund for the purposes set forth in paragraph (4), only if—

“(I) the reserve ratio of the Savings Association Insurance Fund is less than 50 percent of the designated reserve ratio; and

“(II) the Corporation expects the reserve ratio of the Savings Association Insurance Fund to remain at less than 50 percent of the designated reserve ratio for each of the next 4 calendar quarters.

“(v) EXCLUSION OF SPECIAL RESERVE IN CALCULATING RESERVE RATIO.—Notwithstanding any other provision of law, any amounts in the Special Reserve of the Savings Association Insurance Fund shall be excluded in calculating the reserve ratio of the Savings Association Insurance Fund.”.

**SEC. 2706. REFUND OF AMOUNTS IN DEPOSIT INSURANCE FUND IN EXCESS OF DESIGNATED RESERVE AMOUNT.**

Subsection (e) of section 7 of the Federal Deposit Insurance Act (12 U.S.C. 1817(e)) is amended to read as follows:

“(e) REFUNDS.—



1           “(1) OVERPAYMENTS.—In the case of any pay-  
2           ment of an assessment by an insured depository in-  
3           stitution in excess of the amount due to the Cor-  
4           poration, the Corporation may—

5                   “(A) refund the amount of the excess pay-  
6                   ment to the insured depository institution; or

7                   “(B) credit such excess amount toward the  
8                   payment of subsequent semiannual assessments  
9                   until such credit is exhausted.

10           “(2) BALANCE IN INSURANCE FUND IN EXCESS  
11           OF DESIGNATED RESERVE.—

12                   “(A) IN GENERAL.—Subject to subpara-  
13                   graphs (B) and (C), if, as of the end of any  
14                   semiannual assessment period beginning after  
15                   the date of the enactment of the Deposit Insur-  
16                   ance Funds Act of 1996, the amount of the ac-  
17                   tual reserves in—

18                           “(i) the Bank Insurance Fund (until  
19                           the merger of such fund into the Deposit  
20                           Insurance Fund pursuant to section 2704  
21                           of the Deposit Insurance Funds Act of  
22                           1996); or

23                           “(ii) the Deposit Insurance Fund  
24                           (after the establishment of such fund),

1 exceeds the balance required to meet the des-  
2 ignated reserve ratio applicable with respect to  
3 such fund, such excess amount shall be re-  
4 funded to insured depository institutions by the  
5 Corporation on such basis as the Board of Di-  
6 rectors determines to be appropriate, taking  
7 into account the factors considered under the  
8 risk-based assessment system.

9 “(B) REFUND NOT TO EXCEED PREVIOUS  
10 SEMIANNUAL ASSESSMENT.—The amount of  
11 any refund under this paragraph to any mem-  
12 ber of a deposit insurance fund for any semi-  
13 annual assessment period may not exceed the  
14 total amount of assessments paid by such mem-  
15 ber to the insurance fund with respect to such  
16 period.

17 “(C) REFUND LIMITATION FOR CERTAIN  
18 INSTITUTIONS.—No refund may be made under  
19 this paragraph with respect to the amount of  
20 any assessment paid for any semiannual assess-  
21 ment period by any insured depository institu-  
22 tion described in clause (v) of subsection  
23 (b)(2)(A).”.

1 **SEC. 2707. ASSESSMENT RATES FOR SAIF MEMBERS MAY**  
2 **NOT BE LESS THAN ASSESSMENT RATES FOR**  
3 **BIF MEMBERS.**

4 Section 7(b)(2)(C) of the Federal Deposit Insurance  
5 Act (12 U.S.C. 1817(b)(2)(E), as redesignated by section  
6 2704(d)(6) of this subtitle) is amended—

7 (1) by striking “and” at the end of clause (i);

8 (2) by striking the period at the end of clause

9 (ii) and inserting “; and”; and

10 (3) by adding at the end the following new  
11 clause:

12 “(iii) notwithstanding any other provi-  
13 sion of this subsection, during the period  
14 beginning on the date of enactment of the  
15 Deposit Insurance Funds Act of 1996, and  
16 ending on December 31, 1998, the assess-  
17 ment rate for a Savings Association Insur-  
18 ance Fund member may not be less than  
19 the assessment rate for a Bank Insurance  
20 Fund member that poses a comparable  
21 risk to the deposit insurance fund.”.

22 **SEC. 2708. ASSESSMENTS AUTHORIZED ONLY IF NEEDED**  
23 **TO MAINTAIN THE RESERVE RATIO OF A DE-**  
24 **POSIT INSURANCE FUND.**

25 (a) IN GENERAL.—Section 7(b)(2)(A)(i) of the Fed-  
26 eral Deposit Insurance Act (12 U.S.C. 1817(b)(2)(A)(i))

1 is amended in the matter preceding subclause (I) by in-  
2 serting “when necessary, and only to the extent nec-  
3 essary” after “insured depository institutions”.

4 (b) LIMITATION ON ASSESSMENT.—Section  
5 7(b)(2)(A)(iii) of the Federal Deposit Insurance Act (12  
6 U.S.C. 1817(b)(2)(A)(iii)) is amended to read as follows:

7 “(iii) LIMITATION ON ASSESSMENT.—  
8 Except as provided in clause (v), the Board  
9 of Directors shall not set semiannual as-  
10 sessments with respect to a deposit insur-  
11 ance fund in excess of the amount need-  
12 ed—

13 “(I) to maintain the reserve ratio  
14 of the fund at the designated reserve  
15 ratio; or

16 “(II) if the reserve ratio is less  
17 than the designated reserve ratio, to  
18 increase the reserve ratio to the des-  
19 ignated reserve ratio.”.

20 (c) EXCEPTION TO LIMITATION ON ASSESSMENTS.—  
21 Section 7(b)(2)(A) of the Federal Deposit Insurance Act  
22 (12 U.S.C. 1817(b)(2)(A)) is amended by adding at the  
23 end the following new clause:

24 “(v) EXCEPTION TO LIMITATION ON  
25 ASSESSMENTS.—The Board of Directors

1           may set semiannual assessments in excess  
2           of the amount permitted under clauses (i)  
3           and (iii) with respect to insured depository  
4           institutions that exhibit financial, oper-  
5           ational, or compliance weaknesses ranging  
6           from moderately severe to unsatisfactory,  
7           or are not well capitalized, as that term is  
8           defined in section 38.”.

9   **SEC. 2709. TREASURY STUDY OF COMMON DEPOSITORY IN-**  
10                   **STITUTION CHARTER.**

11           (a) STUDY REQUIRED.—The Secretary of the Treas-  
12   ury shall conduct a study of all issues which the Secretary  
13   considers to be relevant with respect to the development  
14   of a common charter for all insured depository institutions  
15   (as defined in section 3 of the Federal Deposit Insurance  
16   Act) and the abolition of separate and distinct charters  
17   between banks and savings associations.

18           (b) REPORT TO THE CONGRESS.—

19               (1) IN GENERAL.—The Secretary of the Treas-  
20   ury shall submit a report to the Congress on or be-  
21   fore March 31, 1997, containing the findings and  
22   conclusions of the Secretary in connection with the  
23   study conducted pursuant to subsection (a).

1           (2) DETAILED ANALYSIS AND RECOMMENDA-  
2           TIONS.—The report under paragraph (1) shall in-  
3           clude—

4                   (A) a detailed analysis of each issue the  
5           Secretary considered relevant to the subject of  
6           the study;

7                   (B) recommendations of the Secretary with  
8           regard to the establishment of a common char-  
9           ter for insured depository institutions (as de-  
10          fined in section 3 of the Federal Deposit Insur-  
11          ance Act); and

12                   (C) such recommendations for legislative  
13          and administrative action as the Secretary de-  
14          termines to be appropriate to implement the  
15          recommendations of the Secretary under sub-  
16          paragraph (B).

17   **SEC. 2710. DEFINITIONS.**

18          For purposes of this subtitle, the following definitions  
19          shall apply:

20                   (1) BANK INSURANCE FUND.—The term “Bank  
21          Insurance Fund” means the fund established pursu-  
22          ant to section (11)(a)(5)(A) of the Federal Deposit  
23          Insurance Act, as that section existed on the day be-  
24          fore the date of enactment of this Act.

1           (2) BIF MEMBER, SAIF MEMBER.—The terms  
2       “Bank Insurance Fund member” and “Savings As-  
3       sociation Insurance Fund member” have the same  
4       meanings as in section 7(l) of the Federal Deposit  
5       Insurance Act.

6           (3) VARIOUS BANKING TERMS.—The terms  
7       “bank”, “Board of Directors”, “Corporation”, “de-  
8       posit”, “insured depository institution”, “Federal  
9       savings association”, “savings association”, “State  
10      savings bank”, and “State depository institution”  
11      have the same meanings as in section 3 of the Fed-  
12      eral Deposit Insurance Act.

13          (4) DEPOSIT INSURANCE FUND.—The term  
14      “Deposit Insurance Fund” means the fund estab-  
15      lished under section 11(a)(4) of the Federal Deposit  
16      Insurance Act (as amended by section 2704(d) of  
17      this subtitle).

18          (5) DEPOSITORY INSTITUTION HOLDING COM-  
19      PANY.—The term “depository institution holding  
20      company” has the same meaning as in section 3 of  
21      the Federal Deposit Insurance Act.

22          (6) DESIGNATED RESERVE RATIO.—The term  
23      “designated reserve ratio” has the same meaning as  
24      in section 7(b)(2)(A)(iv) of the Federal Deposit In-  
25      surance Act.

1           (7) SAIF.—The term “Savings Association In-  
 2           surance Fund” means the fund established pursuant  
 3           to section 11(a)(6)(A) of the Federal Deposit Insur-  
 4           ance Act, as that section existed on the day before  
 5           the date of enactment of this Act.

6           (8) SAIF-ASSESSABLE DEPOSIT.—The term  
 7           “SAIF-assessable deposit”—

8                   (A) means a deposit that is subject to as-  
 9                   sessment for purposes of the Savings Associa-  
 10                  tion Insurance Fund under the Federal Deposit  
 11                  Insurance Act (including a deposit that is treat-  
 12                  ed as insured by the Savings Association Insur-  
 13                  ance Fund under section 5(d)(3) of the Federal  
 14                  Deposit Insurance Act); and

15                  (B) includes any deposit described in sub-  
 16                  paragraph (A) which is assumed after March  
 17                  31, 1995, if the insured depository institution,  
 18                  the deposits of which are assumed, is not an in-  
 19                  sured depository institution when the special as-  
 20                  sessment is imposed under section 2702(a).

21 **SEC. 2711. DEDUCTION FOR SPECIAL ASSESSMENTS.**

22           For purposes of subtitle A of the Internal Revenue  
 23           Code of 1986—

24                   (1) the amount allowed as a deduction under  
 25                   section 162 of such Code for a taxable year shall in-



1       clude any amount paid during such year by reason  
2       of an assessment under section 2702 of this subtitle,  
3       and

4               (2) section 172(f) of such Code shall not apply  
5       to any deduction described in paragraph (1).

## 6                   **TITLE III—SPECTRUM** 7                   **ALLOCATION PROVISIONS**

### 8   **SEC. 3001. COMPETITIVE BIDDING FOR SPECTRUM.**

9               (a) COMMISSION OBLIGATION TO MAKE ADDI-  
10       TIONAL SPECTRUM AVAILABLE.—The Federal Commu-  
11       nications Commission shall—

12               (1) reallocate the use of frequencies at 2305–  
13       2320 megahertz and 2345–2360 megahertz to wire-  
14       less services that are consistent with international  
15       agreements concerning spectrum allocations; and

16               (2) assign the use of such frequencies by com-  
17       petitive bidding pursuant to section 309(j) of the  
18       Communications Act of 1934 (47 U.S.C. 309(j)).

19               (b) ADDITIONAL REQUIREMENTS.—In making the  
20       bands of frequencies described in subsection (a) available  
21       for competitive bidding, the Commission shall—

22               (1) seek to promote the most efficient use of  
23       the spectrum; and

24               (2) take into account the needs of public safety  
25       radio services.

1           (c) EXPEDITED PROCEDURES.—The Commission  
2 shall commence the competitive bidding for the assign-  
3 ment of the frequencies described in subsection (a)(1) no  
4 later than April 15, 1997. The rules governing such fre-  
5 quencies shall be effective immediately upon publication  
6 in the Federal Register notwithstanding section 553(d),  
7 801(a)(3), and 806(a) of title 5, United States Code.  
8 Chapter 6 of such title, and sections 3507 and 3512 of  
9 title 44, United States Code, shall not apply to the rules  
10 and competitive bidding procedures governing such fre-  
11 quencies. Notwithstanding section 309(b) of the Commu-  
12 nications Act of 1934 (47 U.S.C. 309(b)), no application  
13 for an instrument of authorization for such frequencies  
14 shall be granted by the Commission earlier than 7 days  
15 following issuance of public notice by the Commission of  
16 the acceptance for filing of such application or of any  
17 substantial amendment thereto. Notwithstanding section  
18 309(d)(1) of such Act (47 U.S.C. 309(d)(1)), the Com-  
19 mission may specify a period (no less than 5 days follow-  
20 ing issuance of such public notice) for the filing of peti-  
21 tions to deny any application for an instrument of au-  
22 thorization for such frequencies.

23           (d) DEADLINE FOR COLLECTION.—The Commis-  
24 sion shall conduct the competitive bidding under sub-  
25 section (a)(2) in a manner that ensures that all proceeds

1 of the bidding are deposited in accordance with section  
2 309(j)(8) of the Communications Act of 1934 not later  
3 September 30, 1997.

4       **TITLE IV—ADJUSTMENT OF**  
5               **PAYGO BALANCES**

6       **SEC. 4001. ADJUSTMENT OF PAYGO BALANCES.**

7               For purposes of section 252 of the Balanced  
8 Budget and Emergency Deficit Control Act of 1985, on  
9 the calendar day after the Director of the Office of Man-  
10 agement and Budget issues the final sequestration report  
11 for fiscal year 1997, the Director and the Director of the  
12 Congressional Budget Office shall change the balances  
13 (as computed pursuant to section 252(b) of that Act) of  
14 direct spending and receipts legislation—

15               (1) for fiscal year 1997 to zero if such balance  
16               for the fiscal year is not an increase in the deficit.

**TITLE V—ADDITIONAL  
APPROPRIATIONS**

CHAPTER 1

DEPARTMENT OF AGRICULTURE, RURAL DE-  
VELOPMENT, FOOD AND DRUG ADMINIS-  
TRATION, AND RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

COOPERATIVE STATE RESEARCH, EDUCATION, AND

EXTENSION SERVICE

EXTENSION ACTIVITIES

For an additional amount for payments for coop-  
erative extension work by the colleges receiving the bene-  
fits of the second Morrill Act (7 U.S.C. 321–326, 328)  
and Tuskegee University, \$753,000.

NATURAL RESOURCES CONSERVATION SERVICE

WATERSHED AND FLOOD PREVENTION OPERATIONS

For an additional amount to repair damages to  
the waterways and watersheds resulting from the effects  
of Hurricanes Fran and Hortense and other natural dis-  
asters, \$63,000,000, to remain available until expended:  
*Provided*, That the entire amount is designated by Con-  
gress as an emergency requirement pursuant to section  
251(b)(2)(D)(i) of the Balanced Budget and Emergency  
Deficit Control Act of 1985, as amended.

1 FARM SERVICE AGENCY  
2 EMERGENCY CONSERVATION PROGRAM

3 For an additional amount for emergency expenses  
4 resulting from the effects of Hurricanes Fran and  
5 Hortense and other natural disasters, \$25,000,000, to re-  
6 main available until expended: *Provided*, That the entire  
7 amount is designated by Congress as an emergency re-  
8 quirement pursuant to section 251(b)(2)(D)(i) of the  
9 Balanced Budget and Emergency Deficit Control Act of  
10 1985, as amended.

11 CHAPTER 2  
12 DISTRICT OF COLUMBIA  
13 EDUCATION FACILITIES IMPROVEMENT IN THE DISTRICT  
14 OF COLUMBIA  
15 (BY TRANSFER)

16 SEC. 5201. The District of Columbia Financial  
17 Responsibility and Management Assistance Authority (re-  
18 ferred to in this section as the “Authority”) shall have  
19 the authority to contract with a private entity (or enti-  
20 ties) to carry out a program of school facility repair of  
21 public schools and public charter schools located in public  
22 school facilities in the District of Columbia, in consulta-  
23 tion with the General Services Administration: *Provided*,  
24 That an amount estimated to be \$40,700,000 is hereby  
25 transferred and otherwise made available to the Author-  
26 ity until expended for contracting as provided under this

1 section, to be derived from transfers and reallocations as  
2 follows: (1) funds made available under the heading  
3 “PUBLIC EDUCATION SYSTEM” in Public Law 104–  
4 194 for school repairs in a restricted line item; (2) all  
5 capital financing authority made available from public  
6 school capital improvements in Public Law 104–194; and  
7 (3) all capital financing authority made available for pub-  
8 lic school capital improvements which are or remain  
9 available from Public Law 104–134 or any previous ap-  
10 propriations Act for the District of Columbia: *Provided*  
11 *further*, That the General Services Administration, in  
12 consultation with the District of Columbia Public Schools  
13 and the District of Columbia Council and subject to the  
14 approval of the Authority and the Committees on Appro-  
15 priations of the Senate and the House of Representatives,  
16 shall provide program management services to assist in  
17 the short-term management of the repairs and capital im-  
18 provements: *Provided further*, That contracting author-  
19 ized under this section shall be conducted in accordance  
20 with Federal procurement rules and regulations and  
21 guidelines or such guidelines as prescribed by the Author-  
22 ity.

23 SPECIAL RULES REGARDING GENERAL OBLIGATION BOND  
24 ACT

25 SEC. 5202. WAIVER OF CONGRESSIONAL RE-  
26 VIEW.—Notwithstanding section 602(c)(1) of the District

1 of Columbia Self-Government and Governmental Reorga-  
 2 nization Act (sec. 1–233(c)(1), D.C. Code), the General  
 3 Obligation Bond Act of 1996 (D.C. Bill 11–840), if en-  
 4 acted by the Council of the District of Columbia, shall  
 5 take effect on the date of the enactment of such Act or  
 6 the date of the enactment of this Act, whichever is later.

7       AMENDMENTS TO FINANCIAL RESPONSIBILITY AND  
 8                   MANAGEMENT ASSISTANCE ACT

9           SEC. 5203. (a) CALCULATION OF 7-DAY REVIEW  
 10 PERIOD FOR COUNCIL ACTS.—Section 203(a)(5) of the  
 11 District of Columbia Financial Responsibility and Man-  
 12 agement Assistance Act of 1995 (sec. 47–392.3(a)(5),  
 13 D.C. Code) is amended—

14           (1) by inserting “(excluding Saturdays, Sun-  
 15 days, and legal holidays)” after “7-day period” the  
 16 first place it appears; and

17           (2) by striking “the date the Council submits  
 18 the Act to the Authority” and inserting “the first  
 19 day (excluding Saturdays, Sundays, and legal holi-  
 20 days) after the Authority receives the Act from the  
 21 Council”.

22           (b) SPECIFICATION OF PENALTY FOR PROHIB-  
 23 ITED ACTS.—Section 103(i)(1) of such Act (sec. 47–  
 24 391.3(i)(1), D.C. Code) is amended by striking the period  
 25 at the end and inserting the following: “, and shall be

1 fined not more than \$1,000, imprisoned for not more  
2 than 1 year, or both.”.

3 (c) WAIVER OF PRIVACY ACT REQUIREMENTS  
4 FOR OBTAINING OFFICIAL DATA.—Section 103(c)(1) of  
5 such Act (sec. 47–391.3(c)(1), D.C. Code) is amended by  
6 striking “Act) and 552b” and inserting “Act), 552a (the  
7 Privacy Act of 1974), and 552b”.

8 (d) PERMITTING AUTHORITY REVIEW OF RULE-  
9 MAKING.—Section 203(b) of such Act (sec. 47–392.3(b),  
10 D.C. Code) is amended by adding at the end the follow-  
11 ing new paragraph:

12 “(5) APPLICATION TO RULES AND REGULA-  
13 TIONS.—The provisions of this subsection shall  
14 apply with respect to a rule or regulation issued or  
15 proposed to be issued by the Mayor (or the head of  
16 any department or agency of the District govern-  
17 ment) in the same manner as such provisions apply  
18 to a contract or lease.”.

19 (e) DEPOSIT OF ALL DISTRICT BORROWING WITH  
20 AUTHORITY.—

21 (1) IN GENERAL.—Section 204 of such Act  
22 (sec. 47–392.4, D.C. Code) is amended—

23 (A) by redesignating subsections (d) and  
24 (e) as subsections (e) and (f); and



1 (B) by inserting after subsection (c) the  
2 following new subsection:

3 “(d) DEPOSIT OF BORROWED FUNDS WITH AU-  
4 THORITY.—If the District government borrows funds  
5 during a control year, the funds shall be deposited into  
6 an escrow account held by the Authority, to be allocated  
7 by the Authority to the Mayor at such intervals and in  
8 accordance with such terms and conditions as it considers  
9 appropriate, consistent with the financial plan and budg-  
10 et for the year and with any other withholding of funds  
11 by the Authority pursuant to this Act.”.

12 (2) CONFORMING AMENDMENTS.—(A) Section  
13 204(e) of such Act, as redesignated by paragraph  
14 (1)(A), is amended by inserting after “(b)(1)” the  
15 following: “or the escrow account described in sub-  
16 section (d)”.

17 (B) Section 206(d)(1) of such Act is amended  
18 by striking “204(b)” and inserting “204(b), section  
19 204(d),”.

20 (f) GRANTING AUTHORITY POWER TO ISSUE GEN-  
21 ERAL ORDERS.—Section 207 of such Act (sec. 47–392.7,  
22 D.C. Code) is amended by adding at the end the follow-  
23 ing new subsection:

24 “(d) ADDITIONAL POWER TO ISSUE ORDERS,  
25 RULES, AND REGULATIONS.—

1           “(1) IN GENERAL.—In addition to the authority  
2       described in subsection (c), the Authority may at  
3       any time issue such orders, rules, or regulations as  
4       it considers appropriate to carry out the purposes of  
5       this Act and the amendments made by this Act, to  
6       the extent that the issuance of such an order, rule,  
7       or regulation is within the authority of the Mayor or  
8       the head of any department or agency of the District  
9       government, and any such order, rule, or regulation  
10      shall be legally binding to the same extent as if is-  
11      sued by the Mayor or the head of any such depart-  
12      ment or agency.

13           “(2) NOTIFICATION.—Upon issuing an order,  
14      rule, or regulation pursuant to this subsection, the  
15      Authority shall notify the Mayor, the Council, the  
16      President, and Congress.

17           “(3) NO JUDICIAL REVIEW OF DECISION TO  
18      ISSUE ORDER.—The decision by the Authority to  
19      issue an order, rule, or regulation pursuant to this  
20      subsection shall be final and shall not be subject to  
21      judicial review.”.

22   PROHIBITING FUNDING FOR TERMINATED EMPLOYEES OR  
23                                   CONTRACTORS

24           SEC. 5204. (a) IN GENERAL.—Except as provided  
25      in subsection (b), none of the funds made available to the  
26      District of Columbia during any fiscal year (beginning

1 with fiscal year 1996) may be used to pay the salary or  
2 wages of any individual whose employment by the Dis-  
3 trict government is no longer required as determined by  
4 the District of Columbia Financial Responsibility and  
5 Management Assistance Authority, or to pay any ex-  
6 penses associated with a contractor or consultant of the  
7 District government whose contract or arrangement with  
8 the District government is no longer required as deter-  
9 mined by the Authority.

10 (b) EXCEPTION FOR PAYMENTS FOR SERVICES  
11 ALREADY PROVIDED.—Funds made available to the Dis-  
12 trict of Columbia may be used to pay an individual for  
13 employment already performed at the time of the  
14 Authority’s determination, or to pay a contractor or con-  
15 sultant for services already provided at the time of the  
16 Authority’s determination, to the extent permitted by the  
17 District of Columbia Financial Responsibility and Man-  
18 agement Assistance Authority.

19 (c) DISTRICT GOVERNMENT DEFINED.—In this  
20 section, the term “District government” has the meaning  
21 given such term in section 305(5) of the District of Co-  
22 lumbia Financial Responsibility and Management Assist-  
23 ance Act of 1995.

1       AMENDMENTS TO DISTRICT OF COLUMBIA SCHOOL  
2                               REFORM ACT OF 1995

3               SEC. 5205. (a) PROCESS FOR FILING CHARTER  
4 PETITIONS.—Section 2201 of the District of Columbia  
5 School Reform Act of 1995 (Public Law 104–134; 110  
6 Stat. 1321–115) is amended by adding at the end the fol-  
7 lowing:

8               “(d) LIMITATIONS ON FILING.—

9               “(1) MULTIPLE CHARTERING AUTHORITIES.—

10       An eligible applicant may not file the same petition  
11       to establish a public charter school with more than  
12       1 eligible chartering authority during a calendar  
13       year.

14               “(2) MULTIPLE PETITIONS.—An eligible appli-  
15       cant may not file more than 1 petition to establish  
16       a public charter school during a calendar year.”.

17               (b)     CONTENTS     OF     PETITION.—Section  
18 2202(6)(B) of the District of Columbia School Reform  
19 Act of 1995 (110 Stat. 1321–116) is amended to read  
20 as follows:

21               “(B) either—

22                       “(i)(I) an identification of a facility  
23                       for the school, including a description of  
24                       the site where the school will be located,  
25                       any buildings on the site, and any build-

ings proposed to be constructed on the site, and (II) information demonstrating that the eligible applicant has acquired title to, or otherwise secured the use of, the facility; or

“(ii) a timetable by which an identification described in clause (i)(I) will be made, and the information described in clause (i)(II) will be submitted, to the eligible chartering authority;”.

(c) PROCESS FOR APPROVING OR DENYING PUBLIC CHARTER SCHOOL PETITIONS.—Section 2203 of the District of Columbia School Reform Act of 1995 (110 Stat. 1321–118) is amended—

(1) by amending subsection (d) to read as follows:

“(d) APPROVAL.—

“(1) IN GENERAL.—Subject to subsection (i) and paragraph (2), an eligible chartering authority shall approve a petition to establish a public charter school, if—

“(A) the eligible chartering authority determines that the petition satisfies the requirements of this subtitle;

1 “(B) the eligible applicant who filed the  
2 petition agrees to satisfy any condition or re-  
3 quirement, consistent with this subtitle and  
4 other applicable law, that is set forth in writing  
5 by the eligible chartering authority as an  
6 amendment to the petition;

7 “(C) the eligible chartering authority de-  
8 termines that the public charter school has the  
9 ability to meet the educational objectives out-  
10 lined in the petition; and

11 “(D) the approval will not cause the eligi-  
12 ble chartering authority to exceed a limit under  
13 subsection (i).

14 “(2) CONDITIONAL APPROVAL.—

15 “(A) IN GENERAL.—In the case of a peti-  
16 tion that does not contain the identification and  
17 information required under section  
18 2202(6)(B)(i), but does contain the timetable  
19 required under section 2202(6)(B)(ii), an eligi-  
20 ble chartering authority may only approve the  
21 petition on a conditional basis, subject to the el-  
22 igible applicant’s submitting the identification  
23 and information described in section  
24 2202(6)(B)(i) in accordance with such time-  
25 table, or any other timetable specified in writing

1 by the eligible chartering authority in an  
2 amendment to the petition.

3 “(B) EFFECT OF CONDITIONAL AP-  
4 PROVAL.—For purposes of subsections (e), (h),  
5 (i), and (j), a petition conditionally approved  
6 under this paragraph shall be treated the same  
7 as a petition approved under paragraph (1), ex-  
8 cept that on the date that such a conditionally  
9 approved petition ceases to be conditionally ap-  
10 proved because the eligible applicant has not  
11 timely submitted the identification and informa-  
12 tion described in section 2202(6)(B)(i), the ap-  
13 proval of the petition shall cease to be counted  
14 for purposes of subsection (i).”;

15 (2) in subsection (h), by striking “(d)(2),” each  
16 place such term appears and inserting “(d),”;

17 (3) by amending subsection (i) to read as fol-  
18 lows:

19 “(i) NUMBER OF PETITIONS.—

20 “(1) FIRST YEAR.—During calendar year 1996,  
21 not more than 10 petitions to establish public char-  
22 ter schools may be approved under this subtitle.

23 “(2) SUBSEQUENT YEARS.—

24 “(A) IN GENERAL.—Subject to subpara-  
25 graph (B), during calendar year 1997, and dur-

1 ing each subsequent calendar year, each eligible  
2 chartering authority shall not approve more  
3 than 10 petitions to establish a public charter  
4 school under this subtitle. Any such petition  
5 shall be approved during the period that begins  
6 on January 1 and ends on April 1.

7 “(B) EXCEPTION.—If, by April 1 of any  
8 calendar year after 1996, an eligible chartering  
9 authority has approved fewer than 10 petitions  
10 during such calendar year, any other eligible  
11 chartering authority may approve more than 10  
12 petitions during such calendar year, but only  
13 if—

14 “(i) the eligible chartering authority  
15 completes the approval of any such addi-  
16 tional petition before June 1 of the year;  
17 and

18 “(ii) the approval of any such addi-  
19 tional petition will not cause the total  
20 number of petitions approved by all eligible  
21 chartering authorities during the calendar  
22 year to exceed 20.”; and

23 (4) by amending subsection (j) to read as fol-  
24 lows:



1           “(j) AUTHORITY OF ELIGIBLE CHARTERING  
2 AUTHORITY.—

3           “(1) IN GENERAL.—Except as provided in para-  
4 graph (2), and except for officers or employees of  
5 the eligible chartering authority with which a peti-  
6 tion to establish a public charter school is filed, no  
7 governmental entity, elected official, or employee of  
8 the District of Columbia shall make, participate in  
9 making, or intervene in the making of, the decision  
10 to approve or deny such a petition.

11           “(2) AVAILABILITY OF REVIEW.—A decision by  
12 an eligible chartering authority to deny a petition to  
13 establish a public charter school shall be subject to  
14 judicial review by an appropriate court of the Dis-  
15 trict of Columbia.”.

16           (d) DISTRICT OF COLUMBIA PUBLIC SCHOOL  
17 SERVICES TO PUBLIC CHARTER SCHOOLS.—Section  
18 2209 of the District of Columbia School Reform Act of  
19 1995 (110 Stat. 1321–125) is amended—

20           (1) by inserting “(a) IN GENERAL.—” before  
21 “The Superintendent”; and

22           (2) by adding at the end the following:

23           “(b) PREFERENCE IN LEASING OR PURCHASING  
24 PUBLIC SCHOOL FACILITIES.—

25           “(1) FORMER PUBLIC SCHOOL PROPERTY.—

1           “(A) IN GENERAL.—Notwithstanding any  
2           other provision of law relating to the disposition  
3           of a facility or property described in subpara-  
4           graph (B), the Mayor and the District of Co-  
5           lumbia Government shall give preference to an  
6           eligible applicant whose petition to establish a  
7           public charter school has been conditionally ap-  
8           proved under section 2203(d)(2), or a Board of  
9           Trustees, with respect to the purchase or lease  
10          of a facility or property described in subpara-  
11          graph (B), provided that doing so will not re-  
12          sult in a significant loss of revenue that might  
13          be obtained from other dispositions or uses of  
14          the facility or property.

15          “(B) PROPERTY DESCRIBED.—A facility or  
16          property referred to in subparagraph (A) is a  
17          facility, or real property—

18                  “(i) that formerly was under the juris-  
19                  diction of the Board of Education;

20                  “(ii) that the Board of Education has  
21                  determined is no longer needed for pur-  
22                  poses of operating a District of Columbia  
23                  public school; and

1 “(iii) with respect to which the Board  
2 of Education has transferred jurisdiction  
3 to the Mayor.

4 “(2) CURRENT PUBLIC SCHOOL PROPERTY.—

5 “(A) IN GENERAL.—Notwithstanding any  
6 other provision of law relating to the disposition  
7 of a facility or property described in subpara-  
8 graph (B), the Mayor and the District of Co-  
9 lumbia Government shall give preference to an  
10 eligible applicant whose petition to establish a  
11 public charter school has been conditionally ap-  
12 proved under section 2203(d)(2), or a Board of  
13 Trustees, in leasing, or otherwise contracting  
14 for the use of, a facility or property described  
15 in subparagraph (B).

16 “(B) PROPERTY DESCRIBED.—A facility or  
17 property referred to in subparagraph (A) is a  
18 facility, real property, or a designated area of  
19 a facility or real property, that—

20 “(i) is under the jurisdiction of the  
21 Board of Education; and

22 “(ii) is available for use because the  
23 Board of Education is not using, for edu-  
24 cational, administrative, or other purposes,

1           the facility, real property, or designated  
2           area.”.

3           (e) CHARTER RENEWAL.—Section 2212 of the  
4 District of Columbia School Reform Act of 1995 (110  
5 Stat. 1321–129) is amended—

6           (1) by amending subsection (a) to read as fol-  
7           lows:

8           “(a) TERMS.—

9           “(1) INITIAL TERM.—A charter granted to a  
10          public charter school shall remain in force for a 15-  
11          year period.

12          “(2) RENEWALS.—A charter may be renewed  
13          for an unlimited number of times, each time for a  
14          15-year period.

15          “(3) REVIEW.—An eligible chartering authority  
16          that grants or renews a charter pursuant to para-  
17          graph (1) or (2) shall review the charter—

18                 “(A) at least once every 5 years to deter-  
19                 mine whether the charter should be revoked for  
20                 the reasons described in subsection (a)(1)(A) or  
21                 (b) of section 2213 in accordance with the pro-  
22                 cedures for such revocation established under  
23                 section 2213(c); and

24                 “(B) once every 5 years, beginning on the  
25                 date that is 5 years after the date on which the

1 charter is granted or renewed, to determine  
2 whether the charter should be revoked for the  
3 reasons described in section 2213(a)(1)(B) in  
4 accordance with the procedures for such revoca-  
5 tion established under section 2213(e).”; and  
6 (2) by amending subsection (d)(6) to read as  
7 follows:

8 “(6) JUDICIAL REVIEW.—A decision by an eligi-  
9 ble chartering authority to deny an application to  
10 renew a charter shall be subject to judicial review by  
11 an appropriate court of the District of Columbia.”.

12 (f) CHARTER REVOCATION.—Section 2213(a) of  
13 the District of Columbia School Reform Act of 1995 (110  
14 Stat. 1321–130) is amended to read as follows:

15 “(a) CHARTER OR LAW VIOLATIONS; FAILURE TO  
16 MEET GOALS.—

17 “(1) IN GENERAL.—Subject to paragraph (2),  
18 an eligible chartering authority that has granted a  
19 charter to a public charter school may revoke the  
20 charter if the eligible chartering authority deter-  
21 mines that the school—

22 “(A) committed a violation of applicable  
23 laws or a material violation of the conditions,  
24 terms, standards, or procedures set forth in the

1 charter, including violations relating to the edu-  
2 cation of children with disabilities; or

3 “(B) failed to meet the goals and student  
4 academic achievement expectations set forth in  
5 the charter.

6 “(2) SPEICAL RULE.—An eligible chartering au-  
7 thority may not revoke a charter under paragraph  
8 (1)(B), except pursuant to a determination made  
9 through a review conducted under section  
10 2212(a)(3)(B).”.

11 (g) PUBLIC CHARTER SCHOOL BOARD.—Para-  
12 graphs (3) and (4) of section 2214(a) of the District of  
13 Columbia School Reform Act of 1995 (110 Stat. 1321–  
14 132) are amended to read as follows:

15 “(3) VACANCIES.—

16 “(A) OTHER THAN FROM EXPIRATION OF  
17 TERM.—Where a vacancy occurs in the mem-  
18 bership of the Board for reasons other than the  
19 expiration of the term of a member of the  
20 Board, the Secretary of Education, not later  
21 than 30 days after the vacancy occurs, shall  
22 present to the Mayor a list of 3 people the Sec-  
23 retary determines are qualified to serve on the  
24 Board. The Mayor, in consultation with the  
25 District of Columbia Council, shall appoint 1

1 person from the list to serve on the Board. The  
2 Secretary shall recommend, and the Mayor  
3 shall appoint, such member of the Board taking  
4 into consideration the criteria described in para-  
5 graph (2). Any member appointed to fill a va-  
6 cancy occurring prior to the expiration of the  
7 term of a predecessor shall be appointed only  
8 for the remainder of the term.

9 “(B) EXPIRATION OF TERM.—Not later  
10 than the date that is 60 days before the expira-  
11 tion of the term of a member of the Board, the  
12 Secretary of Education shall present to the  
13 Mayor, with respect to each such impending va-  
14 cancy, a list of 3 people the Secretary deter-  
15 mines are qualified to serve on the Board. The  
16 Mayor, in consultation with the District of Co-  
17 lumbia Council, shall appoint 1 person from  
18 each such list to serve on the Board. The Sec-  
19 retary shall recommend, and the Mayor shall  
20 appoint, any member of the Board taking into  
21 consideration the criteria described in para-  
22 graph (2).

23 “(4) TIME LIMIT FOR APPOINTMENTS.—If, at  
24 any time, the Mayor does not appoint members to  
25 the Board sufficient to bring the Board’s member-

1 ship to 7 within 30 days after receiving a rec-  
 2 ommendation from the Secretary of Education under  
 3 paragraph (2) or (3), the Secretary, not later than  
 4 10 days after the final date for such mayoral ap-  
 5 pointment, shall make such appointments as are  
 6 necessary to bring the membership of the Board to  
 7 7.”.

8 (h) TECHNICAL AMENDMENT.—Section 2561(b)  
 9 of the District of Columbia School Reform Act of 1995  
 10 (Public Law 104–134), as amended by section 148 of the  
 11 District of Columbia Appropriations Act, 1997 (Public  
 12 Law 104–194), is amended to read as follows:

13 “(b) LIMITATION.—A waiver under subsection (a)  
 14 shall not apply to the Davis-Bacon Act (40 U.S.C. 276a  
 15 et seq.) or Executive Order 11246 or other civil rights  
 16 standards.”.

17 DISPOSITION OF CERTAIN SCHOOL PROPERTY BY  
 18 AUTHORITY

19 SEC. 5206. (a) IN GENERAL.—Subtitle C of title  
 20 II of the District of Columbia Financial Responsibility  
 21 and Management Assistance Act of 1995 is amended by  
 22 adding at the end the following new section:

23 **“SEC. 225. DISPOSITION OF CERTAIN SCHOOL PROPERTY.**

24 “(a) POWER TO DISPOSE.—Notwithstanding any  
 25 other provision of law relating to the disposition of a fa-  
 26 cility or property described in subsection (d), the Author-



1 ity may dispose (by sale, lease, or otherwise) of any facil-  
2 ity or property described in subsection (d).

3           “(b) PREFERENCE FOR PUBLIC CHARTER  
4 SCHOOL.—In disposing of a facility or property under  
5 this section, the Authority shall give preference to an eli-  
6 gible applicant (as defined in section 2002 of the District  
7 of Columbia School Reform Act of 1995) whose petition  
8 to establish a public charter school has been conditionally  
9 approved under section 2203(d)(2) of such Act, or a  
10 Board of Trustees (as defined in section 2002 of such  
11 Act) of such a public charter school, if doing so will not  
12 result in a significant loss of revenue that might be ob-  
13 tained from other dispositions or uses of the facility or  
14 property.

15           “(c) USE OF PROCEEDS FROM DISPOSITION FOR  
16 SCHOOL REPAIR AND MAINTENANCE.—

17           “(1) IN GENERAL.—The Authority shall deposit  
18 any proceeds of the disposition of a facility or prop-  
19 erty under this section in the Board of Education  
20 Real Property Maintenance and Improvement Fund  
21 (as established by the Real Property Disposal Act of  
22 1990), to be used for the construction, maintenance,  
23 improvement, rehabilitation, or repair of buildings  
24 and grounds which are used for educational pur-

1 poses for public and public charter school students  
2 in the District of Columbia.

3 “(2) CONSULTATION.—In disposing of a facility  
4 or property under this section, the Authority shall  
5 consult with the Superintendent of Schools of the  
6 District of Columbia, the Mayor, the Council, the  
7 Administrator of General Services, and education  
8 and community leaders involved in planning for an  
9 agency or authority that will design and administer  
10 a comprehensive long-term program for repair and  
11 improvement of District of Columbia public school  
12 facilities (as described in section 2552(a) of the Dis-  
13 trict of Columbia School Reform Act of 1995).

14 “(3) LEGAL EFFECT OF SALE.—The Authority  
15 may dispose of a facility or property under this sec-  
16 tion by executing a proper deed and any other legal  
17 instrument for conveyance of title to the facility or  
18 property, and such deed shall convey good and valid  
19 title to the purchaser of the facility or property.

20 “(d) FACILITY OR PROPERTY DESCRIBED.—A fa-  
21 cility or property described in this subsection is a facility  
22 or property which is described in section 2209(b)(1)(B)  
23 of the District of Columbia School Reform Act of 1995  
24 and with respect to which the Authority has made the  
25 following determinations:

1           “(1) The property is no longer needed for pur-  
 2           poses of operating a District of Columbia public  
 3           school (as defined in section 2002 of the District of  
 4           Columbia School Reform Act of 1995).

5           “(2) The disposition of the property is in the  
 6           best interests of education in the District of Colum-  
 7           bia.

8           “(3) The Mayor (or any other department or  
 9           agency of the District government) has failed to  
 10          make substantial progress toward disposing the  
 11          property during the 90-day period which begins on  
 12          the date the Board of Education transfers jurisdic-  
 13          tion over the property to the Mayor (or, in the case  
 14          of property which is described in section  
 15          2209(b)(1)(B) of such Act as of the date of the en-  
 16          actment of this section, during the 90-day period  
 17          which begins on the date of the enactment of this  
 18          section).”.

19           (b) CONTROL OVER BOARD OF EDUCATION REAL  
 20          PROPERTY MAINTENANCE AND IMPROVEMENT FUND.—

21           (1) IN GENERAL.—Section 2(b) of the Board of  
 22          Education Real Property Disposal Act of 1990 (sec.  
 23          9–402(b), D.C. Code) is amended—

24                   (A) by amending the second sentence to  
 25          read as follows: “Subject to paragraph (6), the

1 District of Columbia Financial Responsibility  
2 and Management Assistance Authority shall ad-  
3 minister the Fund and receive all payments into  
4 the Fund that are required by law.”; and

5 (B) by adding at the end the following new  
6 paragraph:

7 “(6) Upon the establishment of an agency or au-  
8 thority within the District of Columbia government to ad-  
9 minister a public schools facilities revitalization plan pur-  
10 suant to section 2552(a)(2) of the District of Columbia  
11 School Reform Act of 1995, such agency or authority  
12 shall administer the Fund and receive all payments into  
13 the Fund that are required by law.”.

14 (2) CONFORMING AMENDMENTS.—Section 2(b)  
15 of the Board of Education Real Property Disposal  
16 Act of 1990 (sec. 9–402(b), D.C. Code) is amend-  
17 ed—

18 (A) in the third sentence of paragraph (1),  
19 by striking “; provided that the Board” and all  
20 that follows and inserting a period; and

21 (B) by striking paragraph (5).

22 (c) CLERICAL AMENDMENT.—The table of con-  
23 tents of subtitle C of title II of the District of Columbia  
24 Financial Responsibility and Management Assistance Act

1 of 1995 is amended by adding at the end the following  
 2 new item:

“Sec. 225. Disposition of certain school property.”.

3  
 4 CHAPTER 3  
 5 ENERGY AND WATER DEVELOPMENT  
 6 DEPARTMENT OF DEFENSE—CIVIL  
 7 DEPARTMENT OF THE ARMY  
 8 CORPS OF ENGINEERS—CIVIL  
 9 OPERATION AND MAINTENANCE, GENERAL

10 For an additional amount for “Operation and  
 11 Maintenance, General” for emergency expenses resulting  
 12 from Hurricane Fran and other natural disasters of  
 13 1996, \$19,000,000, to remain available until expended:  
 14 *Provided*, That such amount is designated by Congress as  
 15 an emergency requirement pursuant to section  
 16 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
 17 Deficit Control Act of 1985, as amended.

18 GENERAL PROVISION

19 SEC. 5301. None of the funds appropriated in the  
 20 Energy and Water Department Appropriations Act, 1997  
 21 may be made available to the Tennessee Valley Authority  
 22 if the Tennessee Valley Authority is imposing a perform-  
 23 ance deposit in connection with residential shoreline al-  
 teration permits.

1 CHAPTER 4  
2 LEGISLATIVE BRANCH  
3 HOUSE OF REPRESENTATIVES  
4 SALARIES AND EXPENSES  
5 (RESCISSION)

6 Immediately upon enactment of this Act, of the  
7 funds appropriated in the Legislative Branch Appropria-  
8 tions Act, 1996, for the House of Representatives under  
9 the heading “SALARIES AND EXPENSES”, there is  
10 rescinded \$500,000, specified for the following heading  
11 and account:

12 (1) “ALLOWANCES AND EXPENSES”,  
13 \$500,000, as follows: (A) “Government contributions  
14 to employees’ life insurance fund, retirement funds,  
15 Social Security fund, Medicare fund, health benefits  
16 fund, and worker’s and unemployment compensa-  
17 tion.”

18 JOINT ITEMS  
19 CAPITOL POLICE BOARD  
20 CAPITOL POLICE  
21 SALARIES  
22 (RESCISSION)

23 Immediately upon enactment of this Act, of the  
24 funds appropriated under this heading in Public Law  
25 104–53, \$3,000,000 are rescinded.

## 1 GENERAL EXPENSES

2 For an additional amount for the Capitol Police  
3 Board for necessary expenses for the design and installa-  
4 tion of security systems for the Capitol buildings and  
5 grounds, \$3,250,000, which shall remain available until  
6 expended.

## 7 ARCHITECT OF THE CAPITOL

## 8 CAPITOL BUILDINGS AND GROUNDS

## 9 CAPITOL BUILDINGS

10 For an additional amount for “Capitol Buildings  
11 and Grounds, Capitol Buildings”, \$250,000, to remain  
12 available until expended, for architectural and engineer-  
13 ing services related to the design and installation of secu-  
14 rity systems for Capitol buildings and grounds.

## 15 SENATE OFFICE BUILDINGS

16 Of the funds appropriated under the heading,  
17 “ARCHITECT OF THE CAPITOL, Capitol Buildings  
18 and Grounds, Senate office buildings” in Public Law  
19 104–53, \$650,000 shall remain available until September  
20 30, 1997 for furniture, furnishings, and equipment for  
21 the Senate employees’ child care center.

## 22 GENERAL PROVISIONS

## 23 CONGRESSIONAL AWARD ACT AMENDMENTS OF 1996

24 SEC. 5401. (a) EXTENSION OF REQUIREMENTS  
25 REGARDING FINANCIAL OPERATIONS OF CONGRES-  
26 SIONAL AWARD PROGRAM; NONCOMPLIANCE WITH RE-

1 QUIREMENTS.—Section 5(c)(2)(A) of the Congressional  
2 Award Act (2 U.S.C. 804(c)(2)(A)) is amended by strik-  
3 ing “and 1994” and inserting “1994, 1995, 1996, 1997,  
4 and 1998”.

5 (b) TERMINATION.—Section 9 of the Congres-  
6 sional Award Act (2 U.S.C. 808) is amended by striking  
7 “October 1, 1995” and inserting “October 1, 1999”.

8 (c) SAVINGS PROVISIONS.—During the period of  
9 October 1, 1995, through the date of the enactment of  
10 this section, all actions and functions of the Congres-  
11 sional Award Board under the Congressional Award Act  
12 shall have the same effect as though no lapse or termi-  
13 nation of the Congressional Award Board ever occurred.

14 BILL EMERSON HALL IN THE HOUSE OF

15 REPRESENTATIVES PAGE SCHOOL

16 SEC. 5402. The Founders Hall instructional area  
17 in the House of Representatives Page School, located in  
18 the Thomas Jefferson Building of the Library of Con-  
19 gress, shall be known and designated as “Bill Emerson  
20 Hall”.



## CHAPTER 5

## DEPARTMENT OF TRANSPORTATION

## FEDERAL AVIATION ADMINISTRATION

## OPERATIONS

## (AIRPORT AND AIRWAY TRUST FUND)

For additional operating expenses of the Federal Aviation Administration for airport security activities, \$57,900,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1998: *Provided*, That of the funds provided, \$8,900,000 shall be for establishment of additional explosive detection K–9 teams at airports; \$5,500,000 shall be for airport vulnerability assessments; \$18,000,000 shall be for the hire of additional aviation security personnel: and \$25,500,000 shall be for the hire of additional aviation safety inspectors and contract weather observers, air traffic controller training, and implementation of recommendations of the Federal Aviation Administration’s “Ninety Day Safety Review”, dated September 16, 1996: *Provided further*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## FACILITIES AND EQUIPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For additional necessary expenses for “Facilities and Equipment”, \$147,700,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1999: *Provided*, That of the funds provided, \$144,200,000 shall only be for non-competitive contracts or cooperative agreements with air carriers and airport authorities, which provide for the Federal Aviation Administration to purchase and assist in installation of advanced security equipment for the use of such entities and \$3,500,000 shall be for accelerated development and deployment of the Online Aviation Safety Information System: *Provided further*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

## RESEARCH, ENGINEERING, AND DEVELOPMENT

(AIRPORT AND AIRWAY TRUST FUND)

For an additional amount for “Research, Engineering, and Development”, \$21,000,000, to be derived from the Airport and Airway Trust Fund and to remain available until September 30, 1999: *Provided*, That the funds provided shall only be for aviation security research and operational testing of document trace scanners and explosive detection portals for airport passengers: *Pro-*

1 *vided further*, That such amount is designated by Con-  
 2 gress as an emergency requirement pursuant to section  
 3 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
 4 Deficit Control Act of 1985, as amended.

5 GRANTS-IN-AID FOR AIRPORTS

6 (AIRPORT AND AIRWAY TRUST FUND)

7 (RESCISSION OF CONTRACT AUTHORIZATION)

8 Of the available contract authority balances under  
 9 this heading, \$50,000,000 are rescinded.

10 FEDERAL HIGHWAY ADMINISTRATION

11 HIGHWAY-RELATED SAFETY GRANTS

12 (HIGHWAY TRUST FUND)

13 (RESCISSION OF CONTRACT AUTHORIZATION)

14 Of the available contract authority balances under  
 15 this heading, \$9,100,000 are rescinded.

16 FEDERAL-AID HIGHWAYS

17 (HIGHWAY TRUST FUND)

18 For an additional amount for “Emergency Relief  
 19 Program” for emergency expenses resulting from Hurri-  
 20 canes Fran and Hortense and for other disasters, as au-  
 21 thorized by 23 U.S.C. 125, \$82,000,000, to be derived  
 22 from the Highway Trust Fund and to remain available  
 23 until expended: *Provided*, That the entire amount is des-  
 24 ignated by Congress as an emergency requirement pursu-  
 25 ant to section 251(b)(2)(D)(i) of the Balanced Budget  
 26 and Emergency Deficit Control Act of 1985, as amended.

1                   MOTOR CARRIER SAFETY GRANTS

2                               (HIGHWAY TRUST FUND)

3               (RESCISSION OF CONTRACT AUTHORIZATION)

4               Of the available contract authority balances under  
5 this heading, \$12,300,000 are rescinded.

6   NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION

7                   HIGHWAY TRAFFIC SAFETY GRANTS

8                               (HIGHWAY TRUST FUND)

9               (RESCISSION OF CONTRACT AUTHORIZATION)

10              Of the available contract authority balances under  
11 this heading, \$11,800,000 are rescinded.

12                   FEDERAL RAILROAD ADMINISTRATION

13               NORTHEAST CORRIDOR IMPROVEMENT PROGRAM

14              For additional necessary expenses related to  
15 Northeast Corridor improvements authorized by title VII  
16 of the Railroad Revitalization and Regulatory Reform Act  
17 of 1976, as amended (45 U.S.C. 851 et seq.) and 49  
18 U.S.C. 24909, \$60,000,000, to remain available until  
19 September 30, 1999.

20                   DIRECT LOAN FINANCING PROGRAM

21              Notwithstanding any other provision of law,  
22 \$58,680,000, for direct loans not to exceed \$400,000,000  
23 consistent with the purposes of section 505 of the Rail-  
24 road Revitalization and Regulatory Reform Act of 1976  
25 (45 U.S.C. 825) as in effect on September 30, 1988, to  
26 the Alameda Corridor Transportation Authority to con-

1 tinue the Alameda Corridor Project, including replace-  
 2 ment of at-grade rail lines with a below-grade corridor  
 3 and widening of the adjacent major highway: *Provided*,  
 4 That loans not to exceed the following amounts shall be  
 5 made on or after the first day of the fiscal year indicated:

Fiscal year 1997 .....	\$140,000,000
Fiscal year 1998 .....	\$140,000,000
Fiscal year 1999 .....	\$120,000,000

6 *Provided further*, That any loan authorized under this sec-  
 7 tion shall be structured with a maximum 30-year repay-  
 8 ment after completion of construction at an annual inter-  
 9 est rate of not to exceed the 30-year United States Treas-  
 10 ury rate and on such terms and conditions as deemed ap-  
 11 propriate by the Secretary of Transportation: *Provided*  
 12 *further*, That specific provisions of section 505 (a), (b) and  
 13 (d) through (h) shall not apply: *Provided further*, That the  
 14 Alameda Corridor Transportation Authority shall be  
 15 deemed to be a financially responsible person for purposes  
 16 of section 505 of the Act.

17 GRANTS TO THE NATIONAL RAILROAD PASSENGER  
 18 CORPORATION

19 For additional expenses necessary for “Grants to  
 20 the National Railroad Passenger Corporation”,  
 21 \$22,500,000 for operating losses, to remain available  
 22 until September 30, 1997: *Provided*, That amounts made  
 23 available shall only be used to continue service on routes

1 the National Railroad Passenger Corporation currently  
2 plans to terminate.

3 RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION

4 RESEARCH AND SPECIAL PROGRAMS

5 For additional expenses necessary for “Research  
6 and Special Programs” to conduct vulnerability and  
7 threat assessments of the nation’s transportation system,  
8 \$3,000,000, to remain available until September 30,  
9 1999; *Provided*, That the entire amount is designated by  
10 Congress as an emergency requirement pursuant to sec-  
11 tion 251(b)(2)(D)(i) of the Balanced Budget and Emer-  
12 gency Deficit Control Act of 1985, as amended.

13 NATIONAL TRANSPORTATION SAFETY BOARD

14 SALARIES AND EXPENSES

15 For an additional amount for “Salaries and Ex-  
16 penses”, \$6,000,000, to reimburse other federal agencies  
17 for previously incurred costs of recovering wreckage from  
18 TWA flight 800, and for other costs related to the TWA  
19 800 accident investigation: *Provided*, That the entire  
20 amount is designated by Congress as an emergency re-  
21 quirement pursuant to section 251(b)(2)(D)(i) of the  
22 Balanced Budget and Emergency Deficit Control Act of  
23 1985, as amended.

24 EMERGENCY FUND

25 For necessary expenses of the National Transpor-  
26 tation Safety Board for accident investigations, including

1 hire of passenger motor vehicles and aircraft; services as  
2 authorized by 5 U.S.C. 3109, but at rates for individuals  
3 not to exceed the per diem rate equivalent to the rate for  
4 a GS-18; uniforms, or allowances therefor, as authorized  
5 by law (5 U.S.C. 5901-5902), \$1,000,000: *Provided*,  
6 That the entire amount is designated by Congress as an  
7 emergency requirement pursuant to section  
8 251(b)(2)(D)(i) of the Balanced Budget and Emergency  
9 Deficit Control Act of 1985, as amended.

#### 10 GENERAL PROVISIONS

11 SEC. 5501. In fiscal year 1997, the Administrator  
12 of the Federal Aviation Administration may establish at  
13 individual airports such consortia of government and  
14 aviation industry representatives as the Administrator  
15 may designate to provide advice on matters related to  
16 aviation security and safety: *Provided*, That such consor-  
17 tia shall not be considered Federal advisory committees.

18 Sec. 5502. In cases where an emergency ocean  
19 condition causes erosion of a bank protecting a scenic  
20 highway or byway, fiscal year 1996 or fiscal year 1997  
21 Federal Highway Administration Emergency Relief funds  
22 can be used to halt the erosion and stabilize the bank if  
23 such action is necessary to protect the highway from im-  
24 minent failure and is less expensive than highway reloca-  
25 tion.

1           Sec. 5503. Of the funds deducted under 23  
2 U.S.C. subsection 104(a) for fiscal year 1997,  
3 \$30,000,000 shall be available for allocation to States au-  
4 thorized by section 1069(y) of Public Law 102–240.

5           SEC. 5504. CONVEYANCE OF PROPERTY IN TRA-  
6 VERSE CITY, MICHIGAN. (a) AUTHORITY TO CONVEY.—  
7 The Secretary of Transportation (or any other official  
8 having control over the property described in subsection  
9 (b)) shall expeditiously convey to the Traverse City Area  
10 Public School District in Traverse City, Michigan, with-  
11 out consideration, all right, title, and interest of the Unit-  
12 ed States in and to the property identified, described, and  
13 determined by the Secretary under subsection (b), subject  
14 to all easements and other interests in the property held  
15 by any other person.

16           (b) IDENTIFICATION OF PROPERTY.—The Sec-  
17 retary shall identify, describe, and determine the property  
18 to be conveyed pursuant to this section.

19           (c) REVERSIONARY INTEREST.—In addition to  
20 any term or condition established pursuant to subsection  
21 (a) or (d), any conveyance of property described in sub-  
22 section (b) shall be subject to the condition that all right,  
23 title, and interest in and to the property so conveyed  
24 shall immediately revert to the United States if the prop-



erty, or any part thereof, ceases to be used by the Traverse City Area Public School District.

(d) TERMS OF CONVEYANCE.—The conveyance of property under this section shall be subject to such conditions as the Secretary considers to be necessary to assure that—

(1) the pump room located on the property shall continue to be operated and maintained by the United States for as long as it is needed for this purpose;

(2) the United States shall have an easement of access to the property for the purpose of operating and maintaining the pump room; and

(3) the United States shall have the right, at any time, to enter the property without notice for the purpose of operating and maintaining the pump room.

SEC. 5505. AUTHORITY TO CONVEY WHITEFISH POINT LIGHT STATION LAND. (a) AUTHORITY TO CONVEY.—

(1) IN GENERAL.—Except as otherwise provided in this section, the Secretary of the Interior (in this section referred to as the “Secretary”) may convey, by an appropriate means of conveyance, all right, title, and interest of the United States in 1 of

1 the 3 parcels comprising the land on which the Unit-  
2 ed States Coast Guard Whitefish Point Light Sta-  
3 tion is situated (in this section referred to as the  
4 “Property”), to each of the Great Lakes Shipwreck  
5 Historical Society, located in Sault Ste. Marie,  
6 Michigan, the United States Fish and Wildlife Serv-  
7 ice, and the Michigan Audubon Society (each of  
8 which is referred to in this section as a “recipient”),  
9 subject to all easements, conditions, reservations, ex-  
10 ceptions, and restrictions contained in prior convey-  
11 ances of record.

12 (2) LIMITATION.—Notwithstanding paragraph  
13 (1), the Secretary shall retain for the United States  
14 all right, title, and interest in—

15 (A) any historical artifact, including any  
16 lens or lantern, and

17 (B) the light, antennas, sound signal, tow-  
18 ers, associated lighthouse equipment, and any  
19 electronic navigation equipment, which are ac-  
20 tive aids to navigation,

21 which is located on the Property, or which relates to  
22 the Property.

23 (3) IDENTIFICATION OF THE PROPERTY.—The  
24 Secretary may identify, describe, and determine the  
25 parcels to be conveyed pursuant to this section.

1           (4) RIGHTS OF ACCESS.—If necessary to ensure  
2       access to a public roadway for a parcel conveyed  
3       under this section, the Secretary shall convey with  
4       the parcel an appropriate appurtenant easement over  
5       another parcel conveyed under this section.

6           (5) EASEMENT FOR PUBLIC ALONG SHORE-  
7       LINE.—In each conveyance under this section of  
8       property located on the shoreline of Lake Superior,  
9       the Secretary shall retain for the public, for public  
10      walkway purposes, a right-of-way along the shoreline  
11      that extends 30 feet inland from the mean high  
12      water line.

13          (b) TERMS AND CONDITIONS.—

14           (1) IN GENERAL.—Any conveyance pursuant to  
15      subsection (a) shall be made—

16                  (A) without payment of consideration; and

17                  (B) subject to such terms and conditions  
18      as the Secretary considers appropriate.

19           (2) MAINTENANCE OF NAVIGATION FUNC-  
20      TIONS.—The Secretary shall ensure that any convey-  
21      ance pursuant to this section is subject to such con-  
22      ditions as the Secretary considers to be necessary to  
23      assure that—

24                  (A) the light, antennas, sound signal, tow-  
25      ers, and associated lighthouse equipment, and

1 any electronic navigation equipment, which are  
2 located on the Property and which are active  
3 aids to navigation shall continue to be operated  
4 and maintained by the United States for as  
5 long as they are needed for this purpose;

6 (B) the recipients may not interfere or  
7 allow interference in any manner with such aids  
8 to navigation without express written permis-  
9 sion from the United States;

10 (C) there is reserved to the United States  
11 the right to relocate, replace, or add any aids  
12 to navigation, or make any changes on any por-  
13 tion of the Property as may be necessary for  
14 navigation purposes;

15 (D) the United States shall have the right,  
16 at any time, to enter the Property without no-  
17 tice for the purpose of maintaining aids to navi-  
18 gation;

19 (E) the United States shall have—

20 (i) an easement of access to and  
21 across the Property for the purpose of  
22 maintaining the aids to navigation and as-  
23 sociated equipment in use on the Property;  
24 and

1 (ii) an easement for an arc of visi-  
2 bility; and

3 (F) the United States shall not be respon-  
4 sible for the cost and expense of maintenance,  
5 repair, and upkeep of the Property.

6 (3) MAINTENANCE OBLIGATION.—The recipi-  
7 ents shall not have any obligation to maintain any  
8 active aid to navigation equipment on any parcel  
9 conveyed pursuant to this section.

10 (c) PROPERTY TO BE MAINTAINED IN ACCORD-  
11 ANCE WITH CERTAIN LAWS.—Each recipient shall main-  
12 tain the parcel conveyed to the recipient pursuant to sub-  
13 section (a) in accordance with the provisions of the Na-  
14 tional Historic Preservation Act (16 U.S.C. 470 et seq.),  
15 and other applicable laws.

16 (d) MAINTENANCE STANDARD.—Each recipient  
17 shall maintain the parcel conveyed to the recipient pursu-  
18 ant to subsection (a), at its own cost and expense, in a  
19 proper, substantial, and workmanlike manner, including  
20 the easements of access, the easement for an arc of visi-  
21 bility, the nuisance easement, and the underground ease-  
22 ment.

23 (e) SHARED USE AND OCCUPANCY AGREE-  
24 MENT.—The Secretary shall require, as a condition of  
25 each conveyance of property under this section, that all

1 of the recipients have entered into the same agreement  
2 governing the shared use and occupancy of the existing  
3 Whitefish Point Light Station facilities. The agreement  
4 shall be drafted by the recipients and shall include—

5           (1) terms governing building occupancy and ac-  
6           cess of recipient staff and public visitors to public  
7           restrooms, the auditorium, and the parking lot; and

8           (2) terms requiring that each recipient shall be  
9           responsible for paying a pro rata share of the costs  
10          of operating and maintaining the existing Whitefish  
11          Point Light Station facilities, that is based on the  
12          level of use and occupancy of the facilities by the re-  
13          cipient.

14          (f) LIMITATIONS ON DEVELOPING AND IMPAIRING  
15          USES.—It shall be a term of each conveyance under this  
16          section that—

17               (1) no development of new facilities or expan-  
18               sion of existing facilities or infrastructure on prop-  
19               erty conveyed under this section may occur, except  
20               for purposes of implementing the Whitefish Point  
21               Comprehensive Plan of October 1992 or for a gift  
22               shop, unless—

23                       (A) each of the recipients consents to the  
24                       development or expansion in writing;

1 (B) there has been a reasonable oppor-  
2 tunity for public comment on the development  
3 or expansion, and full consideration has been  
4 given to such public comment as is provided;  
5 and

6 (C) the development or expansion is con-  
7 sistent with preservation of the Property in its  
8 predominantly natural, scenic, historic, and for-  
9 ested condition; and

10 (2) any use of the Property or any structure lo-  
11 cated on the property which may impair or interfere  
12 with the conservation values of the Property is ex-  
13 pressly prohibited.

14 (g) REVERSIONARY INTEREST.—

15 (1) IN GENERAL.—All right, title, and interests  
16 in and to property and interests conveyed under this  
17 section shall revert to the United States and there-  
18 after be administered by the Secretary of Interior  
19 acting through the Director of the United States  
20 Fish and Wildlife Service, if—

21 (A) in the case of such property and inter-  
22 ests conveyed to the Great Lakes Shipwreck  
23 Historical Society, the property or interests  
24 cease to be used for the purpose of historical in-  
25 terpretation;

1 (B) in the case of such property and inter-  
2 ests conveyed to the Michigan Audubon Society,  
3 the property or interests cease to be used for  
4 the purpose of environmental protection, re-  
5 search, and interpretation; or

6 (C) in the case any property and interest  
7 conveyed to a recipient referred to in subpara-  
8 graph (A) or (B)—

9 (i) there is any violation of any term  
10 or condition of the conveyance to that re-  
11 cipient; or

12 (ii) the recipient has ceased to exist.

13 (2) AUTHORITY TO ENFORCE REVERSIONARY  
14 INTEREST.—The Secretary of the Interior, acting  
15 through the Director of the United States Fish and  
16 Wildlife Service, shall have the authority—

17 (A) to determine for the United States  
18 Government whether any act or omission of a  
19 recipient results in a reversion of property and  
20 interests under paragraph (1); and

21 (B) to initiate a civil action to enforce that  
22 reversion, after notifying the recipient of the in-  
23 tent of the Secretary of the Interior to initiate  
24 that action.



1           (3) MAINTENANCE OF NAVIGATION FUNC-  
 2           TIONS.—In the event of a revision of property under  
 3           this subsection, the Secretary of the Interior shall  
 4           administer the property subject to any conditions the  
 5           Secretary of Transportation considers to be nec-  
 6           essary to maintain the navigation functions.

7           SEC. 5506. CONVEYANCE OF LIGHTHOUSES. (a)  
 8           AUTHORITY TO CONVEY.—

9           (1) IN GENERAL.—The Secretary of Transpor-  
 10          tation or the Secretary of the Interior, as appro-  
 11          priate, shall convey, by an appropriate means of con-  
 12          veyance, all right, title, and interest of the United  
 13          States in and to each of the following properties:

14                 (A) Saint Helena Island Light Station, lo-  
 15                 cated in MacKinac County, Moran Township,  
 16                 Michigan, to the Great Lakes Lighthouse Keep-  
 17                 ers Association.

18                 (B) Presque Isle Light Station, located in  
 19                 Presque Isle Township, Michigan, to Presque  
 20                 Isle Township, Presque Isle County, Michigan.

21          (2) IDENTIFICATION OF PROPERTY.—The Sec-  
 22          retary may identify, describe, and determine the  
 23          property to be conveyed under this subsection.

24          (3) EXCEPTION.—The Secretary may not con-  
 25          vey any historical artifact, including any lens or lan-

1       tern, located on the property at or before the time  
2       of the conveyance.

3       (b) TERMS OF CONVEYANCE.—

4           (1) IN GENERAL.—The conveyance of property  
5       under this section shall be made—

6           (A) without payment of consideration; and

7           (B) subject to the conditions required by  
8       this section and other terms and conditions the  
9       Secretary may consider appropriate.

10          (2) REVERSIONARY INTEREST.—In addition to  
11       any term or condition established under this section,  
12       the conveyance of property under this subsection  
13       shall be subject to the condition that all right, title,  
14       and interest in the property shall immediately revert  
15       to the United States if—

16           (A) the property, or any part of the prop-  
17       erty—

18           (i) ceases to be used as a nonprofit  
19       center for the interpretation and preserva-  
20       tion of maritime history;

21           (ii) ceases to be maintained in a man-  
22       ner that ensures its present or future use  
23       as a Coast Guard aid to navigation; or

24           (iii) ceases to be maintained in a man-  
25       ner consistent with the provisions of the

1 National Historic Preservation Act of 1966

2 (16 U.S.C. 470 et seq.); or

3 (B) at least 30 days before that reversion,  
4 the Secretary of Transportation provides writ-  
5 ten notice to the owner that the property is  
6 needed for national security purposes.

7 (3) MAINTENANCE OF NAVIGATION FUNC-  
8 TIONS.—A conveyance of property under this section  
9 shall be made subject to the conditions that the Sec-  
10 retary of Transportation considers to be necessary to  
11 assure that—

12 (A) the lights, antennas, sound signal, elec-  
13 tronic navigation equipment, and associated  
14 lighthouse equipment located on the property  
15 conveyed, which are active aids to navigation,  
16 shall continue to be operated and maintained by  
17 the United States for as long as they are need-  
18 ed for this purpose;

19 (B) the owner of the property may not  
20 interfere or allow interference in any manner  
21 with aids to navigation without express written  
22 permission from the Secretary of Transpor-  
23 tation;

24 (C) there is reserved to the United States  
25 the right to relocate, replace or add any aid to

1 navigation or make any changes to the property  
2 as may be necessary for navigational purposes;

3 (D) the United States shall have the right,  
4 at any time, to enter the property without no-  
5 tice for the purpose of maintaining aids to navi-  
6 gation; and

7 (E) the United States shall have an ease-  
8 ment of access to and across the property for  
9 the purpose of maintaining the aids to naviga-  
10 tion in use on the property.

11 (4) OBLIGATION LIMITATION.—The owner of  
12 property conveyed under this section is not required  
13 to maintain any active aid to navigation equipment  
14 on the property.

15 (5) PROPERTY TO BE MAINTAINED IN ACCORD-  
16 ANCE WITH CERTAIN LAWS.—The owner of property  
17 conveyed under this section shall maintain the prop-  
18 erty in accordance with the National Historic Pres-  
19 ervation Act of 1966 (16 U.S.C. 470 et seq.) and  
20 other applicable laws.

21 (c) MAINTENANCE STANDARD.—The owner of any  
22 property conveyed under this section, at its own cost and  
23 expense, shall maintain the property in a proper, sub-  
24 stantial, and workmanlike manner.

25 (d) DEFINITIONS.—For purposes of this section:

1           (1) the term “owner” means the person identi-  
 2           fied in subsection a(1)(A) and (B), and includes any  
 3           successor of assign of that person.

4           (2) The term “Presque Isle Light Station” in-  
 5           cludes the light tower, attached dwelling, detached  
 6           dwelling, 3-car garage, and any other improvements  
 7           on that parcel of land.

## 8                           CHAPTER 6

### 9                           DEPARTMENT OF THE TREASURY

#### 10                   COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

#### 11                   COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS

#### 12                           FUND PROGRAM ACCOUNT

13           For an additional amount for “Community Devel-  
 14           opment Financial Institutions Fund Program Account”  
 15           for grants, loans, and technical assistance to qualifying  
 16           community development lenders, \$5,000,000, to remain  
 17           available until September 30, 1998, of which \$850,000  
 18           may be used for the cost of direct loans: *Provided*, That  
 19           the cost of direct loans, including the cost of modifying  
 20           such loans, shall be as defined in section 502 of the Con-  
 21           gressional Budget Act of 1974.

### 22                           ENVIRONMENTAL PROTECTION AGENCY

#### 23                           SCIENCE AND TECHNOLOGY

24           For an additional amount for “Science and Tech-  
 25           nology”, \$10,000,000, to remain available until Septem-

ber 30, 1998, to conduct health effects research to carry out the purposes of the Safe Drinking Water Act Amendments of 1996, Public Law 104–182.

ENVIRONMENTAL PROGRAMS AND MANAGEMENT

For an additional amount for “Environmental Programs and Management”, \$42,221,000, to remain available until September 30, 1998, of which \$30,000,000 is to carry out the purposes of the Safe Drinking Water Act Amendments of 1996, Public Law 104–182, and the purposes of the Food Quality Protection Act of 1996, Public Law 104–170, and of which \$10,221,000 is for pesticide residue data collection for use in risk assessment activities.

STATE AND TRIBAL ASSISTANCE GRANTS

For an additional amount for “State and Tribal Assistance Grants”, \$35,000,000, to remain available until expended, for a grant to the City of Boston, Massachusetts, subject to an appropriate cost share as determined by the Administrator, for the construction of wastewater treatment facilities.

FEDERAL EMERGENCY MANAGEMENT AGENCY

SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses” to increase Federal, State, and local preparedness for mitigating and responding to the consequences of terrorism, \$3,000,000.

## 1 EMERGENCY MANAGEMENT PLANNING AND ASSISTANCE

2 For an additional amount for “Emergency Man-  
3 agement Planning and Assistance” to increase Federal,  
4 State, and local preparedness for mitigating and respond-  
5 ing to the consequences of terrorism, \$12,000,000.

## 6 NATIONAL FLOOD INSURANCE FUND

7 Section 1309(a)(2) of the National Flood Insur-  
8 ance Act (42 U.S.C. 4016(a)(2)), is amended by striking  
9 “\$1,000,000,000” and inserting in lieu thereof  
10 “\$1,500,000,000 through September 30, 1997, and  
11 \$1,000,000,000 thereafter”.

## 12 DEPARTMENT OF HEALTH AND HUMAN SERVICES

## 13 OFFICE OF CONSUMER AFFAIRS

14 For necessary expenses of the Office of Consumer  
15 Affairs, including services authorized by 5 U.S.C. 3109,  
16 but at rates for individuals not to exceed the per diem  
17 rate equivalent to the rate for GS–18, \$1,500,000: *Pro-*  
18 *vided*, That none of the funds provided under this head-  
19 ing may be made available for any other activities within  
20 the Department of Health and Human Services.

## 21 NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

## 22 SCIENCE, AERONAUTICS AND TECHNOLOGY

23 For an additional amount for “Science, Aero-  
24 nautics and Technology”, \$5,000,000, to remain available  
25 until September 30, 1998.

1 CHAPTER 7  
2 INTERNATIONAL SECURITY ASSISTANCE  
3 NONPROLIFERATION, ANTI-TERRORISM, DEMINING AND  
4 RELATED PROGRAMS

5 For an additional amount for nonproliferation,  
6 anti-terrorism and related programs and activities,  
7 \$18,000,000, to carry out the provisions of chapter 8 of  
8 part II of the Foreign Assistance Act of 1961 for anti-  
9 terrorism assistance.

10 FOREIGN MILITARY FINANCING PROGRAM

11 For an additional amount for grants to enable the  
12 President to carry out the provisions of section 23 of the  
13 Arms Export Control Act, \$60,000,000.

14 PEACEKEEPING OPERATIONS

15 For necessary expenses to carry out the provisions  
16 of section 551 of the Foreign Assistance Act of 1961,  
17 \$65,000,000: *Provided*, That none of the funds appro-  
18 priated under this paragraph shall be obligated or ex-  
19 pended except as provided through the regular notifica-  
20 tion procedures of the Committees on Appropriations.

21 CHAPTER 8  
22 GENERAL PROVISIONS

23 SEC. 5801. Of the amounts made available in  
24 Title IV of the Department of Defense Appropriations  
25 Act, 1997, under the heading “Research, Development,  
26 Test and Evaluation, Defense-Wide”, \$56,232,000 shall



1 be made available only for the Corps Surface-to-Air Mis-  
2 sile (CORPS SAM) program.

3       SEC. 5802. There is hereby established on the  
4 books of the Treasury an account, “Support for Inter-  
5 national Sporting Competitions, Defense” (hereinafter re-  
6 ferred to in this section as the “Account”) to be available  
7 until expended for logistical and security support for  
8 international sporting competitions (other than pay and  
9 non-travel-related allowances of members of the Armed  
10 Forces of the United States, except for members of the  
11 reserve components thereof called or ordered to active  
12 duty in connection with providing such support): *Pro-*  
13 *vided*, That there shall be credited to the Account: (a)  
14 unobligated balances of the funds appropriated in Public  
15 Laws 103–335 and 104–61 under the headings “Summer  
16 Olympics”; (b) any reimbursements received by the De-  
17 partment of Defense in connection with support to the  
18 1993 World University Games; the 1994 World Cup  
19 Games; and the 1996 Games of the XXVI Olympiad held  
20 in Atlanta, Georgia; (c) any reimbursements received by  
21 the Department of Defense after the date of enactment  
22 of this Act for logistical and security support provided to  
23 international sporting competitions; and (d) amounts spe-  
24 cifically appropriated to the Account, all to remain avail-  
25 able until expended: *Provided further*, That none of the

1 funds made available to the Account may be obligated  
2 until 45 days after the congressional defense committees  
3 have been notified in writing by the Secretary of Defense  
4 as to the purpose for which these funds will be obligated.

5       SEC. 5803. In addition to the amounts made  
6 available in Title IV of the Department of Defense Ap-  
7 propriations Act, 1997, under the heading “Research,  
8 Development, Test and Evaluation, Defense-Wide”,  
9 \$100,000,000 is hereby appropriated and made available  
10 only for the Dual-Use Applications Program.

11       **DIVISION B—OREGON RESOURCE**  
12       **CONSERVATION ACT OF 1996**

13       **SECTION 1. SHORT TITLE.**

14       This Act may be cited as the “Oregon Resource  
15 Conservation Act of 1996”.

16       **TITLE I—OPAL CREEK WILDER-**  
17       **NESS AND SCENIC RECRE-**  
18       **ATION AREA**

19       **SEC. 101. SHORT TITLE.**

20       This title may be cited as the “Opal Creek Wil-  
21 derness and Opal Creek Scenic Recreation Area Act of  
22 1996”.

23       **SEC. 102. DEFINITIONS.**

24       In this title:

1           (1) BULL OF THE WOODS WILDERNESS.—The  
2       term “Bull of the Woods Wilderness” means the  
3       land designated as wilderness by section 3(4) of the  
4       Oregon Wilderness Act of 1984 (Public Law 98–  
5       328; 16 U.S.C. 1132 note).

6           (2) OPAL CREEK WILDERNESS.—The term  
7       “Opal Creek Wilderness” means certain land in the  
8       Willamette National Forest in the State of Oregon  
9       comprising approximately 12,800 acres, as generally  
10      depicted on the map entitled “Proposed Opal Creek  
11      Wilderness and Scenic Recreation Area”, dated July  
12      1996.

13          (3) SCENIC RECREATION AREA.—The term  
14      “Scenic Recreation Area” means the Opal Creek  
15      Scenic Recreation Area, comprising approximately  
16      13,000 acres, as generally depicted on the map enti-  
17      tled “Proposed Opal Creek Wilderness and Scenic  
18      Recreation Area”, dated July 1996 and established  
19      under section 104(a)(3) of this title.

20          (4) SECRETARY.—The term “Secretary” means  
21      the Secretary of Agriculture.

22   **SEC. 103. PURPOSES.**

23       The purposes of this title are:

24           (1) to establish a wilderness and scenic recre-  
25      ation area to protect and provide for the enhance-

1       ment of the natural, scenic, recreational, historic,  
2       and cultural resources of the area in the vicinity of  
3       Opal Creek;

4           (2) to protect and support the economy of the  
5       communities in the Santiam Canyon; and

6           (3) to provide increased protection for an im-  
7       portant drinking water source for communities  
8       served by the north Santiam River.

9   **SEC. 104. ESTABLISHMENT OF OPAL CREEK WILDERNESS**  
10                   **AND SCENIC RECREATION AREA.**

11           (a) ESTABLISHMENT.—On a determination by the  
12   Secretary under subsection (b)—

13           (1) the Opal Creek Wilderness, as depicted on  
14       the map described in section 102(2), is hereby des-  
15       ignated as wilderness, subject to the provisions of  
16       the Wilderness Act of 1964, shall become a compo-  
17       nent of the National Wilderness System, and shall  
18       be known as the Opal Creek Wilderness;

19           (2) the part of the Bull of the Woods Wilder-  
20       ness that is located in the Willamette National For-  
21       est shall be incorporated into the Opal Creek  
22       Wilderness; and

23           (3) the Secretary shall establish the Opal Creek  
24       Scenic Recreation Area in the Willamette National  
25       Forest in the State of Oregon, comprising approxi-

1       mately 13,000 acres, as generally depicted on the  
2       map described in section 102(3).

3       (b) CONDITIONS.—The designations in subsection  
4 (a) shall not take effect unless the Secretary makes a de-  
5 termination, not later than 2 years after the date of en-  
6 actment of this title, that the following conditions have  
7 been met:

8           (1) the following have been donated to the  
9       United States in an acceptable condition and with-  
10      out encumbrances—

11           (A) all right, title, and interest in the fol-  
12      lowing patented parcels of land—

13           (i) Santiam number 1, mineral survey  
14      number 992, as described in patent num-  
15      ber 39–92–0002, dated December 11,  
16      1991;

17           (ii) Ruth Quartz Mine number 2, min-  
18      eral survey number 994, as described in  
19      patent number 39–91–0012, dated Feb-  
20      ruary 12, 1991;

21           (iii) Morning Star Lode, mineral sur-  
22      vey number 993, as described in patent  
23      number 36–91–0011, dated February 12,  
24      1991;

1 (B) all right, title, and interest held by any  
2 entity other than the Times Mirror Land and  
3 Timber Company, its successors and assigns, in  
4 and to lands located in section 18, township 8  
5 south, range 5 east, Marion County, Oregon,  
6 Eureka numbers 6, 7, 8, and 13 mining claims;  
7 and

8 (C) an easement across the Hewitt, Star-  
9 vation, and Poor Boy Mill Sites, mineral survey  
10 number 990, as described in patent number 36-  
11 91-0017, dated May 9, 1991. In the sole dis-  
12 cretion of the Secretary, such easement may be  
13 limited to administrative use if an alternative  
14 access route, adequate and appropriate for pub-  
15 lic use, is provided.

16 (2) a binding agreement has been executed by  
17 the Secretary and the owners of record as of March  
18 29, 1996, of the following interests, specifying the  
19 terms and conditions for the disposition of such in-  
20 terests to the United States Government—

21 (A) the lode mining claims known as Prin-  
22 cess Lode, Black Prince Lode, and King num-  
23 ber 4 Lode, embracing portions of sections 29  
24 and 32, township 8 south, range 5 east, Wil-  
25 lamette Meridian, Marion County, Oregon, the

1 claims being more particularly described in the  
2 field notes and depicted on the plat of mineral  
3 survey number 887, Oregon; and

4 (B) Ruth Quartz Mine number 1, mineral  
5 survey number 994, as described in patent  
6 number 39-91-0012, dated February 12, 1991.

7 (c) ADDITIONS TO THE WILDERNESS AND SCENIC  
8 RECREATION AREAS.—

9 (1) Lands or interests in lands conveyed to the  
10 United States under this section shall be included in  
11 and become part of, as appropriate, Opal Creek Wil-  
12 derness or the Opal Creek Scenic Recreation Area.

13 (2) On acquiring all or substantially all of the  
14 land located in section 36, township 8 south, range  
15 4 east, of the Willamette Meridian, Marion County,  
16 Oregon, commonly known as the Rosboro section, by  
17 exchange, purchase from a willing seller, or by dona-  
18 tion, the Secretary shall expand the boundary of the  
19 Scenic Recreation Area to include such land.

20 (3) On acquiring all or substantially all of the  
21 land located in section 18, township 8 south, range  
22 5 east, Marion County, Oregon, commonly known as  
23 the Times Mirror property, by exchange, purchase  
24 from a willing seller, or by donation, such land shall

1 be included in and become a part of the Opal Creek  
2 Wilderness.

3 **SEC. 105. ADMINISTRATION OF THE SCENIC RECREATION**  
4 **AREA.**

5 (a) IN GENERAL.—The Secretary shall administer  
6 the Scenic Recreation Area in accordance with this title  
7 and the laws (including regulations) applicable to the Na-  
8 tional Forest System.

9 (b) OPAL CREEK MANAGEMENT PLAN.—

10 (1) IN GENERAL.—Not later than 2 years after  
11 the date of establishment of the Scenic Recreation  
12 Area, the Secretary, in consultation with the advi-  
13 sory committee established under section 106(a),  
14 shall prepare a comprehensive Opal Creek Manage-  
15 ment Plan (Management Plan) for the Scenic Recre-  
16 ation Area.

17 (2) INCORPORATION IN LAND AND RESOURCE  
18 MANAGEMENT PLAN.—Upon its completion, the Opal  
19 Creek Management Plan shall become part of the  
20 land and resource management plan for the Willam-  
21 ette National Forest and supersede any conflicting  
22 provision in such land and resource management  
23 plan. Nothing in this paragraph shall be construed  
24 to supersede the requirements of the Endangered  
25 Species Act or the National Forest Management Act



1 or regulations promulgated under those Acts, or any  
2 other law.

3 (3) REQUIREMENTS.—The Opal Creek Manage-  
4 ment Plan shall provide for a broad range of and  
5 uses, including—

6 (A) recreation;

7 (B) harvesting of nontraditional forest  
8 products, such as gathering mushrooms and  
9 material to make baskets; and

10 (C) educational and research opportunities.

11 (4) PLAN AMENDMENTS.—The Secretary may  
12 amend the Opal Creek Management Plan as the Sec-  
13 retary may determine to be necessary, consistent  
14 with the procedures and purposes of this title.

15 (c) RECREATION.—

16 (1) RECOGNITION.—Congress recognizes recre-  
17 ation as an appropriate use of the Scenic Recreation  
18 Area.

19 (2) MINIMUM LEVELS.—The management plan  
20 shall permit recreation activities at not less than the  
21 levels in existence on the date of enactment of this  
22 title.

23 (3) HIGHER LEVELS.—The management plan  
24 may provide for levels of recreation use higher than  
25 the levels in existence on the date of enactment of

1       this title if such uses are consistent with the protec-  
2       tion of the resource values of Scenic Recreation  
3       Area.

4           (4) The management plan may include public  
5       trail access through section 28, township 8 south,  
6       range 5 east, Willamette Meridian, to Battle Axe  
7       Creek, Opal Pool and other areas in the Opal Creek  
8       Wilderness and the Opal Creek Scenic Recreation  
9       Area.

10       (d) TRANSPORTATION PLANNING.—

11           (1) IN GENERAL.—Except as provided in this  
12       subparagraph, motorized vehicles shall not be per-  
13       mitted in the Scenic Recreation Area. To maintain  
14       reasonable motorized and other access to recreation  
15       sites and facilities in existence on the date of enact-  
16       ment of this title, the Secretary shall prepare a  
17       transportation plan for the Scenic Recreation Area  
18       that—

19           (A) evaluates the road network within the  
20       Scenic Recreation Area to determine which  
21       roads should be retained and which roads  
22       should be closed;

23           (B) provides guidelines for transportation  
24       and access consistent with this title;

1 (C) considers the access needs of persons  
2 with disabilities in preparing the transportation  
3 plan for the Scenic Recreation Area;

4 (D) allows forest road 2209 beyond the  
5 gate to the Scenic Recreation Area, as depicted  
6 on the map described in 102(2), to be used by  
7 motorized vehicles only for administrative pur-  
8 poses and for access by private inholders, sub-  
9 ject to such terms and conditions as the Sec-  
10 retary may determine to be necessary; and

11 (E) restricts construction on or improve-  
12 ments to forest road 2209 beyond the gate to  
13 the Scenic Recreation Area to maintaining the  
14 character of the road as it existed upon the  
15 date of enactment of this title, which shall not  
16 include paving or widening. In order to comply  
17 with subsection 107(b) of this title, the Sec-  
18 retary may make improvements to forest road  
19 2209 and its bridge structures consistent with  
20 the character of the road as it existed on the  
21 date of enactment of this title.

22 (e) HUNTING AND FISHING.—

23 (1) IN GENERAL.—Subject to applicable Fed-  
24 eral and State law, the Secretary shall permit hunt-  
25 ing and fishing in the Scenic Recreation Area.

1           (2) LIMITATION.—The Secretary may designate  
2       zones in which, and establish periods when, no hunt-  
3       ing or fishing shall be permitted for reasons of pub-  
4       lic safety, administration, or public use and enjoy-  
5       ment of the Scenic Recreation Area.

6           (3) CONSULTATION.—Except during an emer-  
7       gency, as determined by the Secretary, the Secretary  
8       shall consult with the Oregon State Department of  
9       Fish and Wildlife before issuing any regulation  
10      under this subsection.

11       (f) TIMBER CUTTING.—

12           (1) IN GENERAL.—Subject to paragraph (2),  
13       the Secretary shall prohibit the cutting and/or sell-  
14       ing of trees in the Scenic Recreation Area.

15           (2) PERMITTED CUTTING.—

16           (A) IN GENERAL.—Subject to subpara-  
17       graph (B), the Secretary may allow the cutting  
18       of trees in the Scenic Recreation Area only—

19                   (i) for public safety, such as to control  
20                   the continued spread of a forest fire in the  
21                   Scenic Recreation Area or on land adjacent  
22                   to the Scenic Recreation Area;

23                   (ii) for activities related to adminis-  
24                   tration of the Scenic Recreation Area, con-

1                   sistent with the Opal Creek Management  
2                   Plan; or

3                   (iii) for removal of hazard trees along  
4                   trails and roadways.

5                   (B) SALVAGE SALES.—The Secretary may  
6                   not allow a salvage sale in the Scenic Recre-  
7                   ation Area.

8                   (g) WITHDRAWAL.—

9                   (1) Subject to valid existing rights, all lands in  
10                  the Scenic Recreation Area are withdrawn from—

11                  (i) any form of entry, appropriation, or  
12                  disposal under the public land laws;

13                  (ii) location, entry, and patent under the  
14                  mining laws; and

15                  (iii) disposition under the mineral and geo-  
16                  thermal leasing laws.

17                  (h) BORNITE PROJECT.—

18                  (1) Nothing in this title shall be construed to  
19                  interfere with or approve any exploration, mining, or  
20                  mining-related activity in the Bornite Project Area,  
21                  depicted on the map described in subsection 102(3),  
22                  conducted in accordance with applicable laws.

23                  (2) Nothing in this title shall be construed to  
24                  interfere with the ability of the Secretary to approve  
25                  and issue, or deny, special use permits in connection

1 with exploration, mining, and mining-related activi-  
2 ties in the Bornite Project Area.

3 (3) Motorized vehicles, roads, structures, and  
4 utilities (including but not limited to power lines and  
5 water lines) may be allowed inside the Scenic Recre-  
6 ation Area to serve the activities conducted on land  
7 within the Bornite Project.

8 (4) After the date of enactment of this title, no  
9 patent or claim shall be issued for any mining claim  
10 under the general mining laws located within the  
11 Bornite Project Area.

12 (i) WATER IMPOUNDMENTS.—Notwithstanding  
13 the Federal Power Act (16 U.S.C. 791a et seq.), the  
14 Federal Energy Regulatory Commission may not license  
15 the construction of any dam, water conduit, reservoir,  
16 powerhouse, transmission line, or other project work in  
17 the Scenic Recreation Area, except as may be necessary  
18 to comply with the provisions of subsection 105(h) with  
19 regard to the Bornite Project.

20 (j) CULTURAL AND HISTORIC RESOURCE INVEN-  
21 TORY.—

22 (1) IN GENERAL.—Not later than 1 year after  
23 the date of establishment of the Scenic Recreation  
24 Area, the Secretary shall review and revise the in-  
25 ventory of the cultural and historic resources on the

1 public land in the Scenic Recreation Area developed  
2 pursuant to the Oregon Wilderness Act of 1984  
3 (Public Law 98–328; 16 U.S.C. 1132).

4 (2) INTERPRETATION.—Interpretive activities  
5 shall be developed under the management plan in  
6 consultation with State and local historic preserva-  
7 tion organizations and shall include a balanced and  
8 factual interpretation of the cultural, ecological, and  
9 industrial history of forestry and mining in the Sce-  
10 nic Recreation Area.

11 (k) PARTICIPATION.—So that the knowledge, ex-  
12 pertise, and views of all agencies and groups may contrib-  
13 ute affirmatively to the most sensitive present and future  
14 use of the Scenic Recreation Area and its various sub-  
15 areas for the benefit of the public:

16 (1) ADVISORY COUNCIL.—The Secretary shall  
17 consult on a periodic and regular basis with the ad-  
18 visory council established under section 106 with re-  
19 spect to matters relating to management of the Sce-  
20 nic Recreation Area.

21 (2) PUBLIC PARTICIPATION.—The Secretary  
22 shall seek the views of private groups, individuals,  
23 and the public concerning the Scenic Recreation  
24 Area.

1           (3) OTHER AGENCIES.—The Secretary shall  
2       seek the views and assistance of, and cooperate with,  
3       any other Federal, State, or local agency with any  
4       responsibility for the zoning, planning, or natural re-  
5       sources of the Scenic Recreation Area.

6           (4) NONPROFIT AGENCIES AND ORGANIZA-  
7       TIONS.—The Secretary shall seek the views of any  
8       nonprofit agency or organization that may contrib-  
9       ute information or expertise about the resources and  
10      the management of the Scenic Recreation Area.

11 **SEC. 106. ADVISORY COUNCIL.**

12           (a) ESTABLISHMENT.—Not later than 90 days  
13      after the establishment of the Scenic Recreation Area,  
14      the Secretary shall establish an advisory council for the  
15      Scenic Recreation Area.

16           (b) MEMBERSHIP.—The advisory council shall  
17      consist of not more than 13 members, of whom—

18           (1) 1 member shall represent Marion County,  
19      Oregon, and shall be designated by the governing  
20      body of the county;

21           (2) 1 member shall represent the State of Or-  
22      egon and shall be designated by the Governor of Or-  
23      egon; and



1           (3) 1 member shall represent the city of Salem,  
2           and shall be designated by the mayor of Salem, Or-  
3           egon;

4           (4) 1 member from a city within a 25-mile ra-  
5           dius of the Opal Creek Scenic Recreation Area, to  
6           be designated by the Governor of the State of Or-  
7           egon from a list of candidates provided by the may-  
8           ors of the cities located within a 25-mile radius of  
9           the Opal Creek Scenic Recreation Area; and

10          (5) not more than 9 members shall be ap-  
11          pointed by the Secretary from among persons who,  
12          individually or through association with a national or  
13          local organization, have an interest in the adminis-  
14          tration of the Scenic Recreation Area, including, but  
15          not limited to, representatives of the timber indus-  
16          try, environmental organizations, the mining indus-  
17          try, inholders in the Opal Creek Wilderness and Sce-  
18          nic Recreation Area, economic development interests  
19          and Indian Tribes.

20          (c) STAGGERED TERMS.—Members of the advi-  
21          sory council shall serve for staggered terms of three  
22          years.

23          (d) CHAIRMAN.—The Secretary shall designate  
24          one member of the advisory council as chairman.

1           (e) VACANCIES.—The Secretary shall fill a va-  
2       cancy on the advisory council in the same manner as the  
3       original appointment.

4           (f) COMPENSATION.—Members of the advisory  
5       council shall receive no compensation for service on the  
6       advisory council.

7       **SEC. 107. GENERAL PROVISIONS.**

8           (a) LAND ACQUISITION.—

9           (1) IN GENERAL.—Subject to the other provi-  
10       sions of this title the Secretary may acquire any  
11       lands or interests in land in the Scenic Recreation  
12       Area or the Opal Creek Wilderness that the Sec-  
13       retary determines are needed to carry out this title.

14          (2) PUBLIC LAND.—Any lands or interests in  
15       land owned by a State or a political subdivision of  
16       a State may be acquired only by donation or ex-  
17       change.

18          (3) CONDEMNATION.—Within the boundaries of  
19       the Opal Creek Wilderness or the Scenic Recreation  
20       Area, the Secretary may not acquire any privately  
21       owned land or interest in land without the consent  
22       of the owner unless the Secretary finds that—

23                (A) the nature of land use has changed  
24                significantly, or the landowner has dem-  
25                onstrated intent to change the land use signifi-

1 cantly, from the use that existed on the date of  
2 the enactment of this title; and

3 (B) acquisition by the Secretary of the  
4 land or interest in land is essential to ensure  
5 use of the land or interest in land in accordance  
6 with the purposes of this title or the manage-  
7 ment plan prepared under section 105(b).

8 (4) Nothing in this title shall be construed to  
9 enhance or diminish the condemnation authority  
10 available to the Secretary outside the boundaries of  
11 the Opal Creek Wilderness of the Scenic Recreation  
12 Area.

13 (b) ENVIRONMENTAL RESPONSE ACTIONS AND  
14 COST RECOVERY.—

15 (1) RESPONSE ACTIONS.—Nothing in this title  
16 shall limit the authority of the Secretary or a re-  
17 sponsible party to conduct an environmental re-  
18 sponse action in the Scenic Recreation Area in con-  
19 nection with the release, threatened release, or clean-  
20 up of a hazardous substance, pollutant, or contami-  
21 nant, including a response action conducted under  
22 the Comprehensive Environmental Response, Com-  
23 pensation, and Liability Act of 1980 (42 U.S.c.  
24 9601 et seq.).

1           (2) LIABILITY.—Nothing in this title shall limit  
2           the authority of the Secretary or a responsible party  
3           to recover costs related to the release, threatened re-  
4           lease, or cleanup of any hazardous substance or pol-  
5           lutant or contaminant in the Scenic Recreation  
6           Area.

7           (c) MAPS AND DESCRIPTION.—

8           (1) IN GENERAL.—As soon as practicable after  
9           the date of enactment of this title, the Secretary  
10          shall file a map and a boundary description for the  
11          Opal Creek Wilderness and for the Scenic Recre-  
12          ation Area with the Committee on Resources of the  
13          House of Representatives and the Committee on En-  
14          ergy and Natural Resources of the Senate.

15          (2) FORCE AND EFFECT.—The boundary de-  
16          scription and map shall have the same force and ef-  
17          fect as if the description and map were included in  
18          this title, except that the Secretary may correct cler-  
19          ical and typographical errors in the boundary de-  
20          scription and map.

21          (3) AVAILABILITY.—The map and boundary de-  
22          scription shall be on file and available for public in-  
23          spection in the Office of the Chief of the Forest  
24          Service, Department of Agriculture.

1 (d) Nothing in this title shall interfere with any  
2 activity for which a special use permit has been issued,  
3 has not been revoked, and has not expired, before the  
4 date of enactment of this title, subject to the terms of the  
5 permit.

6 **SEC. 108. ROSBORO LAND EXCHANGE.**

7 (a) AUTHORIZATION.—Notwithstanding any other  
8 law, if the Rosboro Lumber Company (referred to in this  
9 section as “Rosboro”) offers and conveys marketable title  
10 to the United States to the land described in subsection  
11 (b), the Secretary of Agriculture shall convey all right,  
12 title and interest held by the United States to sufficient  
13 lands described in subsection (c) to Rosboro, in the order  
14 in which they appear in subsection (c), as necessary to  
15 satisfy the equal value requirements of subsection (d).

16 (b) LAND TO BE OFFERED BY ROSBORO.—The  
17 land referred to in subsection (a) as the land to be of-  
18 fered by Rosboro shall comprise Section 36, Township 8  
19 South, range 4 east, Willamette Meridian.

20 (c) LAND TO BE CONVEYED BY THE UNITED  
21 STATES.—The land referred to in subsection (a) as the  
22 land to be conveyed by the United States shall comprise  
23 sufficient land from the following prioritized list to be of  
24 equal value under subparagraph (d):

1 (1) Section 5, Township 17 South, Range 4  
2 East, Lot 7 (37.63 acres).

3 (2) Section 2, Township 17 South, Range 4  
4 East, Lot 3 (29.28 acres).

5 (3) Section 13, Township 17 South, Range 4  
6 East, S $\frac{1}{2}$  SE $\frac{1}{4}$  (80 acres).

7 (4) Section 2, Township 17 South, Range 4  
8 East, SW $\frac{1}{4}$  SW $\frac{1}{4}$  (40 acres).

9 (5) Section 2, Township 17 South, Range 4  
10 East, NW $\frac{1}{4}$  SE $\frac{1}{4}$  (40 acres).

11 (6) Section 8, Township 17 South, Range 4  
12 East, SE $\frac{1}{4}$  SW $\frac{1}{4}$  (40 acres).

13 (7) Section 11, Township 17 South, Range 4  
14 East, W $\frac{1}{2}$  NW $\frac{1}{4}$  (80 acres).

15 (d) EQUAL VALUE.—The land and interests in  
16 land exchanged under this section shall be of equal mar-  
17 ket value as determined by nationally recognized ap-  
18 praisal standards, including, to the extent appropriate,  
19 the Uniform Standards for Federal Land Acquisition, the  
20 Uniform Standards of Professional Appraisal Practice, or  
21 shall be equalized by way of payment of cash pursuant  
22 to the provisions of section 206(d) of the Federal Land  
23 Policy and Management Act of 1976 (43 U.S.C.  
24 1716(d)), and other applicable law. The appraisal shall  
25 consider access costs for the parcels involved.

1 (c) TIMETABLE.—

2 (1) The exchange directed by this section shall  
3 be consummated not later than 120 days after the  
4 date Rosboro offers and conveys the property de-  
5 scribed in subsection (b) to the United States.

6 (2) The authority provided by this section shall  
7 lapse if Rosboro fails to offer the land described in  
8 subsection (b) within two years after the date of en-  
9 actment of this title.

10 (f) Rosboro shall have the right to challenge in  
11 United States District Court for the District of Oregon  
12 a determination of marketability under subsection (a)  
13 and a determination of value for the lands described in  
14 subsections (b) and (c) by the Secretary of Agriculture.  
15 The Court shall have the authority to order the Secretary  
16 to complete the transaction contemplated in this Section.

17 (g) AUTHORIZATION OF APPROPRIATIONS.—There  
18 are authorized to be appropriated such sums as are nec-  
19 essary to carry out this section.

20 **SEC. 109. DESIGNATION OF ELKHORN CREEK AS A WILD**  
21 **AND SCENIC RIVER.**

22 Section 3(a) of the Wild and Scenic Rivers Act  
23 (16 U.S.C. 1274(a)) is amended by adding at the end the  
24 following:

1           “( ) (A) ELKHORN CREEK.—The 6.4 mile seg-  
2 ment traversing federally administered lands from that  
3 point along the Willamette National Forest boundary on  
4 the common section line between Sections 12 and 13,  
5 Township 9 South, Range 4 East, Willamette Meridian,  
6 to that point where the segment leaves federal ownership  
7 along the Bureau of Land Management boundary in Sec-  
8 tion 1, Township 9 South, Range 3 East, Willamette Me-  
9 ridian, in the following classes:

10           “(i) a 5.8-mile wild river area, extending from  
11 that point along the Willamette National Forest  
12 boundary on the common section line between Sec-  
13 tions 12 and 13, Township 9 South, Range 4 East,  
14 Willamette Meridian, to its confluence with Buck  
15 Creek in Section 1, Township 9 South, Range 3  
16 East, Willamette Meridian, to be administered as  
17 agreed on by the Secretaries of Agriculture and the  
18 Interior, or as directed by the President; and

19           “(ii) a 0.6-mile scenic river area, extending  
20 from the confluence with Buck Creek in Section 1,  
21 Township 9 South, Range 3 East, Willamette Merid-  
22 ian, to that point where the segment leaves federal  
23 ownership along the Bureau of Land Management  
24 boundary in Section 1, Township 9 South, Range 3  
25 East, Willamette Meridian, to be administered by



1 the Secretary of Interior, or as directed by the  
2 President.

3 “(B) Notwithstanding section 3(b) of this  
4 Act, the lateral boundaries of both the wild  
5 river area and the scenic river area along Elk-  
6 horn Creek shall include an average of not more  
7 than 640 acres per mile measured from the or-  
8 dinary high water mark on both sides of the  
9 river.”

10 **SEC. 110. ECONOMIC DEVELOPMENT.**

11 (a) ECONOMIC DEVELOPMENT PLAN.—As a con-  
12 dition for receiving funding under subsection (b) of this  
13 section, the State of Oregon, in consultation with Marion  
14 County and the Secretary of Agriculture, shall develop a  
15 plan for economic development projects for which grants  
16 under this section may be used in a manner consistent  
17 with this title and to benefit local communities in the vi-  
18 cinity of the Opal Creek area. Such plan shall be based  
19 on an economic opportunity study and other appropriate  
20 information.

21 (b) FUNDS PROVIDED TO THE STATES FOR  
22 GRANTS.—Upon completion of the Opal Creek Manage-  
23 ment Plan, and receipt of the plan referred to in sub-  
24 section (a) of this section, the Secretary shall provide,  
25 subject to appropriations, \$15,000,000, to the State of

1 Oregon. Such funds shall be used to make grants or  
2 loans for economic development projects that further the  
3 purposes of this title and benefit the local communities  
4 in the vicinity of Opal Creek.

5 (c) REPORT.—The State of Oregon shall—

6 (1) prepare and provide the Secretary and Con-  
7 gress with an annual report on the use of the funds  
8 made available under this section;

9 (2) make available to the Secretary and to Con-  
10 gress, upon request, all accounts, financial records,  
11 and other information related to grants and loans  
12 made available pursuant to this section; and

13 (3) as loans are repaid, make additional grants  
14 and loans with the money made available for obliga-  
15 tion by such repayments.

## 16 **TITLE II—UPPER KLAMATH** 17 **BASIN**

### 18 **SEC. 201. UPPER KLAMATH BASIN ECOLOGICAL RESTORA-** 19 **TION PROJECTS.**

20 (a) DEFINITIONS.—In this section:

21 (1) ECOSYSTEM RESTORATION OFFICE.—The  
22 term “Ecosystem Restoration Office” means the  
23 Klamath Basin Ecosystem Restoration Office oper-  
24 ated cooperatively by the United States Fish and

1 Wildlife Service, Bureau of Reclamation, Bureau of  
2 Land Management, and Forest Service.

3 (2) WORKING GROUP.—The term “Working  
4 Group” means the Upper Klamath Basin Working  
5 Group, established before the date of enactment of  
6 this title, consisting of members nominated by their  
7 represented groups, including:

8 (A) 3 tribal members;

9 (B) 1 representative of the city of Klamath  
10 Falls, Oregon;

11 (C) 1 representative of Klamath County,  
12 Oregon;

13 (D) 1 representative of institutions of  
14 higher education in the Upper Klamath Basin;

15 (E) 4 representatives of the environmental  
16 community, including at least one such rep-  
17 resentative from the State of California with in-  
18 terests in the Klamath Basin National Wildlife  
19 Refuge Complex.

20 (F) 4 representatives of local businesses  
21 and industries, including at least one represent-  
22 ative of the wood products industry and one  
23 representative of the ocean commercial fishing  
24 industry and/or recreational fishing industry  
25 based in either Oregon or California;

1 (G) 4 representatives of the ranching and  
2 farming community, including representatives  
3 of Federal lease-land farmers and ranchers and  
4 of private land farmers and ranchers in the  
5 Upper Klamath Basin;

6 (H) 2 representatives from State of Or-  
7 egon agencies with authority and responsibility  
8 in the Klamath River Basin, including one from  
9 the Oregon Department of Fish and Wildlife  
10 and one from the Oregon Water Resources De-  
11 partment;

12 (I) 4 representatives from the local com-  
13 munity;

14 (J) 1 representative each from the follow-  
15 ing Federal resource management agencies in  
16 the Upper Klamath Basin: Fish and Wildlife  
17 Service, Bureau of Reclamation, Bureau of  
18 Land Management, Bureau of Indian Affairs,  
19 Forest Service, Natural Resources Conservation  
20 Service, National Marine Fisheries Service and  
21 Ecosystem Restoration Office; and

22 (K) 1 representative of the Klamath Coun-  
23 ty Soil and Water Conservation District.

24 (3) SECRETARY.—The term “Secretary” means  
25 the Secretary of the Interior.

1           (4) TASK FORCE.—The term “Task Force”  
2 means the Klamath River Basin Fisheries Task  
3 Force as established by the Klamath River Basin  
4 Fishery Resource Restoration Act (Public Law 99–  
5 552, 16 U.S.C. 460ss–3, et seq.).

6           (5) COMPACT COMMISSION.—The term “Com-  
7 pact Commission” means the Klamath River Basin  
8 Compact Commission created pursuant to the Klam-  
9 ath River Compact Act of 1954.

10          (6) CONSENSUS.—The term “consensus” means  
11 an unanimous agreement by the Working Group  
12 members present and consisting of at least a  
13 quorum at a regularly scheduled business meeting.

14          (7) QUORUM.—The term “quorum” means one  
15 more than half of those qualified Working Group  
16 members appointed and eligible to serve.

17          (8) TRINITY TASK FORCE.—The term “Trinity  
18 Task Force” means the Trinity River Restoration  
19 Task Force created by Public Law 98–541, as  
20 amended by Public Law 104–143.

21          (b) IN GENERAL.—

22           (1) The Working Group through the Ecosystem  
23 Restoration Office, with technical assistance from  
24 the Secretary, will propose ecological restoration  
25 projects, economic development and stability

1 projects, and projects designed to reduce the impacts  
2 of drought conditions to be undertaken in the Upper  
3 Klamath Basin based on a consensus of the Working  
4 Group membership.

5 (2) The Secretary shall pay, to the greatest ex-  
6 tent feasible, up to 50 percent of the cost of per-  
7 forming any project approved by the Secretary or his  
8 designee, up to a total amount of \$1,000,000 during  
9 each of fiscal years 1997 through 2001.

10 (3) Funds made available under this title  
11 through the Department of the Interior or the De-  
12 partment of Agriculture shall be distributed through  
13 the Ecosystem Restoration Office.

14 (4) The Ecosystem Restoration Office may uti-  
15 lize not more than 15 percent of all Federal funds  
16 administered under this section for administrative  
17 costs relating to the implementation of this title.

18 (5) All funding recommendations developed by  
19 the Working Group shall be based on a consensus of  
20 Working Group members.

21 (c) COORDINATION.—

22 (1) The Secretary shall formulate a cooperative  
23 agreement among the Working Group, the Task  
24 Force, the Trinity Task Force and the Compact  
25 Commission for the purposes of ensuring that

1 projects proposed and funded through the Working  
2 Group are consistent with other basin-wide fish and  
3 wildlife restoration and conservation plans, including  
4 but not limited to plans developed by the Task Force  
5 and the Compact Commission.

6 (2) To the greatest extent practicable, the  
7 Working Group shall provide notice to, and accept  
8 input from, two members each of the Task Force,  
9 the Trinity Task Force, and the Compact Commis-  
10 sion, so appointed by those entities, for the express  
11 purpose of facilitating better communication and co-  
12 ordination regarding additional basin-wide fish and  
13 wildlife and ecosystem restoration and planning ef-  
14 forts. The roles and relationships of the entities in-  
15 volved shall be clarified in the cooperative agree-  
16 ment.

17 (d) PUBLIC MEETINGS.—The Working Group  
18 shall conduct all meetings subject to applicable open  
19 meeting and public participation laws. The chartering re-  
20 quirements of 5 U.S.C. App 2 ss 1–15 are hereby deemed  
21 to have been met by this section.

22 (e) TERMS AND VACANCIES.—Working Group  
23 members shall serve for 3-year terms, beginning on the  
24 date of enactment of this title. Vacancies which occur for  
25 any reason after the date of enactment of this title shall

1 be filled by direct appointment of the governor of the  
 2 State of Oregon, in consultation with the Secretary of the  
 3 Interior and the Secretary of Agriculture, in accordance  
 4 with nominations from the appropriate groups, interests,  
 5 and government agencies outlined in subsection (a)(2).

6 (f) RIGHTS, DUTIES AND AUTHORITIES UNAFFECTED.—The Working Group will supplement, rather  
 7 than replace, existing efforts to manage the natural re-  
 8 sources of the Klamath Basin. Nothing in this title af-  
 9 fects any legal right, duty or authority of any person or  
 10 agency, including any member of the working group.

12 (g) AUTHORIZATION OF APPROPRIATIONS.—There  
 13 are authorized to be appropriated to carry out this title  
 14 \$1,000,000 for each of fiscal years 1997 through 2002.

## 15 **TITLE III—DESCHUTES BASIN**

### 16 **SEC. 301. DESCHUTES BASIN ECOSYSTEM RESTORATION** 17 **PROJECTS.**

18 (a) DEFINITIONS.—In this section:

19 (1) WORKING GROUP.—The term “Working  
 20 Group” means the Deschutes River Basin Working  
 21 Group established before the date of enactment of  
 22 this title, consisting of members nominated by their  
 23 represented groups, including:

24 (A) 5 representatives of private interests  
 25 including one each from hydroelectric produc-



tion, livestock grazing, timber, land development, and recreation/tourism;

(B) 4 representatives of private interests including two each from irrigated agriculture and the environmental community;

(C) 2 representatives from the Confederated Tribes of the Warm Springs Reservation of Oregon;

(D) 2 representatives from Federal agencies with authority and responsibility in the Deschutes River Basin, including one from the Department of the Interior and one from the Agriculture Department;

(E) 2 representatives from the State of Oregon agencies with authority and responsibility in the Deschutes River Basin, including one from the Oregon Department of Fish and Wildlife and one from the Oregon Water Resources Department; and

(F) 4 representatives from county or city governments within the Deschutes River Basin county and/or city governments.

(2) SECRETARY.—The term “Secretary” means the Secretary of the Interior.

1           (3) FEDERAL AGENCIES.—The term “Federal  
2 agencies” means agencies and departments of the  
3 United States, including, but not limited to, the Bu-  
4 reau of Reclamation, Bureau of Indian Affairs, Bu-  
5 reau of Land Management, Fish and Wildlife Serv-  
6 ice, Forest Service, Natural Resources Conservation  
7 Service, Farm Services Agency, the National Marine  
8 Fisheries Service, and the Bonneville Power Admin-  
9 istration.

10           (4) CONSENSUS.—The term “consensus” means  
11 a unanimous agreement by the Working Group  
12 members present and constituting at least a quorum  
13 at a regularly scheduled business meeting.

14           (5) QUORUM.—The term “quorum” means one  
15 more than half of those qualified Working Group  
16 members appointed and eligible to serve.

17           (b) IN GENERAL.—

18           (1) The Working Group will propose ecological  
19 restoration projects on both Federal and non-Fed-  
20 eral lands and waters to be undertaken in the  
21 Deschutes River Basin based on a consensus of the  
22 Working Group, provided that such projects, when  
23 involving Federal land or funds, shall be proposed to  
24 the Bureau of Reclamation in the Department of the

1 Interior and any other Federal agency with affected  
2 land or funds.

3 (2) The Working Group will accept donations,  
4 grants or other funds and place such funds received  
5 into a trust fund, to be expended on ecological res-  
6 toration projects which, when involving Federal land  
7 or funds, are approved by the affected Federal agen-  
8 cy.

9 (3) The Bureau of Reclamation shall pay from  
10 funds authorized under subsection (h) of this title  
11 up to 50 percent of the cost of performing any  
12 project proposed by the Working Group and ap-  
13 proved by the Secretary, up to a total amount of  
14 \$1,000,000 during each of the fiscal years 1997  
15 through 2001.

16 (4) Non-Federal contributions to project costs  
17 for purposes of computing the Federal matching  
18 share under paragraph (3) of this subsection may  
19 include in-kind contributions.

20 (5) Funds authorized in subsection (h) of this  
21 title shall be maintained in and distributed by the  
22 Bureau of Reclamation in the Department of the In-  
23 terior. The Bureau of Reclamation shall not expend  
24 more than 5 percent of amounts appropriated pursu-

1 ant to subsection (h) for Federal administration of  
2 such appropriations pursuant to this title.

3 (6) The Bureau of Reclamation is authorized to  
4 provide by grant to the Working Group not more  
5 than 5 percent of funds appropriated pursuant to  
6 subsection (h) of this title for not more than 50 per-  
7 cent of administrative costs relating to the imple-  
8 mentation of this title.

9 (7) The Federal agencies with authority and re-  
10 sponsibility in the Deschutes River Basin shall pro-  
11 vide technical assistance to the Working Group and  
12 shall designate representatives to serve as members  
13 of the Working Group.

14 (8) All funding recommendations developed by  
15 the Working Group shall be based on a consensus of  
16 the Working Group members.

17 (c) PUBLIC NOTICE AND PARTICIPATION.—The  
18 Working Group shall conduct all meetings subject to ap-  
19 plicable open meeting and public participation laws. The  
20 chartering requirements of 5 U.S.C. App 2 ss 1–15 are  
21 hereby deemed to have been met by this section.

22 (d) PRIORITIES.—The Working Group shall give  
23 priority to voluntary market-based economic incentives  
24 for ecosystem restoration including, but not limited to,  
25 water leases and purchases; land leases and purchases;

1 tradable discharge permits; and acquisition of timber,  
2 grazing, and land development rights to implement plans,  
3 programs, measures, and projects.

4 (e) TERMS AND VACANCIES.—Members of the  
5 Working Group representing governmental agencies or  
6 entities shall be named by the represented government  
7 agency. Members of the Working Group representing pri-  
8 vate interests shall be named in accordance with the arti-  
9 cles of incorporation and bylaws of the Working Group.  
10 Representatives from Federal agencies will serve for  
11 terms of 3 years. Vacancies which occur for any reason  
12 after the date of enactment of this title shall be filled in  
13 accordance with this title.

14 (f) ADDITIONAL PROJECTS.—Where existing au-  
15 thority and appropriations permit, Federal agencies may  
16 contribute to the implementation of projects rec-  
17 ommended by the Working Group and approved by the  
18 Secretary.

19 (g) RIGHTS, DUTIES AND AUTHORITIES UNAF-  
20 FECTED.—The Working Group will supplement, rather  
21 than replace, existing efforts to manage the natural re-  
22 sources of the Deschutes Basin. Nothing in this title af-  
23 fects any legal right, duty or authority of any person or  
24 agency, including any member of the working group.

1 (h) AUTHORIZATION OF APPROPRIATIONS.—There  
2 are authorized to be appropriated to carry out this title  
3 \$1,000,000 for each of fiscal years 1997 through 2001.

4 **TITLE IV—MOUNT HOOD**  
5 **CORRIDOR**

6 **SEC. 401. LAND EXCHANGE.**

7 (a) AUTHORIZATION.—Notwithstanding any other  
8 law, if Longview Fibre Company (referred to in this sec-  
9 tion as “Longview”) offers and conveys title that is ac-  
10 ceptable to the United States to some or all of the land  
11 described in subsection (b), the Secretary of the Interior  
12 (referred to in this section as the “Secretary”) shall con-  
13 vey to Longview title to some or all of the land described  
14 in subsection (c), as necessary to satisfy the requirements  
15 of subsection (d).

16 (b) LAND TO BE OFFERED BY LONGVIEW.—The  
17 land referred to in subsection (a) as the land to be of-  
18 fered by Longview are those lands depicted on the map  
19 entitled “Mt. Hood Corridor Land Exchange Map”,  
20 dated July 18, 1996.

21 (c) LAND TO BE CONVEYED BY THE SEC-  
22 RETARY.—The land referred to in subsection (a) as the  
23 land to be conveyed by the Secretary are those lands de-  
24 picted on the map entitled “Mt. Hood Corridor Land Ex-  
25 change Map”, dated July 18, 1996.

1           (d) EQUAL VALUE.—The land and interests in  
2 land exchanged under this section shall be of equal mar-  
3 ket value as determined by nationally recognized ap-  
4 praisal standards, including, to the extent appropriate,  
5 the Uniform Standards for Federal Land Acquisition, the  
6 Uniform Standards of Professional Appraisal Practice, or  
7 shall be equalized by way of payment of cash pursuant  
8 to the provisions of section 206(d) of the Federal Land  
9 Policy and Management Act of 1976 (43 U.S.C.  
10 1716(d)), and other applicable law.

11           (e) REDESIGNATION OF LAND TO MAINTAIN REV-  
12 ENUE FLOW.—So as to maintain the current flow of rev-  
13 enue from land subject to the Act entitled “An Act relat-  
14 ing to the revested Oregon and California Railroad and  
15 reconveyed Coos Bay Wagon Road grant land situated in  
16 the State of Oregon”, approved August 28, 1937 (43  
17 U.S.C. 1181a et seq.), the Secretary may redesignate  
18 public domain land located in and west of Range 9 East,  
19 Willamette Meridian, Oregon, as land subject to that Act.

20           (f) TIMETABLE.—The exchange directed by this  
21 section shall be consummated not later than 1 year after  
22 the date of enactment of this title.

23           (g) WITHDRAWAL OF LANDS.—All lands managed  
24 by the Department of the Interior, Bureau of Land Man-  
25 agement, located in Townships 2 and 3 South, Ranges 6

1 and 7 East, Willamette Meridian, which can be seen from  
2 the right-of-way of U.S. Highway 26 (in this section,  
3 such lands are referred to as the “Mt. Hood Corridor  
4 Lands”), shall be managed primarily for the protection  
5 or enhancement of scenic qualities. Management prescrip-  
6 tions for other resource values associated with these  
7 lands shall be planned and conducted for purposes other  
8 than timber harvest, so as not to impair the scenic quali-  
9 ties of the area.

10 (h) TIMBER CUTTING.—Timber cutting may be  
11 conducted on Mt. Hood Corridor Lands following a re-  
12 source-damaging catastrophic event. Such cutting may  
13 only be conducted to achieve the following resource man-  
14 agement objectives, in compliance with the current land  
15 use plans—

16 (1) to maintain safe conditions for the visiting  
17 public;

18 (2) to control the continued spread of forest  
19 fire;

20 (3) for activities related to administration of  
21 the Mt. Hood Corridor Lands; or

22 (4) for removal of hazard trees along trails and  
23 roadways.

24 (i) ROAD CLOSURE.—The forest road gate located  
25 on Forest Service Road 2503, located in T. 2 S., R. 6



1 E., sec. 14, shall remain closed and locked to protect re-  
 2 sources and prevent illegal dumping and vandalism. Ac-  
 3 cess to this road shall be limited to—

4 (1) Federal and State officers and employees  
 5 acting in an official capacity;

6 (2) employees and contractors conducting au-  
 7 thorized activities associated with the telecommuni-  
 8 cation sites located in T. 2 S., R. 6 E., sec. 14; and

9 (3) the general public for recreational purposes,  
 10 except that all motorized vehicles will be prohibited.

11 (j) NEPA EXEMPTION.—The National Environ-  
 12 mental Policy Act of 1969 (P.L. 91–190) shall not apply  
 13 to this section for one year after the date of enactment  
 14 of this title.

15 (k) AUTHORIZATION OF APPROPRIATIONS.—There  
 16 are authorized to be appropriated such sums as are nec-  
 17 essary to carry out this section.

## 18 **TITLE V—COQUILLE TRIBAL** 19 **FOREST**

### 20 **SEC. 501. CREATION OF THE COQUILLE FOREST.**

21 (a) The Coquille Restoration Act (P.L. 101–42) is  
 22 amended by inserting at the end of section 5 the follow-  
 23 ing:

24 “(d) CREATION OF THE COQUILLE FOREST.—

25 “(1) DEFINITIONS.—In this subsection:

1           “(A) the term ‘Coquille Forest’ means cer-  
2           tain lands in Coos County, Oregon, comprising  
3           approximately 5,400 acres, as generally de-  
4           picted on the map entitled ‘Coquille Forest Pro-  
5           posal’, dated July 8, 1996.

6           “(B) the term ‘Secretary’ means the Sec-  
7           retary of the Interior.

8           “(C) the term ‘the Tribe’ means the  
9           Coquille Tribe of Coos County, Oregon.

10          “(2) MAP.—The map described in subpara-  
11          graph (d)(1)(A), and such additional legal descrip-  
12          tions which are applicable, shall be placed on file at  
13          the local District Office of the Bureau of Land Man-  
14          agement, the Agency Office of the Bureau of Indian  
15          Affairs, and with the Senate Committee on Energy  
16          and Natural Resources and the House Committee on  
17          Resources.

18          “(3) INTERIM PERIOD.—From the date of en-  
19          actment of this subsection until two years after the  
20          date of enactment of this subsection, the Bureau of  
21          Land Management shall:

22                 “(A) retain Federal jurisdiction for the  
23                 management of lands designated under this  
24                 subsection as the Coquille Forest and continue

1 to distribute revenues from such lands in a  
2 manner consistent with existing law; and,

3 “(B) prior to advertising, offering or  
4 awarding any timber sale contract on lands des-  
5 ignated under this subsection as the Coquille  
6 Forest, obtain the approval of the Assistant  
7 Secretary for Indian Affairs, acting on behalf of  
8 and in consultation with the Tribe.

9 (4) TRANSITION PLANNING AND DESIGNA-  
10 TION.—

11 “(A) During the two year interim period  
12 provided for in paragraph (3), the Assistant  
13 Secretary for Indian Affairs, acting on behalf of  
14 and in consultation with the Tribe, is author-  
15 ized to initiate development of a forest manage-  
16 ment plan for the Coquille Forest to the Assist-  
17 ant Secretary for Indian Affairs.

18 “(B) Two years after the date of enact-  
19 ment of this subsection, the Secretary shall take  
20 the lands identified under subparagraph  
21 (d)(1)(A) into trust, and shall hold such lands  
22 in trust, in perpetuity, for the Coquille Tribe.  
23 Such lands shall be thereafter designated as the  
24 Coquille Forest.

1           “(C) So as to maintain the current flow of  
2           revenue from land subject to the Act entitled  
3           ‘An Act relating to the revested Oregon and  
4           California Railroad and reconveyed Coos Bay  
5           Wagon Road grant land situated in the State of  
6           Oregon’ (the O&C Act), approved August 28,  
7           1937 (43 U.S.C. 1181a et seq.), the Secretary  
8           shall redesignate, from public domain lands  
9           within the tribe’s service area, as defined in this  
10          Act, certain lands to be subject to the O&C Act.  
11          Lands redesignated under this subparagraph  
12          shall not exceed lands sufficient to constitute  
13          equivalent timber value as compared to lands  
14          constituting the Coquille Forest.

15          “(5) MANAGEMENT.—The Secretary of Interior,  
16          acting through the Assistant Secretary for Indian  
17          Affairs, shall manage the Coquille Forest under ap-  
18          plicable State and Federal forestry and environ-  
19          mental protection laws, and subject to critical habi-  
20          tat designations under the Endangered Species Act,  
21          and subject to the standards and guidelines of Fed-  
22          eral forest plans on adjacent or nearby Federal  
23          lands, now and in the future. The Secretary shall  
24          otherwise manage the Coquille Forest in accordance  
25          with the laws pertaining to the management of In-

1       dian Trust lands and shall distribute revenues in ac-  
2       cord with Public Law 101–630, 25 U.S.C. 3107.

3               “(A) Unprocessed logs harvested from the  
4       Coquille Forest shall be subject to the same  
5       Federal statutory restrictions on export to for-  
6       eign nations that apply to unprocessed logs har-  
7       vested from Federal lands.

8               “(B) Notwithstanding any other provision  
9       of law, all sales of timber from land subject to  
10      this subsection shall be advertised, offered and  
11      awarded according to competitive bidding prac-  
12      tices, with sales being awarded to the highest  
13      responsible bidder.

14              “(6) INDIAN SELF DETERMINATION ACT  
15      AGREEMENT.—No sooner than two years after the  
16      date of enactment of this subsection, the Secretary  
17      may, upon a satisfactory showing of management  
18      competence and pursuant to the Indian Self-Deter-  
19      mination Act (25 U.S.C. 450 et seq.), enter into a  
20      binding Indian self-determination agreement (agree-  
21      ment) with the Coquille Indian Tribe. Such agree-  
22      ment may provide for the tribe to carry out all or  
23      a portion of the forest management for the Coquille  
24      Forest.

1           “(A) Prior to entering such an agreement,  
2           and as a condition of maintaining such an  
3           agreement, the Secretary must find that the  
4           Coquille Tribe has entered into a binding  
5           memorandum of agreement (MOA) with the  
6           State of Oregon, as required under paragraph  
7           7.

8           “(B) The authority of the Secretary to re-  
9           scind the Indian self-determination agreement  
10          shall not be encumbered.

11          “(i) The Secretary shall rescind the  
12          agreement upon a demonstration that the  
13          tribe and the State of Oregon are no  
14          longer engaged in a memorandum of  
15          agreement as required under paragraph 7.

16          “(ii) The Secretary may rescind the  
17          agreement on a showing that the Tribe has  
18          managed the Coquille Forest in a manner  
19          inconsistent with this subsection, or the  
20          Tribe is no longer managing, or capable of  
21          managing, the Coquille Forest in a manner  
22          consistent with this subsection.

23          “(7) MEMORANDUM OF AGREEMENT.—The  
24          Coquille Tribe shall enter into a memorandum of  
25          agreement (MOA) with the State of Oregon relating

1 to the establishment and management of the  
2 Coquille Forest. The MOA shall include, but not be  
3 limited to, the terms and conditions for managing  
4 the Coquille Forest in a manner consistent with  
5 paragraph (5) of this subsection, preserving public  
6 access, advancing jointly-held resource management  
7 goals, achieving tribal restoration objectives and es-  
8 tablishing a coordinated management framework.  
9 Further, provisions set forth in the MOA shall be  
10 consistent with federal trust responsibility require-  
11 ments applicable to Indian trust lands and para-  
12 graph (5) of this subsection.

13 “(8) PUBLIC ACCESS.—The Coquille Forest  
14 shall remain open to public access for purposes of  
15 hunting, fishing, recreation and transportation, ex-  
16 cept when closure is required by state or federal law,  
17 or when the Coquille Indian Tribe and the State of  
18 Oregon agree in writing that restrictions on access  
19 are necessary or appropriate to prevent harm to nat-  
20 ural resources, cultural resources or environmental  
21 quality: *Provided*, That the State of Oregon’s agree-  
22 ment shall not be required when immediate action is  
23 necessary to protect archaeological resources.

24 “(9) JURISDICTION.—

1           “(A) The United States District Court for  
2           the District of Oregon shall have jurisdiction  
3           over actions against the Secretary arising out of  
4           claims that this subsection has been violated.  
5           Consistent with existing precedents on standing  
6           to sue, any affected citizen may bring suit  
7           against the Secretary for violations of this sub-  
8           section, except that suit may not be brought  
9           against the Secretary for claims that the MOA  
10          has been violated. The Court has the authority  
11          to hold unlawful and set aside actions pursuant  
12          to this subsection that are arbitrary and capri-  
13          cious, an abuse of discretion, or otherwise an  
14          abuse of law.

15          “(B) The United States District Court for  
16          the District of Oregon shall have jurisdiction  
17          over actions between the State of Oregon and  
18          the Tribe arising out of claims of breach of the  
19          MOA.

20          “(C) Unless otherwise provided for by law,  
21          remedies available under this subsection shall  
22          be limited to equitable relief and shall not in-  
23          clude damages.

24          “(10) STATE REGULATORY AND CIVIL JURIS-  
25          DICTION.—In addition to the jurisdiction described



1 in paragraph 7 of this subsection, the State of Or-  
2 egon may exercise exclusive regulatory civil jurisdic-  
3 tion, including but not limited to adoption and en-  
4 forcement of administrative rules and orders, over  
5 the following subjects:

6 “(A) management, allocation and adminis-  
7 tration of fish and wildlife resources, including  
8 but not limited to establishment and enforce-  
9 ment of hunting and fishing seasons, bag limits,  
10 limits on equipment and methods, issuance of  
11 permits and licenses, and approval or dis-  
12 approval of hatcheries, game farms, and other  
13 breeding facilities: *Provided*, That nothing here-  
14 in shall be construed to permit the State of Or-  
15 egon to manage fish or wildlife habitat on  
16 Coquille Forest lands;

17 “(B) allocation and administration of  
18 water rights, appropriation of water and use of  
19 water;

20 “(C) regulation of boating activities, in-  
21 cluding equipment and registration require-  
22 ments, and protection of the public’s right to  
23 use the waterways for purposes of boating or  
24 other navigation;

1           “(D) fills and removals from waters of the  
2           State, as defined in Oregon law;

3           “(E) protection and management of the  
4           State’s proprietary interests in the beds and  
5           banks of navigable waterways;

6           “(F) regulation of mining, mine reclama-  
7           tion activities, and exploration and drilling for  
8           oil and gas deposits;

9           “(G) regulation of water quality, air qual-  
10          ity (including smoke management), solid and  
11          hazardous waste, and remediation of releases of  
12          hazardous substances;

13          “(H) regulation of the use of herbicides  
14          and pesticides; and

15          “(I) enforcement of public health and safe-  
16          ty standards, including standards for the pro-  
17          tection of workers, well construction and codes  
18          governing the construction of bridges, buildings,  
19          and other structures.

20          “(11) SAVINGS CLAUSE, STATE AUTHORITY.—

21                 “(A) Nothing in this subsection shall be  
22                 construed to grant tribal authority over private  
23                 or State-owned lands.

24                 “(B) To the extent that the State of Or-  
25                 egon is regulating the foregoing areas pursuant

1 to a delegated Federal authority or a Federal  
2 program, nothing in this subsection shall be  
3 construed to enlarge or diminish the State's au-  
4 thority under such law.

5 “(C) Where both the State of Oregon and  
6 the United States are regulating, nothing here-  
7 in shall be construed to alter their respective  
8 authorities.

9 “(D) To the extent that Federal law au-  
10 thorizes the Coquille Indian Tribe to assume  
11 regulatory authority over an area, nothing here-  
12 in shall be construed to enlarge or diminish the  
13 tribe's authority to do so under such law.

14 “(E) Unless and except to the extent that  
15 the tribe has assumed jurisdiction over the  
16 Coquille Forest pursuant to Federal law, or  
17 otherwise with the consent of the State, the  
18 State of Oregon shall have jurisdiction and au-  
19 thority to enforce its laws addressing the sub-  
20 jects listed in subparagraph 10 of this sub-  
21 section on the Coquille Forest against the  
22 Coquille Indian Tribe, its members and all  
23 other persons and entities, in the same manner  
24 and with the same remedies and protections  
25 and appeal rights as otherwise provided by gen-

1           eral Oregon law. Where the State of Oregon  
2           and Coquille Indian Tribe agree regarding the  
3           exercise of tribal civil regulatory jurisdiction  
4           over activities on the Coquille Forest lands, the  
5           tribe may exercise such jurisdiction as it agreed  
6           upon.

7           “(12) In the event of a conflict between Federal  
8           and State law under this subsection, Federal law  
9           shall control.”.

## 10           **TITLE VI—BULL RUN** 11           **WATERSHED PROTECTION**

12           SEC. 601. The first sentence of section 2(a) of  
13           Public Law 95–200 is amended after “referred to in this  
14           subsection (a)” by striking “2(b)” and inserting in lieu  
15           thereof “2(c)”.

16           SEC. 602. The first sentence of section 2(b) of  
17           Public Law 95–200 is amended after “the policy set  
18           forth in subsection (a)” by inserting “and (b)”.

19           SEC. 603. Section 2(b) of Public Law 95–200 is  
20           redesignated as “2(c)”.

21           SEC. 604 (a) Public Law 95–200 is amended by  
22           adding a new subsection 2(b) immediately after sub-  
23           section 2(a), as follows:

24           “(b) TIMBER CUTTING.—

1           (1) IN GENERAL.—Subject to paragraph (2),  
2       the Secretary of Agriculture shall prohibit the cut-  
3       ting of trees in that part of the unit consisting of  
4       the hydrographic boundary of the Bull Run River  
5       Drainage, including certain lands within the unit  
6       and located below the headworks of the city of Port-  
7       land, Oregon’s water storage and delivery project,  
8       and as depicted in a map dated July 22, 1996 and  
9       entitled “Bull Run River Drainage”.

10           (2) PERMITTED CUTTING.—

11           (A) IN GENERAL.—Subject to subpara-  
12       graph (B), the Secretary of Agriculture shall  
13       prohibit the cutting of trees in the area de-  
14       scribed in paragraph (1).

15           (B) PERMITTED CUTTING.—Subject to  
16       subparagraph (C), the Secretary may only allow  
17       the cutting of trees in the area described in  
18       paragraph (1)—

19           (i) for the protection or enhancement  
20       of water quality in the area described in  
21       paragraph (1); or

22           (ii) for the protection, enhancement,  
23       or maintenance of water quantity available  
24       from the area described in paragraph (1);  
25       or

1 (iii) for the construction, expansion,  
2 protection or maintenance of municipal  
3 water supply facilities; or

4 (iv) for the construction, expansion,  
5 protection or maintenance of facilities for  
6 the transmission of energy through and  
7 over the unit or previously authorized hy-  
8 droelectric facilities or hydroelectric  
9 projects associated with municipal water  
10 supply facilities.

11 (C) SALVAGE SALES.—The Secretary of  
12 Agriculture may not authorize a salvage sale in  
13 the area described in paragraph (1).”

14 (b) Redesignate subsequent subsections of Public  
15 Law 95–200 accordingly.

16 **SEC. 605. REPORT TO CONGRESS.**

17 (a) The Secretary of Agriculture shall, in con-  
18 sultation with the city of Portland and other affected  
19 parties, undertake a study of that part of the Little  
20 Sandy Watershed that is within the unit (hereinafter re-  
21 ferred to as the “study area”), as depicted on the map  
22 described in section 604 of this title.

23 (b) The study referred to in (a) shall determine—

1           (1) the impact of management activities within  
2           the study area on the quality of drinking water pro-  
3           vided to the Portland Metropolitan area;

4           (2) the identify and location of certain ecologi-  
5           cal features within the study area, including late  
6           successional forest characteristics, aquatic and ter-  
7           restrial wildlife habitat, significant hydrological val-  
8           ues, or other outstanding natural features; and

9           (3) the location and extent of any significant  
10          cultural or other values within the study area.

11          (c) The study referred to in subsection (a) shall  
12          include both legislative and regulatory recommendations  
13          to Congress on the future management of the study area.  
14          In formulating such recommendations, the Secretary  
15          shall consult with the city of Portland and other affected  
16          parties.

17          (d) To the greatest extent possible, the Secretary  
18          shall use existing data and processes to carry out this  
19          study and report.

20          (e) The study referred to in subsection (a) shall  
21          be submitted to the Senate Committees on Energy and  
22          Natural Resources and Agriculture and the House Com-  
23          mittees on Resources and Agriculture not later than one  
24          year from the date of enactment of this section.

1           (f) The Secretary is prohibited from advertising,  
2 offering or awarding any timber sale within the study  
3 area for a period of two years after the date of enactment  
4 of this section.

5           (g) Nothing in this section shall in any way affect  
6 any State or Federal law governing appropriation, use of  
7 or Federal right to water on flowing through National  
8 Forest System lands. Nothing in this section is intended  
9 to influence the relative strength of competing claims to  
10 the waters of the Little Sandy River. Nothing in this sec-  
11 tion shall be construed to expand or diminish Federal,  
12 State, or local jurisdiction, responsibility, interests, or  
13 rights in water resources development or control, includ-  
14 ing rights in and current uses of water resources in the  
15 unit.

16           SEC. 606. Lands within the Bull Run Manage-  
17 ment Unit, as defined in Public Law 95–200, but not  
18 contained within the Bull Run River Drainage, as defined  
19 by this title and as depicted on the map dated July 1996  
20 described in Section 604 of this title, shall continue to be  
21 managed in accordance with Public Law 95–200.



1       **TITLE VII—OREGON ISLANDS**  
2       **WILDERNESS, ADDITIONS**

3       **SEC. 701. OREGON ISLANDS WILDERNESS, ADDITIONS.**

4           (a) In furtherance of the purposes of the Wilder-  
5 ness Act of 1964, certain lands within the boundaries of  
6 the Oregon Islands National Wildlife Refuge, Oregon,  
7 comprising approximately ninety-five acres and as gen-  
8 erally depicted on a map entitled “Oregon Island Wilder-  
9 ness Additions—Proposed” dated August 1996, are here-  
10 by designated as wilderness. The map shall be on file and  
11 available for public inspection in the offices of the Fish  
12 and Wildlife Service, Department of the Interior.

13          (b) All other federally owned named, unnamed,  
14 surveyed and unsurveyed rocks, reefs, islets and islands  
15 lying within three geographic miles off the coast of Or-  
16 egon and above mean high tide, not currently designated  
17 as wilderness and also within the Oregon Islands Na-  
18 tional Wildlife Refuge boundaries under the administra-  
19 tion of the United States Fish and Wildlife Service, De-  
20 partment of the Interior, as designated by Executive  
21 Order 7035, Proclamation 2416, Public Land Orders  
22 4395, 4475 and 6287, and Public Laws 91–504 and 95–  
23 450, are hereby designated as wilderness.

24          (c) All federally owned named, unnamed, surveyed  
25 and unsurveyed rocks, reefs, islets and islands lying with-

1 in three geographic miles off the coast of Oregon and  
2 above mean high tide, and presently under the jurisdic-  
3 tion of the Bureau of Land Management, except Chiefs  
4 Island, are hereby designated as wilderness, shall become  
5 part of the Oregon Islands National Wildlife Refuge and  
6 the Oregon Island Wilderness and shall be under the ju-  
7 risdiction of the United States Fish and Wildlife Service,  
8 Department of the Interior.

9           (d) As soon as practicable after this title takes ef-  
10 fect, a map of the wilderness area and a description of  
11 its boundaries shall be filed with the Senate Committee  
12 on Energy and Natural Resources and the House Com-  
13 mittee on Resources, and such map shall have the same  
14 force and effect as if included in this title: *Provided how-*  
15 *ever*, That correcting clerical and typographical errors in  
16 the map and land descriptions may be made.

17           (e) Public Land Order 6287 of June 16, 1982,  
18 which withdrew certain rocks, reefs, islets and islands  
19 lying within three geographical miles off the coast of Or-  
20 egon and above mean high tide, including the ninety-five  
21 acres described in subsection (a), as an addition to the  
22 Oregon Islands National Wildlife Refuge is hereby made  
23 permanent.

**TITLE VIII—UMPQUA RIVER  
LAND EXCHANGE STUDY**

**SEC. 801. UMPQUA RIVER LAND EXCHANGE STUDY: POLICY  
AND DIRECTION.**

(a) IN GENERAL.—The Secretaries of the Interior and Agriculture (Secretaries) are hereby authorized and directed to consult, coordinate, and cooperate with the Umpqua Land Exchange Project (ULEP), affected units and agencies of State and local government, and, as appropriate, the World Forestry Center and National Fish and Wildlife Foundation, to assist ULEP's ongoing efforts in studying and analyzing land exchange opportunities in the Umpqua River Basin and to provide scientific, technical, research, mapping and other assistance and information to such entities. Such consultation, coordination, and cooperation shall at a minimum include, but not be limited to:

(1) working with ULEP to develop or assemble comprehensive scientific and other information (including comprehensive and integrated mapping) concerning the Umpqua River Basin's resources of forest, plants, wildlife, fisheries (anadromous and other), recreational opportunities, wetlands, riparian habitat, and other physical or natural resources;

1           (2) working with ULEP to identify general or  
2       specific areas within the basin where land exchanges  
3       could promote consolidation of forestland ownership  
4       for long-term, sustained timber production; protec-  
5       tion and restoration of habitat for plants, fish, and  
6       wildlife (including any federally listed threatened or  
7       endangered species); protection of drinking water  
8       supplies; recovery of threatened and endangered spe-  
9       cies; protection and restoration of wetlands, riparian  
10      lands, and other environmentally sensitive areas;  
11      consolidation of land ownership for improved public  
12      access and a broad array of recreational uses; and  
13      consolidation of land ownership to achieve manage-  
14      ment efficiency and reduced costs of administration;  
15      and

16           (3) developing a joint report for submission to  
17      the Congress which discusses land exchange oppor-  
18      tunities in the basin and outlines either a specific  
19      land exchange proposal or proposals which may  
20      merit consideration by the Secretaries or the Con-  
21      gress, or ideas and recommendations for new au-  
22      thorizations, direction, or changes in existing law or  
23      policy to expedite and facilitate the consummation of  
24      beneficial land exchanges in the basin via adminis-  
25      trative means.

1           (b) MATTERS FOR SPECIFIC STUDY.—In analyz-  
2 ing land exchange opportunities with ULEP, the Sec-  
3 retaries shall give priority to assisting ULEP’s ongoing  
4 efforts in:

5           (1) studying, identifying, and mapping areas  
6 where the consolidation of land ownership via land  
7 exchanges could promote the goals of long term spe-  
8 cies and watershed protection and utilization, includ-  
9 ing but not limited to the goals of the Endangered  
10 Species Act of 1973 more effectively than current  
11 land ownership patterns and whether any changes in  
12 law or policy applicable to such lands after con-  
13 summation of an exchange would be advisable or  
14 necessary to achieve such goals;

15           (2) studying, identifying and mapping areas  
16 where land exchanges might be utilized to better sat-  
17 isfy the goals of sustainable timber harvest, includ-  
18 ing studying whether changes in existing law or pol-  
19 icy applicable to such lands after consummation of  
20 an exchange would be advisable or necessary to  
21 achieve such goals;

22           (3) identifying issues and studying options and  
23 alternatives, including possible changes in existing  
24 law or policy, to insure that combined post-exchange  
25 revenues to units of local government from State

1 and local property, severance, and other taxes or lev-  
2 ies and shared Federal land receipts will approxi-  
3 mate pre-exchange revenues;

4 (4) identifying issues and studying whether pos-  
5 sible changes in law, special appraisal instruction, or  
6 changes in certain Federal appraisal procedures  
7 might be advisable or necessary to facilitate the ap-  
8 praisal of potential exchange lands which may have  
9 special characteristics or restrictions affecting land  
10 values;

11 (5) identifying issues and studying options and  
12 alternatives, including changes in existing laws or  
13 policy, for achieving land exchanges without reduc-  
14 ing the net supply of timber available to small busi-  
15 nesses;

16 (6) identifying, mapping, and recommending  
17 potential changes in land use plans, land classifica-  
18 tions, or other actions which might be advisable or  
19 necessary to expedite, facilitate or consummate land  
20 exchanges in certain areas;

21 (7) analyzing potential sources for new or en-  
22 hanced Federal, State, or other funding to promote  
23 improved resource protection, species recovery, and  
24 management in the basin; and

1           (8) identifying and analyzing whether increased  
2           efficiency and better land and resource management  
3           could occur through either consolidation of Federal  
4           forest management under one agency or exchange  
5           lands between the Forest Service and the Bureau of  
6           Land Management.

7   **SEC. 802. REPORT TO CONGRESS.**

8           No later than February 1, 1998, ULEP and the  
9   Secretaries shall submit a joint report to the Committee  
10 on Resources of the United States House of Representa-  
11 tives and to the Committee on Energy and Natural Re-  
12 sources of the United States Senate concerning their  
13 studies, findings, recommendations, mapping and other  
14 activities conducted pursuant to this title.

15   **SEC. 803. AUTHORIZATION OF APPROPRIATIONS.**

16           In furtherance of the purposes of this title, there  
17 is hereby authorized to be appropriated the sum of \$2  
18 million, to remain available until expended.

1 **DIVISION C—ILLEGAL IMMIGRA-**  
2 **TION REFORM AND IMMI-**  
3 **GRANT RESPONSIBILITY ACT**  
4 **OF 1996**

5 **SEC. 1. SHORT TITLE OF DIVISION; AMENDMENTS TO IMMI-**  
6 **GRATION AND NATIONALITY ACT; APPLICA-**  
7 **TION OF DEFINITIONS OF SUCH ACT; TABLE**  
8 **OF CONTENTS OF DIVISION; SEVERABILITY.**

9 (a) SHORT TITLE.—This division may be cited as the  
10 “Illegal Immigration Reform and Immigrant Responsibil-  
11 ity Act of 1996”.

12 (b) AMENDMENTS TO IMMIGRATION AND NATIONAL-  
13 ITY ACT.—Except as otherwise specifically provided—

14 (1) whenever in this division an amendment or  
15 repeal is expressed as the amendment or repeal of  
16 a section or other provision, the reference shall be  
17 considered to be made to that section or provision in  
18 the Immigration and Nationality Act; and

19 (2) amendments to a section or other provision  
20 are to such section or other provision before any  
21 amendment made to such section or other provision  
22 elsewhere in this division.

23 (c) APPLICATION OF CERTAIN DEFINITIONS.—Ex-  
24 cept as otherwise specifically provided in this division, for  
25 purposes of titles I and VI of this division, the terms



1 “alien”, “Attorney General”, “border crossing identifica-  
 2 tion card”, “entry”, “immigrant”, “immigrant visa”,  
 3 “lawfully admitted for permanent residence”, “national”,  
 4 “naturalization”, “refugee”, “State”, and “United  
 5 States” shall have the meaning given such terms in section  
 6 101(a) of the Immigration and Nationality Act.

7 (d) TABLE OF CONTENTS OF DIVISION.—The table  
 8 of contents of this division is as follows:

Sec. 1. Short title of division; amendments to Immigration and Nationality Act;  
 application of definitions of such Act; table of contents of divi-  
 sion; severability.

#### TITLE I—IMPROVEMENTS TO BORDER CONTROL, FACILITATION OF LEGAL ENTRY, AND INTERIOR ENFORCEMENT

##### Subtitle A—Improved Enforcement at the Border

Sec. 101. Border patrol agents and support personnel.  
 Sec. 102. Improvement of barriers at border.  
 Sec. 103. Improved border equipment and technology.  
 Sec. 104. Improvement in border crossing identification card.  
 Sec. 105. Civil penalties for illegal entry.  
 Sec. 106. Hiring and training standards.  
 Sec. 107. Report on border strategy.  
 Sec. 108. Criminal penalties for high speed flights from immigration check-  
 points.  
 Sec. 109. Joint study of automated data collection.  
 Sec. 110. Automated entry-exit control system.  
 Sec. 111. Submission of final plan on realignment of border patrol positions  
 from interior stations.  
 Sec. 112. Nationwide fingerprinting of apprehended aliens.

##### Subtitle B—Facilitation of Legal Entry

Sec. 121. Land border inspectors.  
 Sec. 122. Land border inspection and automated permit pilot projects.  
 Sec. 123. Preinspection at foreign airports.  
 Sec. 124. Training of airline personnel in detection of fraudulent documents.  
 Sec. 125. Preclearance authority.

##### Subtitle C—Interior Enforcement

Sec. 131. Authorization of appropriations for increase in number of certain in-  
 vestigators.  
 Sec. 132. Authorization of appropriations for increase in number of investiga-  
 tors of visa overstayers.  
 Sec. 133. Acceptance of State services to carry out immigration enforcement.  
 Sec. 134. Minimum State INS presence.

TITLE II—ENHANCED ENFORCEMENT AND PENALTIES AGAINST  
ALIEN SMUGGLING; DOCUMENT FRAUD

Subtitle A—Enhanced Enforcement and Penalties Against Alien Smuggling

- Sec. 201. Wiretap authority for investigations of alien smuggling or document fraud.
- Sec. 202. Racketeering offenses relating to alien smuggling.
- Sec. 203. Increased criminal penalties for alien smuggling.
- Sec. 204. Increased number of assistant United States Attorneys.
- Sec. 205. Undercover investigation authority.

Subtitle B—Deterrence of Document Fraud

- Sec. 211. Increased criminal penalties for fraudulent use of government-issued documents.
- Sec. 212. New document fraud offenses; new civil penalties for document fraud.
- Sec. 213. New criminal penalty for failure to disclose role as preparer of false application for immigration benefits.
- Sec. 214. Criminal penalty for knowingly presenting document which fails to contain reasonable basis in law or fact.
- Sec. 215. Criminal penalty for false claim to citizenship.
- Sec. 216. Criminal penalty for voting by aliens in Federal election.
- Sec. 217. Criminal forfeiture for passport and visa related offenses.
- Sec. 218. Penalties for involuntary servitude.
- Sec. 219. Admissibility of videotaped witness testimony.
- Sec. 220. Subpoena authority in document fraud enforcement.

TITLE III—INSPECTION, APPREHENSION, DETENTION, ADJUDICATION,  
AND REMOVAL OF INADMISSIBLE AND DEPORTABLE  
ALIENS

Subtitle A—Revision of Procedures for Removal of Aliens

- Sec. 301. Treating persons present in the United States without authorization as not admitted.
- Sec. 302. Inspection of aliens; expedited removal of inadmissible arriving aliens; referral for hearing (revised section 235).
- Sec. 303. Apprehension and detention of aliens not lawfully in the United States (revised section 236).
- Sec. 304. Removal proceedings; cancellation of removal and adjustment of status; voluntary departure (revised and new sections 239 to 240C).
- Sec. 305. Detention and removal of aliens ordered removed (new section 241).
- Sec. 306. Appeals from orders of removal (new section 242).
- Sec. 307. Penalties relating to removal (revised section 243).
- Sec. 308. Redesignation and reorganization of other provisions; additional conforming amendments.
- Sec. 309. Effective dates; transition.

Subtitle B—Criminal Alien Provisions

- Sec. 321. Amended definition of aggravated felony.
- Sec. 322. Definition of conviction and term of imprisonment.
- Sec. 323. Authorizing registration of aliens on criminal probation or criminal parole.
- Sec. 324. Penalty for reentry of deported aliens.

- Sec. 325. Change in filing requirement.
- Sec. 326. Criminal alien identification system.
- Sec. 327. Appropriations for criminal alien tracking center.
- Sec. 328. Provisions relating to State criminal alien assistance program.
- Sec. 329. Demonstration project for identification of illegal aliens in incarceration facility of Anaheim, California.
- Sec. 330. Prisoner transfer treaties.
- Sec. 331. Prisoner transfer treaties study.
- Sec. 332. Annual report on criminal aliens.
- Sec. 333. Penalties for conspiring with or assisting an alien to commit an offense under the Controlled Substances Import and Export Act.
- Sec. 334. Enhanced penalties for failure to depart, illegal reentry, and passport and visa fraud.

#### Subtitle C—Revision of Grounds for Exclusion and Deportation

- Sec. 341. Proof of vaccination requirement for immigrants.
- Sec. 342. Incitement of terrorist activity and provision of false documentation to terrorists as a basis for exclusion from the United States.
- Sec. 343. Certification requirements for foreign health-care workers.
- Sec. 344. Removal of aliens falsely claiming United States citizenship.
- Sec. 345. Waiver of exclusion and deportation ground for certain section 274C violators.
- Sec. 346. Inadmissibility of certain student visa abusers.
- Sec. 347. Removal of aliens who have unlawfully voted.
- Sec. 348. Waivers for immigrants convicted of crimes.
- Sec. 349. Waiver of misrepresentation ground of inadmissibility for certain alien.
- Sec. 350. Offenses of domestic violence and stalking as ground for deportation.
- Sec. 351. Clarification of date as of which relationship required for waiver from exclusion or deportation for smuggling.
- Sec. 352. Exclusion of former citizens who renounced citizenship to avoid United States taxation.
- Sec. 353. References to changes elsewhere in division.

#### Subtitle D—Changes in Removal of Alien Terrorist Provisions

- Sec. 354. Treatment of classified information.
- Sec. 355. Exclusion of representatives of terrorist organizations.
- Sec. 356. Standard for judicial review of terrorist organization designations.
- Sec. 357. Removal of ancillary relief for voluntary departure.
- Sec. 358. Effective date.

#### Subtitle E—Transportation of Aliens

- Sec. 361. Definition of stowaway.
- Sec. 362. Transportation contracts.

#### Subtitle F—Additional Provisions

- Sec. 371. Immigration judges and compensation.
- Sec. 372. Delegation of immigration enforcement authority.
- Sec. 373. Powers and duties of the Attorney General and the Commissioner.
- Sec. 374. Judicial deportation.
- Sec. 375. Limitation on adjustment of status.
- Sec. 376. Treatment of certain fees.
- Sec. 377. Limitation on legalization litigation.

- Sec. 378. Rescission of lawful permanent resident status.
- Sec. 379. Administrative review of orders.
- Sec. 380. Civil penalties for failure to depart.
- Sec. 381. Clarification of district court jurisdiction.
- Sec. 382. Application of additional civil penalties to enforcement.
- Sec. 383. Exclusion of certain aliens from family unity program.
- Sec. 384. Penalties for disclosure of information.
- Sec. 385. Authorization of additional funds for removal of aliens.
- Sec. 386. Increase in INS detention facilities; report on detention space.
- Sec. 387. Pilot program on use of closed military bases for the detention of inadmissible or deportable aliens.
- Sec. 388. Report on interior repatriation program.

#### TITLE IV—ENFORCEMENT OF RESTRICTIONS AGAINST EMPLOYMENT

##### Subtitle A—Pilot Programs for Employment Eligibility Confirmation

- Sec. 401. Establishment of programs.
- Sec. 402. Voluntary election to participate in a pilot program.
- Sec. 403. Procedures for participants in pilot programs.
- Sec. 404. Employment eligibility confirmation system.
- Sec. 405. Reports.

##### Subtitle B—Other Provisions Relating to Employer Sanctions

- Sec. 411. Limiting liability for certain technical violations of paperwork requirements.
- Sec. 412. Paperwork and other changes in the employer sanctions program.
- Sec. 413. Report on additional authority or resources needed for enforcement of employer sanctions provisions.
- Sec. 414. Reports on earnings of aliens not authorized to work.
- Sec. 415. Authorizing maintenance of certain information on aliens.
- Sec. 416. Subpoena authority.

##### Subtitle C—Unfair Immigration-Related Employment Practices

- Sec. 421. Treatment of certain documentary practices as unfair immigration-related employment practices.

#### TITLE V—RESTRICTIONS ON BENEFITS FOR ALIENS

##### Subtitle A—Eligibility of Aliens for Public Assistance and Benefits

- Sec. 501. Exception to ineligibility for public benefits for certain battered aliens.
- Sec. 502. Pilot programs on limiting issuance of driver's licenses to illegal aliens.
- Sec. 503. Ineligibility of aliens not lawfully present for Social Security benefits.
- Sec. 504. Procedures for requiring proof of citizenship for Federal public benefits.
- Sec. 505. Limitation on eligibility for preferential treatment of aliens not lawfully present on basis of residence for higher education benefits.
- Sec. 506. Study and report on alien student eligibility for postsecondary Federal student financial assistance.

- Sec. 507. Verification of immigration status for purposes of Social Security and higher educational assistance.
- Sec. 508. No verification requirement for nonprofit charitable organizations.
- Sec. 509. GAO study of provision of means-tested public benefits to aliens who are not qualified aliens on behalf of eligible individuals.
- Sec. 510. Transition for aliens currently receiving benefits under the Food Stamp program.

#### Subtitle B—Public Charge Exclusion

- Sec. 531. Ground for exclusion.

#### Subtitle C—Affidavits of Support

- Sec. 551. Requirements for sponsor's affidavit of support.
- Sec. 552. Indigence and battered spouse and child exceptions to Federal attribution of income rule.
- Sec. 553. Authority of States and political subdivisions of States to limit assistance to aliens and to distinguish among classes of aliens in providing general cash public assistance.

#### Subtitle D—Miscellaneous Provisions

- Sec. 561. Increased maximum criminal penalties for forging or counterfeiting seal of a Federal department or agency to facilitate benefit fraud by an unlawful alien.
- Sec. 562. Treatment of expenses subject to emergency medical services exception.
- Sec. 563. Reimbursement of States and localities for emergency ambulance services.
- Sec. 564. Pilot programs to require bonding.
- Sec. 565. Reports.

#### Subtitle E—Housing Assistance

- Sec. 571. Short title.
- Sec. 572. Prorating of financial assistance.
- Sec. 573. Actions in cases of termination of financial assistance.
- Sec. 574. Verification of immigration status and eligibility for financial assistance.
- Sec. 575. Prohibition of sanctions against entities making financial assistance eligibility determinations.
- Sec. 576. Eligibility for public and assisted housing.
- Sec. 577. Regulations.

#### Subtitle F—General Provisions

- Sec. 591. Effective dates.
- Sec. 592. Not applicable to foreign assistance.
- Sec. 593. Notification.
- Sec. 594. Definitions.

### TITLE VI—MISCELLANEOUS PROVISIONS

#### Subtitle A—Refugees, Parole, and Asylum

- Sec. 601. Persecution for resistance to coercive population control methods.
- Sec. 602. Limitation on use of parole.

- Sec. 603. Treatment of long-term parolees in applying worldwide numerical limitations.
- Sec. 604. Asylum reform.
- Sec. 605. Increase in asylum officers.
- Sec. 606. Conditional repeal of Cuban Adjustment Act.

Subtitle B—Miscellaneous Amendments to the Immigration and Nationality Act

- Sec. 621. Alien witness cooperation.
- Sec. 622. Waiver of foreign country residence requirement with respect to international medical graduates.
- Sec. 623. Use of legalization and special agricultural worker information.
- Sec. 624. Continued validity of labor certifications and classification petitions for professional athletes.
- Sec. 625. Foreign students.
- Sec. 626. Services to family members of certain officers and agents killed in the line of duty.

Subtitle C—Provisions Relating to Visa Processing and Consular Efficiency

- Sec. 631. Validity of period of visas.
- Sec. 632. Elimination of consulate shopping for visa overstays.
- Sec. 633. Authority to determine visa processing procedures.
- Sec. 634. Changes regarding visa application process.
- Sec. 635. Visa waiver program.
- Sec. 636. Fee for diversity immigrant lottery.
- Sec. 637. Eligibility for visas for certain Polish applicants for the 1995 diversity immigrant program.

Subtitle D—Other Provisions

- Sec. 641. Program to collect information relating to nonimmigrant foreign students.
- Sec. 642. Communication between government agencies and the Immigration and Naturalization Service.
- Sec. 643. Regulations regarding habitual residence.
- Sec. 644. Information regarding female genital mutilation.
- Sec. 645. Criminalization of female genital mutilation.
- Sec. 646. Adjustment of status for certain Polish and Hungarian parolees.
- Sec. 647. Support of demonstration projects.
- Sec. 648. Sense of Congress regarding American-made products; requirements regarding notice.
- Sec. 649. Vessel movement controls during immigration emergency.
- Sec. 650. Review of practices of testing entities.
- Sec. 651. Designation of a United States customs administrative building.
- Sec. 652. Mail-order bride business.
- Sec. 653. Review and report on H-2A nonimmigrant workers program.
- Sec. 654. Report on allegations of harassment by Canadian customs agents.
- Sec. 655. Sense of Congress on discriminatory application of New Brunswick provincial sales tax.
- Sec. 656. Improvements in identification-related documents.
- Sec. 657. Development of prototype of counterfeit-resistant Social Security card.
- Sec. 658. Border Patrol Museum.

Sec. 659. Sense of the Congress regarding the mission of the Immigration and Naturalization Service.

Sec. 660. Authority for National Guard to assist in transportation of certain aliens.

Subtitle E—Technical Corrections

Sec. 671. Miscellaneous technical corrections.

1 (e) SEVERABILITY.—If any provision of this division  
2 or the application of such provision to any person or cir-  
3 cumstances is held to be unconstitutional, the remainder  
4 of this division and the application of the provisions of  
5 this division to any person or circumstance shall not be  
6 affected thereby.

7 **TITLE I—IMPROVEMENTS TO**  
8 **BORDER CONTROL, FACILITA-**  
9 **TION OF LEGAL ENTRY, AND**  
10 **INTERIOR ENFORCEMENT**

11 **Subtitle A—Improved Enforcement**  
12 **at the Border**

13 **SEC. 101. BORDER PATROL AGENTS AND SUPPORT PER-**  
14 **SONNEL.**

15 (a) INCREASED NUMBER OF BORDER PATROL  
16 AGENTS.—The Attorney General in each of fiscal years  
17 1997, 1998, 1999, 2000, and 2001 shall increase by not  
18 less than 1,000 the number of positions for full-time, ac-  
19 tive-duty border patrol agents within the Immigration and  
20 Naturalization Service above the number of such positions  
21 for which funds were allotted for the preceding fiscal year.

1       (b) INCREASE IN BORDER PATROL SUPPORT PER-  
2   SONNEL.—The Attorney General, in each of fiscal years  
3   1997, 1998, 1999, 2000, and 2001, may increase by 300  
4   the number of positions for personnel in support of border  
5   patrol agents above the number of such positions for which  
6   funds were allotted for the preceding fiscal year.

7       (c) DEPLOYMENT OF BORDER PATROL AGENTS.—  
8   The Attorney General shall, to the maximum extent prac-  
9   ticable, ensure that additional border patrol agents shall  
10  be deployed among Immigration and Naturalization Serv-  
11  ice sectors along the border in proportion to the level of  
12  illegal crossing of the borders of the United States meas-  
13  ured in each sector during the preceding fiscal year and  
14  reasonably anticipated in the next fiscal year.

15       (d) FORWARD DEPLOYMENT.—

16           (1) IN GENERAL.—The Attorney General shall  
17       forward deploy existing border patrol agents in those  
18       areas of the border identified as areas of high illegal  
19       entry into the United States in order to provide a  
20       uniform and visible deterrent to illegal entry on a  
21       continuing basis. The previous sentence shall not  
22       apply to border patrol agents located at checkpoints.

23           (2) PRESERVATION OF LAW ENFORCEMENT  
24       FUNCTIONS AND CAPABILITIES IN INTERIOR  
25       STATES.—The Attorney General shall, when deploy-



1       ing border patrol personnel from interior stations to  
2       border stations, coordinate with, and act in conjunc-  
3       tion with, State and local law enforcement agencies  
4       to ensure that such deployment does not degrade or  
5       compromise the law enforcement capabilities and  
6       functions currently performed at interior border pa-  
7       trol stations.

8               (3) REPORT.—Not later than 6 months after  
9       the date of the enactment of this Act, the Attorney  
10      General shall submit to the Committees on the Judi-  
11      ciary of the House of Representatives and of the  
12      Senate a report on—

13                   (A) the progress and effectiveness of the  
14                   forward deployment under paragraph (1); and

15                   (B) the measures taken to comply with  
16                   paragraph (2).

17   **SEC. 102. IMPROVEMENT OF BARRIERS AT BORDER.**

18       (a) IN GENERAL.—The Attorney General, in con-  
19      sultation with the Commissioner of Immigration and Nat-  
20      uralization, shall take such actions as may be necessary  
21      to install additional physical barriers and roads (including  
22      the removal of obstacles to detection of illegal entrants)  
23      in the vicinity of the United States border to deter illegal  
24      crossings in areas of high illegal entry into the United  
25      States.

1 (b) CONSTRUCTION OF FENCING AND ROAD IM-  
2 PROVEMENTS IN THE BORDER AREA NEAR SAN DIEGO,  
3 CALIFORNIA.—

4 (1) IN GENERAL.—In carrying out subsection  
5 (a), the Attorney General shall provide for the con-  
6 struction along the 14 miles of the international  
7 land border of the United States, starting at the Pa-  
8 cific Ocean and extending eastward, of second and  
9 third fences, in addition to the existing reinforced  
10 fence, and for roads between the fences.

11 (2) PROMPT ACQUISITION OF NECESSARY EASE-  
12 MENTS.—The Attorney General, acting under the  
13 authority conferred in section 103(b) of the Immi-  
14 gration and Nationality Act (as inserted by sub-  
15 section (d)), shall promptly acquire such easements  
16 as may be necessary to carry out this subsection and  
17 shall commence construction of fences immediately  
18 following such acquisition (or conclusion of portions  
19 thereof).

20 (3) SAFETY FEATURES.—The Attorney Gen-  
21 eral, while constructing the additional fencing under  
22 this subsection, shall incorporate such safety fea-  
23 tures into the design of the fence system as are nec-  
24 essary to ensure the well-being of border patrol

1 agents deployed within or in near proximity to the  
2 system.

3 (4) AUTHORIZATION OF APPROPRIATIONS.—

4 There are authorized to be appropriated to carry out  
5 this subsection not to exceed \$12,000,000. Amounts  
6 appropriated under this paragraph are authorized to  
7 remain available until expended.

8 (c) WAIVER.—The provisions of the Endangered Spe-  
9 cies Act of 1973 and the National Environmental Policy  
10 Act of 1969 are waived to the extent the Attorney General  
11 determines necessary to ensure expeditious construction of  
12 the barriers and roads under this section.

13 (d) LAND ACQUISITION AUTHORITY.—

14 (1) IN GENERAL.—Section 103 (8 U.S.C. 1103)  
15 is amended—

16 (A) by redesignating subsections (b), (c),  
17 and (d) as subsections (c), (d), and (e), respec-  
18 tively; and

19 (B) by inserting after subsection (a) the  
20 following:

21 “(b)(1) The Attorney General may contract for or  
22 buy any interest in land, including temporary use rights,  
23 adjacent to or in the vicinity of an international land bor-  
24 der when the Attorney General deems the land essential

1 to control and guard the boundaries and borders of the  
2 United States against any violation of this Act.

3 “(2) The Attorney General may contract for or buy  
4 any interest in land identified pursuant to paragraph (1)  
5 as soon as the lawful owner of that interest fixes a price  
6 for it and the Attorney General considers that price to  
7 be reasonable.

8 “(3) When the Attorney General and the lawful  
9 owner of an interest identified pursuant to paragraph (1)  
10 are unable to agree upon a reasonable price, the Attorney  
11 General may commence condemnation proceedings pursu-  
12 ant to the Act of August 1, 1888 (Chapter 728; 25 Stat.  
13 357).

14 “(4) The Attorney General may accept for the United  
15 States a gift of any interest in land identified pursuant  
16 to paragraph (1).”.

17 (2) CONFORMING AMENDMENT.—Section  
18 103(e) (as so redesignated by paragraph (1)(A)) is  
19 amended by striking “subsection (c)” and inserting  
20 “subsection (d)”.

21 **SEC. 103. IMPROVED BORDER EQUIPMENT AND TECH-**  
22 **NOLOGY.**

23 The Attorney General is authorized to acquire and  
24 use, for the purpose of detection, interdiction, and reduc-  
25 tion of illegal immigration into the United States, any

1 Federal equipment (including fixed wing aircraft, heli-  
2 copters, four-wheel drive vehicles, sedans, night vision gog-  
3 gles, night vision scopes, and sensor units) determined  
4 available for transfer by any other agency of the Federal  
5 Government upon request of the Attorney General.

6 **SEC. 104. IMPROVEMENT IN BORDER CROSSING IDENTI-**  
7 **FICATION CARD.**

8 (a) IN GENERAL.—Section 101(a)(6) (8 U.S.C.  
9 1101(a)(6)) is amended by adding at the end the follow-  
10 ing: “Such regulations shall provide that (A) each such  
11 document include a biometric identifier (such as the fin-  
12 gerprint or handprint of the alien) that is machine read-  
13 able and (B) an alien presenting a border crossing identi-  
14 fication card is not permitted to cross over the border into  
15 the United States unless the biometric identifier contained  
16 on the card matches the appropriate biometric characteris-  
17 tic of the alien.”.

18 (b) EFFECTIVE DATES.—

19 (1) CLAUSE A.—Clause (A) of the sentence  
20 added by the amendment made by subsection (a)  
21 shall apply to documents issued on or after 18  
22 months after the date of the enactment of this Act.

23 (2) CLAUSE B.—Clause (B) of such sentence  
24 shall apply to cards presented on or after 3 years  
25 after the date of the enactment of this Act.

1 **SEC. 105. CIVIL PENALTIES FOR ILLEGAL ENTRY.**

2 (a) IN GENERAL.—Section 275 (8 U.S.C. 1325) is  
3 amended—

4 (1) by redesignating subsections (b) and (c) as  
5 subsections (c) and (d), respectively; and

6 (2) by inserting after subsection (a) the follow-  
7 ing:

8 “(b) Any alien who is apprehended while entering (or  
9 attempting to enter) the United States at a time or place  
10 other than as designated by immigration officers shall be  
11 subject to a civil penalty of—

12 “(1) at least \$50 and not more than \$250 for  
13 each such entry (or attempted entry); or

14 “(2) twice the amount specified in paragraph  
15 (1) in the case of an alien who has been previously  
16 subject to a civil penalty under this subsection.

17 Civil penalties under this subsection are in addition to,  
18 and not in lieu of, any criminal or other civil penalties  
19 that may be imposed.”.

20 (b) EFFECTIVE DATE.—The amendments made by  
21 subsection (a) shall apply to illegal entries or attempts to  
22 enter occurring on or after the first day of the sixth month  
23 beginning after the date of the enactment of this Act.

24 **SEC. 106. HIRING AND TRAINING STANDARDS.**

25 (a) REVIEW OF HIRING STANDARDS.—Not later than  
26 60 days after the date of the enactment of this Act, the

1 Attorney General shall complete a review of all  
2 prescreening and hiring standards used by the Commis-  
3 sioner of Immigration and Naturalization, and, where nec-  
4 essary, revise such standards to ensure that they are con-  
5 sistent with relevant standards of professionalism.

6 (b) CERTIFICATION.—At the conclusion of each of  
7 fiscal years 1997, 1998, 1999, 2000, and 2001, the Attor-  
8 ney General shall certify in writing to the Committees on  
9 the Judiciary of the House of Representatives and of the  
10 Senate that all personnel hired by the Commissioner of  
11 Immigration and Naturalization for such fiscal year were  
12 hired pursuant to the appropriate standards, as revised  
13 under subsection (a).

14 (c) REVIEW OF TRAINING STANDARDS.—

15 (1) REVIEW.—Not later than 180 days after  
16 the date of the enactment of this Act, the Attorney  
17 General shall complete a review of the sufficiency of  
18 all training standards used by the Commissioner of  
19 Immigration and Naturalization.

20 (2) REPORT.—

21 (A) IN GENERAL.—Not later than 90 days  
22 after the completion of the review under para-  
23 graph (1), the Attorney General shall submit a  
24 report to the Committees on the Judiciary of

the House of Representatives and of the Senate  
on the results of the review, including—

(i) a description of the status of efforts to update and improve training throughout the Immigration and Naturalization Service; and

(ii) an estimate of when such efforts are expected to be completed.

(B) AREAS REQUIRING FUTURE REVIEW.—

The report shall disclose those areas of training that the Attorney General determines require further review in the future.

**SEC. 107. REPORT ON BORDER STRATEGY.**

(a) EVALUATION OF STRATEGY.—The Comptroller General of the United States shall track, monitor, and evaluate the Attorney General's strategy to deter illegal entry in the United States to determine the efficacy of such strategy.

(b) COOPERATION.—The Attorney General, the Secretary of State, and the Secretary of Defense shall cooperate with the Comptroller General of the United States in carrying out subsection (a).

(c) REPORT.—Not later than one year after the date of the enactment of this Act, and every year thereafter for the succeeding 5 years, the Comptroller General of the



1 United States shall submit a report to the Committees on  
2 the Judiciary of the House of Representatives and of the  
3 Senate on the results of the activities undertaken under  
4 subsection (a) during the previous year. Each such report  
5 shall include an analysis of the degree to which the Attor-  
6 ney General's strategy has been effective in reducing ille-  
7 gal entry. Each such report shall include a collection and  
8 systematic analysis of data, including workload indicators,  
9 related to activities to deter illegal entry and recommenda-  
10 tions to improve and increase border security at the border  
11 and ports of entry.

12 **SEC. 108. CRIMINAL PENALTIES FOR HIGH SPEED FLIGHTS**  
13 **FROM IMMIGRATION CHECKPOINTS.**

14 (a) FINDINGS.—The Congress finds as follows:

15 (1) Immigration checkpoints are an important  
16 component of the national strategy to prevent illegal  
17 immigration.

18 (2) Individuals fleeing immigration checkpoints  
19 and leading law enforcement officials on high speed  
20 vehicle chases endanger law enforcement officers, in-  
21 nocent bystanders, and the fleeing individuals them-  
22 selves.

23 (3) The pursuit of suspects fleeing immigration  
24 checkpoints is complicated by overlapping jurisdic-

1       tion among Federal, State, and local law enforce-  
2       ment officers.

3       (b) HIGH SPEED FLIGHT FROM IMMIGRATION  
4 CHECKPOINTS.—

5           (1) IN GENERAL.—Chapter 35 of title 18, Unit-  
6       ed States Code, is amended by adding at the end the  
7       following:

8       **“§ 758. High speed flight from immigration check-**  
9                               **point**

10       “Whoever flees or evades a checkpoint operated by  
11 the Immigration and Naturalization Service, or any other  
12 Federal law enforcement agency, in a motor vehicle and  
13 flees Federal, State, or local law enforcement agents in  
14 excess of the legal speed limit shall be fined under this  
15 title, imprisoned not more than five years, or both.”.

16           (2) CLERICAL AMENDMENT.—The table of sec-  
17       tions at the beginning of such chapter is amended  
18       by inserting after the item relating to section 757  
19       the following:

“758. High speed flight from immigration checkpoint.”.

20       (c) GROUNDS FOR DEPORTATION.—Section  
21 241(a)(2)(A) (8 U.S.C. 1251(a)(2)(A)) is amended—

22           (1) by redesignating clause (iv) as clause (v);

23           (2) by inserting after clause (iii) the following:

24                               “(iv) HIGH SPEED FLIGHT.—Any  
25       alien who is convicted of a violation of sec-

1                   tion 758 of title 18, United States Code  
2                   (relating to high speed flight from an im-  
3                   migration checkpoint), is deportable.”; and  
4                   (3) in clause (v) (as so redesignated by para-  
5                   graph (1)), by striking “and (iii)” and inserting  
6                   “(iii), and (iv)”.

7   **SEC. 109. JOINT STUDY OF AUTOMATED DATA COLLECTION.**

8           (a) STUDY.—The Attorney General, together with the  
9   Secretary of State, the Secretary of Agriculture, the Sec-  
10   retary of the Treasury, and appropriate representatives of  
11   the air transport industry, shall jointly undertake a study  
12   to develop a plan for making the transition to automated  
13   data collection at ports of entry.

14          (b) REPORT.—Nine months after the date of the en-  
15   actment of this Act, the Attorney General shall submit a  
16   report to the Committees on the Judiciary of the Senate  
17   and the House of Representatives on the outcome of the  
18   joint initiative under subsection (a), noting specific areas  
19   of agreement and disagreement, and recommending fur-  
20   ther steps to be taken, including any suggestions for legis-  
21   lation.

22   **SEC. 110. AUTOMATED ENTRY-EXIT CONTROL SYSTEM.**

23          (a) SYSTEM.—Not later than 2 years after the date  
24   of the enactment of this Act, the Attorney General shall

1 develop an automated entry and exit control system that  
2 will—

3 (1) collect a record of departure for every alien  
4 departing the United States and match the records  
5 of departure with the record of the alien's arrival in  
6 the United States; and

7 (2) enable the Attorney General to identify,  
8 through on-line searching procedures, lawfully ad-  
9 mitted nonimmigrants who remain in the United  
10 States beyond the period authorized by the Attorney  
11 General.

12 (b) REPORT.—

13 (1) DEADLINE.—Not later than December 31  
14 of each year following the development of the system  
15 under subsection (a), the Attorney General shall  
16 submit an annual report to the Committees on the  
17 Judiciary of the House of Representatives and of the  
18 Senate on such system.

19 (2) INFORMATION.—The report shall include  
20 the following information:

21 (A) The number of departure records col-  
22 lected, with an accounting by country of nation-  
23 ality of the departing alien.

24 (B) The number of departure records that  
25 were successfully matched to records of the

1 alien's prior arrival in the United States, with  
2 an accounting by the alien's country of nation-  
3 ality and by the alien's classification as an im-  
4 migrant or nonimmigrant.

5 (C) The number of aliens who arrived as  
6 nonimmigrants, or as a visitor under the visa  
7 waiver program under section 217 of the Immi-  
8 gration and Nationality Act, for whom no  
9 matching departure record has been obtained  
10 through the system or through other means as  
11 of the end of the alien's authorized period of  
12 stay, with an accounting by the alien's country  
13 of nationality and date of arrival in the United  
14 States.

15 (c) USE OF INFORMATION ON OVERSTAYS.—Infor-  
16 mation regarding aliens who have remained in the United  
17 States beyond their authorized period of stay identified  
18 through the system shall be integrated into appropriate  
19 data bases of the Immigration and Naturalization Service  
20 and the Department of State, including those used at  
21 ports of entry and at consular offices.

1 **SEC. 111. SUBMISSION OF FINAL PLAN ON REALIGNMENT**  
2 **OF BORDER PATROL POSITIONS FROM INTE-**  
3 **RIOR STATIONS.**

4 Not later than November 30, 1996, the Attorney  
5 General shall submit to the Committees on the Judiciary  
6 of the House of Representatives and of the Senate a final  
7 plan regarding the redeployment of border patrol person-  
8 nel from interior locations to the front lines of the border.  
9 The final plan shall be consistent with the following:

10 (1) The preliminary plan regarding such rede-  
11 ployment submitted by the Attorney General on May  
12 17, 1996, to the Committee on Appropriations of the  
13 House of Representatives and the Committee on Ap-  
14 propriations of the Senate.

15 (2) The direction regarding such redeployment  
16 provided in the joint explanatory statement of the  
17 committee of conference in the conference report to  
18 accompany the Omnibus Consolidated Rescissions  
19 and Appropriations Act of 1996 (Public Law 104-  
20 134).

21 **SEC. 112. NATIONWIDE FINGERPRINTING OF APPRE-**  
22 **HENDED ALIENS.**

23 There are authorized to be appropriated such addi-  
24 tional sums as may be necessary to ensure that the  
25 “IDENT” program (operated by the Immigration and

1 Naturalization Service) is expanded to apply to illegal or  
2 criminal aliens apprehended nationwide.

3       **Subtitle B—Facilitation of Legal**  
4                               **Entry**

5       **SEC. 121. LAND BORDER INSPECTORS.**

6           In order to eliminate undue delay in the thorough in-  
7 spection of persons and vehicles lawfully attempting to  
8 enter the United States, the Attorney General and the  
9 Secretary of the Treasury each shall increase, by approxi-  
10 mately equal numbers in each of fiscal years 1997 and  
11 1998, the number of full-time land border inspectors as-  
12 signed to active duty by the Immigration and Naturaliza-  
13 tion Service and the United States Customs Service to a  
14 level adequate to assure full staffing during peak crossing  
15 hours of all border crossing lanes currently in use, under  
16 construction, or whose construction has been authorized  
17 by the Congress, except such low-use lanes as the Attorney  
18 General may designate.

19       **SEC. 122. LAND BORDER INSPECTION AND AUTOMATED**  
20                               **PERMIT PILOT PROJECTS.**

21           (a) EXTENSION OF LAND BORDER INSPECTION  
22 PROJECT AUTHORITY; ESTABLISHMENT OF AUTOMATED  
23 PERMIT PILOT PROJECTS.—Section 286(q) is amended—

24                       (1) by striking the matter preceding paragraph

25                       (2) and inserting the following:

1 “(q) LAND BORDER INSPECTION FEE ACCOUNT.—

2 (1)(A)(i) Notwithstanding any other provision of law, the  
3 Attorney General is authorized to establish, by regulation,  
4 not more than 6 projects under which a fee may be  
5 charged and collected for inspection services provided at  
6 one or more land border points of entry. Such projects  
7 may include the establishment of commuter lanes to be  
8 made available to qualified United States citizens and  
9 aliens, as determined by the Attorney General.

10 “(ii) The program authorized in this subparagraph  
11 shall terminate on September 30, 2000, unless further au-  
12 thorized by an Act of Congress.

13 “(iii) This subparagraph shall take effect, with re-  
14 spect to any project described in clause (1) that was not  
15 authorized to be commenced before the date of the enact-  
16 ment of the Illegal Immigration Reform and Immigrant  
17 Responsibility Act of 1996, 30 days after submission of  
18 a written plan by the Attorney General detailing the pro-  
19 posed implementation of such project.

20 “(iv) The Attorney General shall prepare and submit  
21 on a quarterly basis, until September 30, 2000, a status  
22 report on each land border inspection project implemented  
23 under this subparagraph.

24 “(B) The Attorney General, in consultation with the  
25 Secretary of the Treasury, may conduct pilot projects to



1 demonstrate the use of designated ports of entry after  
2 working hours through the use of card reading machines  
3 or other appropriate technology.”; and

4 (2) by striking paragraph (5).

5 (b) CONFORMING AMENDMENT.—The Departments  
6 of Commerce, Justice, and State, the Judiciary, and Re-  
7 lated Agencies Appropriation Act, 1994 (Public Law 103–  
8 121, 107 Stat. 1161) is amended by striking the fourth  
9 proviso under the heading “Immigration and Naturaliza-  
10 tion Service, Salaries and Expenses”.

11 **SEC. 123. PREINSPECTION AT FOREIGN AIRPORTS.**

12 (a) IN GENERAL.—The Immigration and Nationality  
13 Act is amended by inserting after section 235 the follow-  
14 ing:

15 “PREINSPECTION AT FOREIGN AIRPORTS

16 “SEC. 235A. (a) ESTABLISHMENT OF  
17 PREINSPECTION STATIONS.—

18 “(1) NEW STATIONS.—Subject to paragraph  
19 (5), not later than October 31, 1998, the Attorney  
20 General, in consultation with the Secretary of State,  
21 shall establish and maintain preinspection stations  
22 in at least 5 of the foreign airports that are among  
23 the 10 foreign airports which the Attorney General  
24 identifies as serving as last points of departure for  
25 the greatest numbers of inadmissible alien pas-  
26 sengers who arrive from abroad by air at ports of

1 entry within the United States. Such preinspection  
2 stations shall be in addition to any preinspection sta-  
3 tions established prior to the date of the enactment  
4 of such Act.

5 “(2) REPORT.—Not later than October 31,  
6 1998, the Attorney General shall report to the Com-  
7 mittees on the Judiciary of the House of Represent-  
8 atives and of the Senate on the implementation of  
9 paragraph (1).

10 “(3) DATA COLLECTION.—Not later than No-  
11 vember 1, 1997, and each subsequent November 1,  
12 the Attorney General shall compile data identify-  
13 ing—

14 “(A) the foreign airports which served as  
15 last points of departure for aliens who arrived  
16 by air at United States ports of entry without  
17 valid documentation during the preceding fiscal  
18 years;

19 “(B) the number and nationality of such  
20 aliens arriving from each such foreign airport;  
21 and

22 “(C) the primary routes such aliens fol-  
23 lowed from their country of origin to the United  
24 States.

1           “(4) ADDITIONAL STATIONS.—Subject to para-  
2       graph (5), not later than October 31, 2000, the At-  
3       torney General, in consultation with the Secretary of  
4       State, shall establish preinspection stations in at  
5       least 5 additional foreign airports which the Attor-  
6       ney General, in consultation with the Secretary of  
7       State, determines, based on the data compiled under  
8       paragraph (3) and such other information as may be  
9       available, would most effectively reduce the number  
10      of aliens who arrive from abroad by air at points of  
11      entry within the United States who are inadmissible  
12      to the United States. Such preinspection stations  
13      shall be in addition to those established prior to the  
14      date of the enactment of such Act or pursuant to  
15      paragraph (1).

16           “(5) CONDITIONS.—Prior to the establishment  
17      of a preinspection station, the Attorney General, in  
18      consultation with the Secretary of State, shall en-  
19      sure that—

20           “(A) employees of the United States sta-  
21      tioned at the preinspection station and their ac-  
22      companying family members will receive appro-  
23      priate protection;

1           “(B) such employees and their families will  
2           not be subject to unreasonable risks to their  
3           welfare and safety; and

4           “(C) the country in which the  
5           preinspection station is to be established main-  
6           tains practices and procedures with respect to  
7           asylum seekers and refugees in accordance with  
8           the Convention Relating to the Status of Refu-  
9           gees (done at Geneva, July 28, 1951), or the  
10          Protocol Relating to the Status of Refugees  
11          (done at New York, January 31, 1967), or that  
12          an alien in the country otherwise has recourse  
13          to avenues of protection from return to persecu-  
14          tion.

15          “(b) ESTABLISHMENT OF CARRIER CONSULTANT  
16 PROGRAM.—The Attorney General shall assign additional  
17 immigration officers to assist air carriers in the detection  
18 of fraudulent documents at foreign airports which, based  
19 on the records maintained pursuant to subsection (a)(3),  
20 served as a point of departure for a significant number  
21 of arrivals at United States ports of entry without valid  
22 documentation, but where no preinspection station ex-  
23 ists.”.

1 (b) CLERICAL AMENDMENT.—The table of contents  
 2 is amended by inserting after the item relating to section  
 3 235 the following:

“Sec. 235A. Preinspection at foreign airports.”.

4 **SEC. 124. TRAINING OF AIRLINE PERSONNEL IN DETEC-**  
 5 **TION OF FRAUDULENT DOCUMENTS.**

6 (a) USE OF FUNDS.—

7 (1) IN GENERAL.—Section 286(h)(2)(A) (8  
 8 U.S.C. 1356(h)(2)(A)) is amended—

9 (A) in clause (iv), by inserting “, including  
 10 training of, and technical assistance to, com-  
 11 mercial airline personnel regarding such detec-  
 12 tion” after “United States”; and

13 (B) by adding at the end the following:  
 14 “The Attorney General shall provide for expenditures for  
 15 training and assistance described in clause (iv) in an  
 16 amount, for any fiscal year, not less than 5 percent of  
 17 the total of the expenses incurred that are described in  
 18 the previous sentence.”.

19 (2) APPLICABILITY.—The amendments made  
 20 by paragraph (1) shall apply to expenses incurred  
 21 during or after fiscal year 1997.

22 (b) COMPLIANCE WITH DETECTION REGULA-  
 23 TIONS.—

24 (1) IN GENERAL.—Section 212(f) (8 U.S.C.  
 25 1182(f)) is amended by adding at the end the follow-

1       ing: “Whenever the Attorney General finds that a  
2       commercial airline has failed to comply with regula-  
3       tions of the Attorney General relating to require-  
4       ments of airlines for the detection of fraudulent doc-  
5       uments used by passengers traveling to the United  
6       States (including the training of personnel in such  
7       detection), the Attorney General may suspend the  
8       entry of some or all aliens transported to the United  
9       States by such airline.”.

10           (2) DEADLINE.—The Attorney General shall  
11       first issue, in proposed form, regulations referred to  
12       in the second sentence of section 212(f) of the Immi-  
13       gration and Nationality Act, as added by the amend-  
14       ment made by paragraph (1), not later than 90 days  
15       after the date of the enactment of this Act.

16       **SEC. 125. PRECLEARANCE AUTHORITY.**

17       Section 103(a) of the Immigration and Nationality  
18       Act (8 U.S.C. 1103(a)) is amended by adding at the end  
19       the following:

20       “After consultation with the Secretary of State, the Attor-  
21       ney General may authorize officers of a foreign country  
22       to be stationed at preclearance facilities in the United  
23       States for the purpose of ensuring that persons traveling  
24       from or through the United States to that foreign country  
25       comply with that country’s immigration and related laws.

1 Those officers may exercise such authority and perform  
2 such duties as United States immigration officers are au-  
3 thorized to exercise and perform in that foreign country  
4 under reciprocal agreement, and they shall enjoy such rea-  
5 sonable privileges and immunities necessary for the per-  
6 formance of their duties as the government of their coun-  
7 try extends to United States immigration officers.”.

## 8 **Subtitle C—Interior Enforcement**

### 9 **SEC. 131. AUTHORIZATION OF APPROPRIATIONS FOR IN-** 10 **CREASE IN NUMBER OF CERTAIN INVESTIGA-** 11 **TORS.**

12 (a) AUTHORIZATION.—There are authorized to be ap-  
13 propriated such funds as may be necessary to enable the  
14 Commissioner of Immigration and Naturalization to in-  
15 crease the number of investigators and support personnel  
16 to investigate potential violations of sections 274 and  
17 274A of the Immigration and Nationality Act by a number  
18 equivalent to 300 full-time active-duty investigators in  
19 each of fiscal years 1997, 1998, and 1999.

20 (b) ALLOCATION OF INVESTIGATORS.—At least one-  
21 half of the investigators hired with funds made available  
22 under subsection (a) shall be assigned to investigate po-  
23 tential violations of section 274A of the Immigration and  
24 Nationality Act.

1 (c) LIMITATION ON OVERTIME.—None of the funds  
2 made available under subsection (a) shall be available for  
3 administrative expenses to pay any employee overtime pay  
4 in an amount in excess of \$25,000 for any fiscal year.

5 **SEC. 132. AUTHORIZATION OF APPROPRIATIONS FOR IN-**  
6 **CREASE IN NUMBER OF INVESTIGATORS OF**  
7 **VISA OVERSTAYERS.**

8 There are authorized to be appropriated such funds  
9 as may be necessary to enable the Commissioner of Immi-  
10 gration and Naturalization to increase the number of in-  
11 vestigators and support personnel to investigate visa over-  
12 stayers by a number equivalent to 300 full-time active-  
13 duty investigators in fiscal year 1997.

14 **SEC. 133. ACCEPTANCE OF STATE SERVICES TO CARRY OUT**  
15 **IMMIGRATION ENFORCEMENT.**

16 Section 287 (8 U.S.C. 1357) is amended by adding  
17 at the end the following:

18 “(g)(1) Notwithstanding section 1342 of title 31,  
19 United States Code, the Attorney General may enter into  
20 a written agreement with a State, or any political subdivi-  
21 sion of a State, pursuant to which an officer or employee  
22 of the State or subdivision, who is determined by the At-  
23 torney General to be qualified to perform a function of  
24 an immigration officer in relation to the investigation, ap-  
25 prehension, or detention of aliens in the United States (in-



1 cluding the transportation of such aliens across State lines  
2 to detention centers), may carry out such function at the  
3 expense of the State or political subdivision and to the  
4 extent consistent with State and local law.

5       “(2) An agreement under this subsection shall re-  
6 quire that an officer or employee of a State or political  
7 subdivision of a State performing a function under the  
8 agreement shall have knowledge of, and adhere to, Federal  
9 law relating to the function, and shall contain a written  
10 certification that the officers or employees performing the  
11 function under the agreement have received adequate  
12 training regarding the enforcement of relevant Federal im-  
13 migration laws.

14       “(3) In performing a function under this subsection,  
15 an officer or employee of a State or political subdivision  
16 of a State shall be subject to the direction and supervision  
17 of the Attorney General.

18       “(4) In performing a function under this subsection,  
19 an officer or employee of a State or political subdivision  
20 of a State may use Federal property or facilities, as pro-  
21 vided in a written agreement between the Attorney Gen-  
22 eral and the State or subdivision.

23       “(5) With respect to each officer or employee of a  
24 State or political subdivision who is authorized to perform  
25 a function under this subsection, the specific powers and

1 duties that may be, or are required to be, exercised or  
2 performed by the individual, the duration of the authority  
3 of the individual, and the position of the agency of the  
4 Attorney General who is required to supervise and direct  
5 the individual, shall be set forth in a written agreement  
6 between the Attorney General and the State or political  
7 subdivision.

8       “(6) The Attorney General may not accept a service  
9 under this subsection if the service will be used to displace  
10 any Federal employee.

11       “(7) Except as provided in paragraph (8), an officer  
12 or employee of a State or political subdivision of a State  
13 performing functions under this subsection shall not be  
14 treated as a Federal employee for any purpose other than  
15 for purposes of chapter 81 of title 5, United States Code  
16 (relating to compensation for injury), and sections 2671  
17 through 2680 of title 28, United States Code (relating to  
18 tort claims).

19       “(8) An officer or employee of a State or political  
20 subdivision of a State acting under color of authority  
21 under this subsection, or any agreement entered into  
22 under this subsection, shall be considered to be acting  
23 under color of Federal authority for purposes of determin-  
24 ing the liability, and immunity from suit, of the officer

1 or employee in a civil action brought under Federal or  
2 State law.

3 “(9) Nothing in this subsection shall be construed to  
4 require any State or political subdivision of a State to  
5 enter into an agreement with the Attorney General under  
6 this subsection.

7 “(10) Nothing in this subsection shall be construed  
8 to require an agreement under this subsection in order for  
9 any officer or employee of a State or political subdivision  
10 of a State—

11 “(A) to communicate with the Attorney General  
12 regarding the immigration status of any individual,  
13 including reporting knowledge that a particular alien  
14 is not lawfully present in the United States; or

15 “(B) otherwise to cooperate with the Attorney  
16 General in the identification, apprehension, deten-  
17 tion, or removal of aliens not lawfully present in the  
18 United States.”.

19 **SEC. 134. MINIMUM STATE INS PRESENCE.**

20 (a) IN GENERAL.—Section 103 (8 U.S.C. 1103), as  
21 amended by section 102(e) of this division, is further  
22 amended by adding at the end the following:

23 “(f) The Attorney General shall allocate to each State  
24 not fewer than 10 full-time active duty agents of the Im-  
25 migration and Naturalization Service to carry out the

1 functions of the Service, in order to ensure the effective  
2 enforcement of this Act.”.

3 (b) EFFECTIVE DATE.—The amendment made by  
4 subsection (a) shall take effect 90 days after the date of  
5 the enactment of this Act.

6 **TITLE II—ENHANCED ENFORCE-**  
7 **MENT AND PENALTIES**  
8 **AGAINST ALIEN SMUGGLING;**  
9 **DOCUMENT FRAUD**

10 **Subtitle A—Enhanced Enforcement**  
11 **and Penalties Against Alien**  
12 **Smuggling**

13 **SEC. 201. WIRETAP AUTHORITY FOR INVESTIGATIONS OF**  
14 **ALIEN SMUGGLING OR DOCUMENT FRAUD.**

15 Section 2516(1) of title 18, United States Code, is  
16 amended—

17 (1) in paragraph (c), by striking “or section  
18 1992 (relating to wrecking trains)” and inserting  
19 “section 1992 (relating to wrecking trains), a felony  
20 violation of section 1028 (relating to production of  
21 false identification documentation), section 1425 (re-  
22 lating to the procurement of citizenship or national-  
23 ization unlawfully), section 1426 (relating to the re-  
24 production of naturalization or citizenship papers),  
25 section 1427 (relating to the sale of naturalization

1 or citizenship papers), section 1541 (relating to  
2 passport issuance without authority), section 1542  
3 (relating to false statements in passport applica-  
4 tions), section 1543 (relating to forgery or false use  
5 of passports), section 1544 (relating to misuse of  
6 passports), or section 1546 (relating to fraud and  
7 misuse of visas, permits, and other documents)”;

8 (2) by striking “or” at the end of paragraph  
9 (l);

10 (3) by redesignating paragraphs (m), (n), and  
11 (o) as paragraphs (n), (o), and (p), respectively; and

12 (4) by inserting after paragraph (l) the follow-  
13 ing new paragraph:

14 “(m) a violation of section 274, 277, or 278 of  
15 the Immigration and Nationality Act (8 U.S.C.  
16 1324, 1327, or 1328) (relating to the smuggling of  
17 aliens);”.

18 **SEC. 202. RACKETEERING OFFENSES RELATING TO ALIEN**  
19 **SMUGGLING.**

20 Section 1961(1) of title 18, United States Code, as  
21 amended by section 433 of Public Law 104–132, is  
22 amended—

23 (1) by striking “if the act indictable under sec-  
24 tion 1028 was committed for the purpose of finan-  
25 cial gain”;

1           (2) by inserting “section 1425 (relating to the  
2       procurement of citizenship or nationalization unlaw-  
3       fully), section 1426 (relating to the reproduction of  
4       naturalization or citizenship papers), section 1427  
5       (relating to the sale of naturalization or citizenship  
6       papers),” after “section 1344 (relating to financial  
7       institution fraud),”;

8           (3) by striking “if the act indictable under sec-  
9       tion 1542 was committed for the purpose of finan-  
10      cial gain”;

11          (4) by striking “if the act indictable under sec-  
12      tion 1543 was committed for the purpose of finan-  
13      cial gain”;

14          (5) by striking “if the act indictable under sec-  
15      tion 1544 was committed for the purpose of finan-  
16      cial gain”; and

17          (6) by striking “if the act indictable under sec-  
18      tion 1546 was committed for the purpose of finan-  
19      cial gain”.

20 **SEC. 203. INCREASED CRIMINAL PENALTIES FOR ALIEN**  
21 **SMUGGLING.**

22       (a)       COMMERCIAL       ADVANTAGE.—Section  
23 274(a)(1)(B)(i) (8 U.S.C. 1324(a)(1)(B)(i)) is amended  
24 by inserting “or in the case of a violation of subparagraph  
25 (A)(ii), (iii), or (iv) in which the offense was done for the

1 purpose of commercial advantage or private financial  
2 gain” after “subparagraph (A)(i)”.

3 (b) ADDITIONAL OFFENSES.—Section 274(a) (8  
4 U.S.C. 1324(a)) is amended—

5 (1) in paragraph (1)(A)—

6 (A) by striking “or” at the end of clause  
7 (iii);

8 (B) by striking the comma at the end of  
9 clause (iv) and inserting “; or”; and

10 (C) by adding at the end the following new  
11 clause:

12 “(v)(I) engages in any conspiracy to commit  
13 any of the preceding acts, or

14 “(II) aids or abets the commission of any of the  
15 preceding acts,”;

16 (2) in paragraph (1)(B)—

17 (A) in clause (i), by inserting “or (v)(I)”  
18 after “(A)(i)”;

19 (B) in clause (ii), by striking “or (iv)” and  
20 inserting “(iv), or (v)(II)”;

21 (C) in clause (iii), by striking “or (iv)” and  
22 inserting “(iv), or (v)”;

23 (D) in clause (iv), by striking “or (iv)” and  
24 inserting “(iv), or (v)”;

1           (3) in paragraph (2)(B), by striking “be fined”  
2           and all that follows and inserting the following: “be  
3           fined under title 18, United States Code, and shall  
4           be imprisoned, in the case of a first or second viola-  
5           tion of subparagraph (B)(iii), not more than 10  
6           years, in the case of a first or second violation of  
7           subparagraph (B)(i) or (B)(ii), not less than 3 nor  
8           more than 10 years, and for any other violation, not  
9           less than 5 nor more than 15 years.”; and

10           (4) by adding at the end the following new  
11           paragraph:

12           “(3)(A) Any person who, during any 12-month pe-  
13           riod, knowingly hires for employment at least 10 individ-  
14           uals with actual knowledge that the individuals are aliens  
15           described in subparagraph (B) shall be fined under title  
16           18, United States Code, or imprisoned for not more than  
17           5 years, or both.

18           “(B) An alien described in this subparagraph is an  
19           alien who—

20                   “(i) is an unauthorized alien (as defined in sec-  
21                   tion 274A(h)(3)), and

22                   “(ii) has been brought into the United States in  
23                   violation of this subsection.”.



1       (c) SMUGGLING OF ALIENS WHO WILL COMMIT  
2 CRIMES.—Clause (i) of section 274(a)(2)(B) (8 U.S.C.  
3 1324(a)(2)(B)) is amended to read as follows:

4               “(i) an offense committed with the intent  
5               or with reason to believe that the alien unlaw-  
6               fully brought into the United States will commit  
7               an offense against the United States or any  
8               State punishable by imprisonment for more  
9               than 1 year,”.

10       (d) APPLYING CERTAIN PENALTIES ON A PER ALIEN  
11 BASIS.—Section 274(a)(2) (8 U.S.C. 1324(a)(2)) is  
12 amended by striking “for each transaction constituting a  
13 violation of this paragraph, regardless of the number of  
14 aliens involved” and inserting “for each alien in respect  
15 to whom a violation of this paragraph occurs”.

16       (e) SENTENCING GUIDELINES.—

17               (1) IN GENERAL.—Pursuant to its authority  
18 under section 994(p) of title 28, United States Code,  
19 the United States Sentencing Commission shall pro-  
20 mulgate sentencing guidelines or amend existing  
21 sentencing guidelines for offenders convicted of of-  
22 fenses related to smuggling, transporting, harboring,  
23 or inducing aliens in violation of section 274(a)  
24 (1)(A) or (2) of the Immigration and Nationality

1 Act (8 U.S.C. 1324(a)(1)(A), (2)(B)) in accordance  
2 with this subsection.

3 (2) REQUIREMENTS.—In carrying out this sub-  
4 section, the Commission shall, with respect to the of-  
5 fenses described in paragraph (1)—

6 (A) increase the base offense level for such  
7 offenses at least 3 offense levels above the ap-  
8 plicable level in effect on the date of the enact-  
9 ment of this Act;

10 (B) review the sentencing enhancement for  
11 the number of aliens involved (U.S.S.G.  
12 2L1.1(b)(2)), and increase the sentencing en-  
13 hancement by at least 50 percent above the ap-  
14 plicable enhancement in effect on the date of  
15 the enactment of this Act;

16 (C) impose an appropriate sentencing en-  
17 hancement upon an offender with 1 prior felony  
18 conviction arising out of a separate and prior  
19 prosecution for an offense that involved the  
20 same or similar underlying conduct as the cur-  
21 rent offense, to be applied in addition to any  
22 sentencing enhancement that would otherwise  
23 apply pursuant to the calculation of the defend-  
24 ant's criminal history category;

1           (D) impose an additional appropriate sen-  
2           tencing enhancement upon an offender with 2  
3           or more prior felony convictions arising out of  
4           separate and prior prosecutions for offenses  
5           that involved the same or similar underling con-  
6           duct as the current offense, to be applied in ad-  
7           dition to any sentencing enhancement that  
8           would otherwise apply pursuant to the calcula-  
9           tion of the defendant's criminal history cat-  
10          egory;

11          (E) impose an appropriate sentencing en-  
12          hancement on a defendant who, in the course of  
13          committing an offense described in this sub-  
14          section—

15               (i) murders or otherwise causes death,  
16               bodily injury, or serious bodily injury to an  
17               individual;

18               (ii) uses or brandishes a firearm or  
19               other dangerous weapon; or

20               (iii) engages in conduct that con-  
21               sciously or recklessly places another in se-  
22               rious danger of death or serious bodily in-  
23               jury;

24          (F) consider whether a downward adjust-  
25          ment is appropriate if the offense is a first of-

1 fense and involves the smuggling only of the  
2 alien's spouse or child; and

3 (G) consider whether any other aggravat-  
4 ing or mitigating circumstances warrant up-  
5 ward or downward sentencing adjustments.

6 (3) EMERGENCY AUTHORITY TO SENTENCING  
7 COMMISSION.—The Commission shall promulgate  
8 the guidelines or amendments provided for under  
9 this subsection as soon as practicable in accordance  
10 with the procedure set forth in section 21(a) of the  
11 Sentencing Act of 1987, as though the authority  
12 under that Act had not expired.

13 (f) EFFECTIVE DATE.—This section and the amend-  
14 ments made by this section shall apply with respect to of-  
15 fenses occurring on or after the date of the enactment of  
16 this Act.

17 **SEC. 204. INCREASED NUMBER OF ASSISTANT UNITED**  
18 **STATES ATTORNEYS.**

19 (a) IN GENERAL.—The number of Assistant United  
20 States Attorneys employed by the Department of Justice  
21 for the fiscal year 1997 shall be increased by at least 25  
22 above the number of Assistant United States Attorneys  
23 that were authorized to be employed as of September 30,  
24 1996.

1       (b) ASSIGNMENT.—Individuals employed to fill the  
2 additional positions described in subsection (a) shall pros-  
3 ecute persons who bring into the United States or harbor  
4 illegal aliens or violate other criminal statutes involving  
5 illegal aliens.

6 **SEC. 205. UNDERCOVER INVESTIGATION AUTHORITY.**

7       (a) IN GENERAL.—Title II is amended by adding at  
8 the end the following new section:

9               “UNDERCOVER INVESTIGATION AUTHORITY

10       “SEC. 294. (a) IN GENERAL.—With respect to any  
11 undercover investigative operation of the Service which is  
12 necessary for the detection and prosecution of crimes  
13 against the United States—

14               “(1) sums appropriated for the Service may be  
15 used for leasing space within the United States and  
16 the territories and possessions of the United States  
17 without regard to the following provisions of law:

18               “(A) section 3679(a) of the Revised Stat-  
19 utes (31 U.S.C. 1341),

20               “(B) section 3732(a) of the Revised Stat-  
21 utes (41 U.S.C. 11(a)),

22               “(C) section 305 of the Act of June 30,  
23 1949 (63 Stat. 396; 41 U.S.C. 255),

24               “(D) the third undesignated paragraph  
25 under the heading ‘Miscellaneous’ of the Act of  
26 March 3, 1877 (19 Stat. 370; 40 U.S.C. 34),

1           “(E) section 3648 of the Revised Statutes  
2           (31 U.S.C. 3324),

3           “(F) section 3741 of the Revised Statutes  
4           (41 U.S.C. 22), and

5           “(G) subsections (a) and (c) of section 304  
6           of the Federal Property and Administrative  
7           Services Act of 1949 (63 Stat. 395; 41 U.S.C.  
8           254 (a) and (c));

9           “(2) sums appropriated for the Service may be  
10          used to establish or to acquire proprietary corpora-  
11          tions or business entities as part of an undercover  
12          operation, and to operate such corporations or busi-  
13          ness entities on a commercial basis, without regard  
14          to the provisions of section 304 of the Government  
15          Corporation Control Act (31 U.S.C. 9102);

16          “(3) sums appropriated for the Service, and the  
17          proceeds from the undercover operation, may be de-  
18          posited in banks or other financial institutions with-  
19          out regard to the provisions of section 648 of title  
20          18, United States Code, and of section 3639 of the  
21          Revised Statutes (31 U.S.C. 3302); and

22          “(4) the proceeds from the undercover oper-  
23          ation may be used to offset necessary and reasonable  
24          expenses incurred in such operation without regard

1 to the provisions of section 3617 of the Revised  
2 Statutes (31 U.S.C. 3302).

3 The authority set forth in this subsection may be exercised  
4 only upon written certification of the Commissioner, in  
5 consultation with the Deputy Attorney General, that any  
6 action authorized by paragraph (1), (2), (3), or (4) is nec-  
7 essary for the conduct of the undercover operation.

8 “(b) DISPOSITION OF PROCEEDS NO LONGER RE-  
9 QUIRED.—As soon as practicable after the proceeds from  
10 an undercover investigative operation, carried out under  
11 paragraphs (3) and (4) of subsection (a), are no longer  
12 necessary for the conduct of the operation, the proceeds  
13 or the balance of the proceeds remaining at the time shall  
14 be deposited into the Treasury of the United States as  
15 miscellaneous receipts.

16 “(c) DISPOSITION OF CERTAIN CORPORATIONS AND  
17 BUSINESS ENTITIES.—If a corporation or business entity  
18 established or acquired as part of an undercover operation  
19 under paragraph (2) of subsection (a) with a net value  
20 of over \$50,000 is to be liquidated, sold, or otherwise dis-  
21 posed of, the Service, as much in advance as the Commis-  
22 sioner or Commissioner’s designee determines practicable,  
23 shall report the circumstances to the Attorney General,  
24 the Director of the Office of Management and Budget, and  
25 the Comptroller General. The proceeds of the liquidation,

1 sale, or other disposition, after obligations are met, shall  
 2 be deposited in the Treasury of the United States as mis-  
 3 cellaneous receipts.

4 “(d) FINANCIAL AUDITS.—The Service shall conduct  
 5 detailed financial audits of closed undercover operations  
 6 on a quarterly basis and shall report the results of the  
 7 audits in writing to the Deputy Attorney General.”.

8 (b) CLERICAL AMENDMENT.—The table of contents  
 9 is amended by inserting after the item relating to section  
 10 293 the following:

“Sec. 294. Undercover investigation authority.”.

## 11 **Subtitle B—Deterrence of** 12 **Document Fraud**

### 13 **SEC. 211. INCREASED CRIMINAL PENALTIES FOR FRAUDU-** 14 **LENT USE OF GOVERNMENT-ISSUED DOCU-** 15 **MENTS.**

16 (a) FRAUD AND MISUSE OF GOVERNMENT-ISSUED  
 17 IDENTIFICATION DOCUMENTS.—(1) Section 1028(b) of  
 18 title 18, United States Code, is amended—

19 (A) in paragraph (1), by inserting “except as  
 20 provided in paragraphs (3) and (4),” after “(1)”  
 21 and by striking “five years” and inserting “15  
 22 years”;

23 (B) in paragraph (2), by inserting “except as  
 24 provided in paragraphs (3) and (4),” after “(2)”  
 25 and by striking “and” at the end;



1 (C) by redesignating paragraph (3) as para-  
2 graph (5); and

3 (D) by inserting after paragraph (2) the follow-  
4 ing new paragraphs:

5 “(3) a fine under this title or imprisonment for  
6 not more than 20 years, or both, if the offense is  
7 committed to facilitate a drug trafficking crime (as  
8 defined in section 929(a)(2) of this title);

9 “(4) a fine under this title or imprisonment for  
10 not more than 25 years, or both, if the offense is  
11 committed to facilitate an act of international terror-  
12 ism (as defined in section 2331(1) of this title);  
13 and”.

14 (2) Sections 1425 through 1427, sections 1541  
15 through 1544, and section 1546(a) of title 18, United  
16 States Code, are each amended by striking “imprisoned  
17 not more” and all that follows through “years” each place  
18 it appears and inserting the following: “imprisoned not  
19 more than 25 years (if the offense was committed to facili-  
20 tate an act of international terrorism (as defined in section  
21 2331 of this title)), 20 years (if the offense was committed  
22 to facilitate a drug trafficking crime (as defined in section  
23 929(a) of this title)), 10 years (in the case of the first  
24 or second such offense, if the offense was not committed  
25 to facility such an act of international terrorism or a drug

1 trafficking crime), or 15 years (in the case of any other  
2 offense)’’.

3 (b) CHANGES TO THE SENTENCING LEVELS.—

4 (1) IN GENERAL.—Pursuant to the Commis-  
5 sion’s authority under section 994(p) of title 28,  
6 United States Code, the United States Sentencing  
7 Commission shall promulgate sentencing guidelines  
8 or amend existing sentencing guidelines for offend-  
9 ers convicted of violating, or conspiring to violate,  
10 sections 1028(b)(1), 1425 through 1427, 1541  
11 through 1544, and 1546(a) of title 18, United  
12 States Code, in accordance with this subsection.

13 (2) REQUIREMENTS.—In carrying out this sub-  
14 section, the Commission shall, with respect to the of-  
15 fenses referred to in paragraph (1)—

16 (A) increase the base offense level for such  
17 offenses at least 2 offense levels above the level  
18 in effect on the date of the enactment of this  
19 Act;

20 (B) review the sentencing enhancement for  
21 number of documents or passports involved  
22 (U.S.S.G. 2L2.1(b)(2)), and increase the up-  
23 ward adjustment by at least 50 percent above  
24 the applicable enhancement in effect on the  
25 date of the enactment of this Act;

1 (C) impose an appropriate sentencing en-  
2 hancement upon an offender with 1 prior felony  
3 conviction arising out of a separate and prior  
4 prosecution for an offense that involved the  
5 same or similar underlying conduct as the cur-  
6 rent offense, to be applied in addition to any  
7 sentencing enhancement that would otherwise  
8 apply pursuant to the calculation of the defend-  
9 ant's criminal history category;

10 (D) impose an additional appropriate sen-  
11 tencing enhancement upon an offender with 2  
12 or more prior felony convictions arising out of  
13 separate and prior prosecutions for offenses  
14 that involved the same or similar underlying  
15 conduct as the current offense, to be applied in  
16 addition to any sentencing enhancement that  
17 would otherwise apply pursuant to the calcula-  
18 tion of the defendant's criminal history cat-  
19 egory; and

20 (E) consider whether any other aggravat-  
21 ing or mitigating circumstances warrant up-  
22 ward or downward sentencing adjustments.

23 (3) EMERGENCY AUTHORITY TO SENTENCING  
24 COMMISSION.—The Commission shall promulgate  
25 the guidelines or amendments provided for under

1       this subsection as soon as practicable in accordance  
2       with the procedure set forth in section 21(a) of the  
3       Sentencing Act of 1987, as though the authority  
4       under that Act had not expired.

5       (c) EFFECTIVE DATE.—This section and the amend-  
6       ments made by this section shall apply with respect to of-  
7       fenses occurring on or after the date of the enactment of  
8       this Act.

9       **SEC. 212. NEW DOCUMENT FRAUD OFFENSES; NEW CIVIL**  
10       **PENALTIES FOR DOCUMENT FRAUD.**

11       (a) ACTIVITIES PROHIBITED.—Section 274C(a) (8  
12       U.S.C. 1324c(a)) is amended—

13               (1) in paragraph (1), by inserting before the  
14       comma at the end the following: “or to obtain a ben-  
15       efit under this Act”;

16               (2) in paragraph (2), by inserting before the  
17       comma at the end the following: “or to obtain a ben-  
18       efit under this Act”;

19               (3) in paragraph (3)—

20                       (A) by inserting “or with respect to” after  
21       “issued to”;

22                       (B) by adding before the comma at the end  
23       the following: “or obtaining a benefit under this  
24       Act”; and

25                       (C) by striking “or” at the end;

1 (4) in paragraph (4)—

2 (A) by inserting “or with respect to” after  
3 “issued to”;

4 (B) by adding before the period at the end  
5 the following: “or obtaining a benefit under this  
6 Act”; and

7 (C) by striking the period at the end and  
8 inserting “, or”; and

9 (5) by adding at the end the following new  
10 paragraphs:

11 “(5) to prepare, file, or assist another in pre-  
12 paring or filing, any application for benefits under  
13 this Act, or any document required under this Act,  
14 or any document submitted in connection with such  
15 application or document, with knowledge or in reck-  
16 less disregard of the fact that such application or  
17 document was falsely made or, in whole or in part,  
18 does not relate to the person on whose behalf it was  
19 or is being submitted, or

20 “(6)(A) to present before boarding a common  
21 carrier for the purpose of coming to the United  
22 States a document which relates to the alien’s eligi-  
23 bility to enter the United States, and (B) to fail to  
24 present such document to an immigration officer  
25 upon arrival at a United States port of entry.”.

1 (b) DEFINITION OF FALSELY MAKE.—Section 274C  
2 (8 U.S.C. 1324c), as amended by section 213 of this divi-  
3 sion, is further amended by adding at the end the follow-  
4 ing new subsection:

5 “(f) FALSELY MAKE.—For purposes of this section,  
6 the term ‘falsely make’ means to prepare or provide an  
7 application or document, with knowledge or in reckless  
8 disregard of the fact that the application or document con-  
9 tains a false, fictitious, or fraudulent statement or mate-  
10 rial representation, or has no basis in law or fact, or other-  
11 wise fails to state a fact which is material to the purpose  
12 for which it was submitted.”.

13 (c) CONFORMING AMENDMENT.—Section 274C(d)(3)  
14 (8 U.S.C. 1324c(d)(3)) is amended by striking “each doc-  
15 ument used, accepted, or created and each instance of use,  
16 acceptance, or creation” each place it appears and insert-  
17 ing “each document that is the subject of a violation under  
18 subsection (a)”.

19 (d) WAIVER BY ATTORNEY GENERAL.—Section  
20 274C(d) (8 U.S.C. 1324c(d)) is amended by adding at the  
21 end the following new paragraph:

22 “(7) WAIVER BY ATTORNEY GENERAL.—The  
23 Attorney General may waive the penalties imposed  
24 by this section with respect to an alien who know-  
25 ingly violates subsection (a)(6) if the alien is granted

1       asylum under section 208 or withholding of deporta-  
2       tion under section 243(h).”.

3       (e) **EFFECTIVE DATE.**—Section 274C(f) of the Immi-  
4       gration and Nationality Act, as added by subsection (b),  
5       applies to the preparation of applications before, on, or  
6       after the date of the enactment of this Act.

7       **SEC. 213. NEW CRIMINAL PENALTIES FOR FAILURE TO DIS-**  
8                               **CLOSE ROLE AS PREPARER OF FALSE APPLI-**  
9                               **CATION FOR IMMIGRATION BENEFITS.**

10       Section 274C (8 U.S.C. 1324c) is amended by adding  
11       at the end the following new subsection:

12       “(e) **CRIMINAL PENALTIES FOR FAILURE TO DIS-**  
13       **CLOSE ROLE AS DOCUMENT PREPARER.**—(1) Whoever, in  
14       any matter within the jurisdiction of the Service, know-  
15       ingly and willfully fails to disclose, conceals, or covers up  
16       the fact that they have, on behalf of any person and for  
17       a fee or other remuneration, prepared or assisted in pre-  
18       paring an application which was falsely made (as defined  
19       in subsection (f)) for immigration benefits, shall be fined  
20       in accordance with title 18, United States Code, impris-  
21       oned for not more than 5 years, or both, and prohibited  
22       from preparing or assisting in preparing, whether or not  
23       for a fee or other remuneration, any other such applica-  
24       tion.

1       “(2) Whoever, having been convicted of a violation  
2 of paragraph (1), knowingly and willfully prepares or as-  
3 sists in preparing an application for immigration benefits  
4 pursuant to this Act, or the regulations promulgated  
5 thereunder, whether or not for a fee or other remuneration  
6 and regardless of whether in any matter within the juris-  
7 diction of the Service, shall be fined in accordance with  
8 title 18, United States Code, imprisoned for not more than  
9 15 years, or both, and prohibited from preparing or assist-  
10 ing in preparing any other such application.”.

11 **SEC. 214. CRIMINAL PENALTY FOR KNOWINGLY PRESENT-**  
12 **ING DOCUMENT WHICH FAILS TO CONTAIN**  
13 **REASONABLE BASIS IN LAW OR FACT.**

14       The fourth paragraph of section 1546(a) of title 18,  
15 United States Code, is amended by striking “containing  
16 any such false statement” and inserting “which contains  
17 any such false statement or which fails to contain any rea-  
18 sonable basis in law or fact”.

19 **SEC. 215. CRIMINAL PENALTY FOR FALSE CLAIM TO CITI-**  
20 **ZENSHIP.**

21       Section 1015 of title 18, United States Code, is  
22 amended—

23               (1) by striking the dash at the end of para-  
24 graph (d) and inserting “; or”, and



1           (2) by inserting after paragraph (d) the follow-  
2       ing:

3       “(e) Whoever knowingly makes any false statement  
4 or claim that he is, or at any time has been, a citizen  
5 or national of the United States, with the intent to obtain  
6 on behalf of himself, or any other person, any Federal or  
7 State benefit or service, or to engage unlawfully in employ-  
8 ment in the United States; or

9       “(f) Whoever knowingly makes any false statement  
10 or claim that he is a citizen of the United States in order  
11 to register to vote or to vote in any Federal, State, or  
12 local election (including an initiative, recall, or referen-  
13 dum)—”.

14 **SEC. 216. CRIMINAL PENALTY FOR VOTING BY ALIENS IN**  
15 **FEDERAL ELECTION.**

16       (a) IN GENERAL.—Title 18, United States Code, is  
17 amended by inserting after section 610 the following:

18 **“§ 611. Voting by aliens**

19       “(a) It shall be unlawful for any alien to vote in any  
20 election held solely or in part for the purpose of electing  
21 a candidate for the office of President, Vice President,  
22 Presidential elector, Member of the Senate, Member of the  
23 House of Representatives, Delegate from the District of  
24 Columbia, or Resident Commissioner, unless—

1 “(1) the election is held partly for some other  
2 purpose;

3 “(2) aliens are authorized to vote for such other  
4 purpose under a State constitution or statute or a  
5 local ordinance; and

6 “(3) voting for such other purpose is conducted  
7 independently of voting for a candidate for such  
8 Federal offices, in such a manner that an alien has  
9 the opportunity to vote for such other purpose, but  
10 not an opportunity to vote for a candidate for any  
11 one or more of such Federal offices.

12 “(b) Any person who violates this section shall be  
13 fined under this title, imprisoned not more than one year,  
14 or both.”.

15 (b) CLERICAL AMENDMENT.—The table of sections  
16 at the beginning of chapter 29 of title 18, United States  
17 Code, is amended by inserting after the item relating to  
18 section 610 the following new item:

“611. Voting by aliens.”.

19 **SEC. 217. CRIMINAL FORFEITURE FOR PASSPORT AND VISA**  
20 **RELATED OFFENSES.**

21 Section 982(a) of title 18, United States Code, is  
22 amended by inserting after paragraph (5) the following  
23 new paragraph:

24 “(6)(A) The court, in imposing sentence on a person  
25 convicted of a violation of, or conspiracy to violate, section

1 1425, 1426, 1427, 1541, 1542, 1543, 1544, or 1546 of  
2 this title, or a violation of, or conspiracy to violate, section  
3 1028 of this title if committed in connection with passport  
4 or visa issuance or use, shall order that the person forfeit  
5 to the United States, regardless of any provision of State  
6 law—

7 “(i) any conveyance, including any vessel, vehi-  
8 cle, or aircraft used in the commission of a violation  
9 of, or a conspiracy to violate, subsection (a); and

10 “(ii) any property real or personal—

11 “(I) that constitutes, or is derived from or  
12 is traceable to the proceeds obtained directly or  
13 indirectly from the commission of a violation of,  
14 or a conspiracy to violate, subsection (a), sec-  
15 tion 274A(a)(1) or 274A(a)(2) of the Immigra-  
16 tion and Nationality Act, or section 1028,  
17 1425, 1426, 1427, 1541, 1542, 1543, 1544, or  
18 1546 of this title; or

19 “(II) that is used to facilitate, or is in-  
20 tended to be used to facilitate, the commission  
21 of a violation of, or a conspiracy to violate, sub-  
22 section (a), section 274A(a)(1) or 274A(a)(2) of  
23 the Immigration and Nationality Act, or section  
24 1028, 1425, 1426, 1427, 1541, 1542, 1543,  
25 1544, or 1546 of this title.

1 The court, in imposing sentence on such person, shall  
 2 order that the person forfeit to the United States all prop-  
 3 erty described in this subparagraph.

4 “(B) The criminal forfeiture of property under sub-  
 5 paragraph (A), including any seizure and disposition of  
 6 the property and any related administrative or judicial  
 7 proceeding, shall be governed by the provisions of section  
 8 413 of the Comprehensive Drug Abuse Prevention and  
 9 Control Act of 1970 (21 U.S.C. 853), other than sub-  
 10 sections (a) and (d) of such section 413.”.

11 **SEC. 218. CRIMINAL PENALTIES FOR INVOLUNTARY SER-**  
 12 **VITUDE.**

13 (a) AMENDMENTS TO TITLE 18.—Sections 1581,  
 14 1583, 1584, and 1588 of title 18, United States Code,  
 15 are amended by striking “five” each place it appears and  
 16 inserting “10”.

17 (b) REVIEW OF SENTENCING GUIDELINES.—The  
 18 United States Sentencing Commission shall ascertain  
 19 whether there exists an unwarranted disparity—

20 (1) between the sentences for peonage, involun-  
 21 tary servitude, and slave trade offenses, and the sen-  
 22 tences for kidnapping offenses in effect on the date  
 23 of the enactment of this Act; and

24 (2) between the sentences for peonage, involun-  
 25 tary servitude, and slave trade offenses, and the sen-

1 sentences for alien smuggling offenses in effect on the  
2 date of the enactment of this Act and after the  
3 amendment made by subsection (a).

4 (c) AMENDMENT OF SENTENCING GUIDELINES.—

5 (1) IN GENERAL.—Pursuant to its authority  
6 under section 994(p) of title 28, United States Code,  
7 the United States Sentencing Commission shall re-  
8 view its guidelines on sentencing for peonage, invol-  
9 untary servitude, and slave trade offenses under sec-  
10 tions 1581 through 1588 of title 18, United States  
11 Code, and shall amend such guidelines as necessary  
12 to—

13 (A) reduce or eliminate any unwarranted  
14 disparity found under subsection (b) that exists  
15 between the sentences for peonage, involuntary  
16 servitude, and slave trade offenses, and the sen-  
17 tences for kidnapping offenses and alien smug-  
18 gling offenses;

19 (B) ensure that the applicable guidelines  
20 for defendants convicted of peonage, involun-  
21 tary servitude, and slave trade offenses are suf-  
22 ficiently stringent to deter such offenses and  
23 adequately reflect the heinous nature of such  
24 offenses; and

1 (C) ensure that the guidelines reflect the  
2 general appropriateness of enhanced sentences  
3 for defendants whose peonage, involuntary ser-  
4 vitude, or slave trade offenses involve—

5 (i) a large number of victims;

6 (ii) the use or threatened use of a  
7 dangerous weapon; or

8 (iii) a prolonged period of peonage or  
9 involuntary servitude.

10 (2) EMERGENCY AUTHORITY TO SENTENCING  
11 COMMISSION.—The Commission shall promulgate  
12 the guidelines or amendments provided for under  
13 this subsection as soon as practicable in accordance  
14 with the procedure set forth in section 21(a) of the  
15 Sentencing Act of 1987, as though the authority  
16 under that Act had not expired.

17 (d) EFFECTIVE DATE.—This section and the amend-  
18 ments made by this section shall apply with respect to of-  
19 fenses occurring on or after the date of the enactment of  
20 this Act.

21 **SEC. 219. ADMISSIBILITY OF VIDEOTAPED WITNESS TESTI-**  
22 **MONY.**

23 Section 274 (8 U.S.C. 1324) is amended by adding  
24 at the end thereof the following new subsection:

1       “(d) Notwithstanding any provision of the Federal  
2 Rules of Evidence, the videotaped (or otherwise audio-  
3 visually preserved) deposition of a witness to a violation  
4 of subsection (a) who has been deported or otherwise ex-  
5 pelled from the United States, or is otherwise unable to  
6 testify, may be admitted into evidence in an action brought  
7 for that violation if the witness was available for cross ex-  
8 amination and the deposition otherwise complies with the  
9 Federal Rules of Evidence.”.

10 **SEC. 220. SUBPOENA AUTHORITY IN DOCUMENT FRAUD EN-**  
11 **FORCEMENT.**

12       Section 274C(d)(1) (8 U.S.C. 1324c(d)(1)) is amend-  
13 ed—

14               (1) by striking “and” at the end of subpara-  
15 graph (A);

16               (2) by striking the period at the end of sub-  
17 paragraph (B) and inserting “, and”; and

18               (3) by inserting after subparagraph (B) the fol-  
19 lowing:

20               “(C) immigration officers designated by  
21 the Commissioner may compel by subpoena the  
22 attendance of witnesses and the production of  
23 evidence at any designated place prior to the fil-  
24 ing of a complaint in a case under paragraph  
25 (2).”.

1 **TITLE III—INSPECTION, APPRE-**  
2 **HENSION, DETENTION, ADJU-**  
3 **DICATION, AND REMOVAL OF**  
4 **INADMISSIBLE AND DEPORT-**  
5 **ABLE ALIENS**

6 **Subtitle A—Revision of Procedures**  
7 **for Removal of Aliens**

8 **SEC. 301. TREATING PERSONS PRESENT IN THE UNITED**  
9 **STATES WITHOUT AUTHORIZATION AS NOT**  
10 **ADMITTED.**

11 (a) “ADMISSION” DEFINED.—Paragraph (13) of sec-  
12 tion 101(a) (8 U.S.C. 1101(a)) is amended to read as fol-  
13 lows:

14 “(13)(A) The terms ‘admission’ and ‘admitted’ mean,  
15 with respect to an alien, the lawful entry of the alien into  
16 the United States after inspection and authorization by  
17 an immigration officer.

18 “(B) An alien who is paroled under section 212(d)(5)  
19 or permitted to land temporarily as an alien crewman shall  
20 not be considered to have been admitted.

21 “(C) An alien lawfully admitted for permanent resi-  
22 dence in the United States shall not be regarded as seek-  
23 ing an admission into the United States for purposes of  
24 the immigration laws unless the alien—

25 “(i) has abandoned or relinquished that status,



1 “(ii) has been absent from the United States  
2 for a continuous period in excess of 180 days,

3 “(iii) has engaged in illegal activity after having  
4 departed the United States,

5 “(iv) has departed from the United States while  
6 under legal process seeking removal of the alien  
7 from the United States, including removal proceed-  
8 ings under this Act and extradition proceedings,

9 “(v) has committed an offense identified in sec-  
10 tion 212(a)(2), unless since such offense the alien  
11 has been granted relief under section 212(h) or  
12 240A(a), or

13 “(vi) is attempting to enter at a time or place  
14 other than as designated by immigration officers or  
15 has not been admitted to the United States after in-  
16 spection and authorization by an immigration offi-  
17 cer.”.

18 (b) INADMISSIBILITY OF ALIENS PREVIOUSLY RE-  
19 MOVED AND UNLAWFULLY PRESENT.—

20 (1) IN GENERAL.—Section 212(a) (8 U.S.C.  
21 1182(a)) is amended by redesignating paragraph (9)  
22 as paragraph (10) and by inserting after paragraph  
23 (8) the following new paragraph:

24 “(9) ALIENS PREVIOUSLY REMOVED.—

1           “(A) CERTAIN ALIENS PREVIOUSLY RE-  
2           MOVED.—

3                   “(i) ARRIVING ALIENS.—Any alien  
4                   who has been ordered removed under sec-  
5                   tion 235(b)(1) or at the end of proceedings  
6                   under section 240 initiated upon the  
7                   alien’s arrival in the United States and  
8                   who again seeks admission within 5 years  
9                   of the date of such removal (or within 20  
10                  years in the case of a second or subsequent  
11                  removal or at any time in the case of an  
12                  alien convicted of an aggravated felony) is  
13                  inadmissible.

14                  “(ii) OTHER ALIENS.—Any alien not  
15                  described in clause (i) who—

16                       “(I) has been ordered removed  
17                       under section 240 or any other provi-  
18                       sion of law, or

19                       “(II) departed the United States  
20                       while an order of removal was out-  
21                       standing,

22                       and who seeks admission within 10 years  
23                       of the date of such alien’s departure or re-  
24                       moval (or within 20 years of such date in  
25                       the case of a second or subsequent removal

1 or at any time in the case of an alien con-  
2 victed of an aggravated felony) is inadmis-  
3 sible.

4 “(iii) EXCEPTION.—Clauses (i) and  
5 (ii) shall not apply to an alien seeking ad-  
6 mission within a period if, prior to the date  
7 of the alien’s reembarkation at a place out-  
8 side the United States or attempt to be ad-  
9 mitted from foreign contiguous territory,  
10 the Attorney General has consented to the  
11 alien’s reapplying for admission.

12 “(B) ALIENS UNLAWFULLY PRESENT.—

13 “(i) IN GENERAL.—Any alien (other  
14 than an alien lawfully admitted for perma-  
15 nent residence) who—

16 “(I) was unlawfully present in  
17 the United States for a period of more  
18 than 180 days but less than 1 year,  
19 voluntarily departed the United States  
20 (whether or not pursuant to section  
21 244(e)) prior to the commencement of  
22 proceedings under section 235(b)(1)  
23 or section 240, and again seeks ad-  
24 mission within 3 years of the date of  
25 such alien’s departure or removal, or

1           “(II) has been unlawfully present  
2           in the United States for one year or  
3           more, and who again seeks admission  
4           within 10 years of the date of such  
5           alien’s departure or removal from the  
6           United States,  
7           is inadmissible.

8           “(ii) CONSTRUCTION OF UNLAWFUL  
9           PRESENCE.—For purposes of this para-  
10          graph, an alien is deemed to be unlawfully  
11          present in the United States if the alien is  
12          present in the United States after the expi-  
13          ration of the period of stay authorized by  
14          the Attorney General or is present in the  
15          United States without being admitted or  
16          paroled.

17          “(iii) EXCEPTIONS.—

18               “(I) MINORS.—No period of time  
19               in which an alien is under 18 years of  
20               age shall be taken into account in de-  
21               termining the period of unlawful pres-  
22               ence in the United States under  
23               clause (i).

24               “(II) ASYLEES.—No period of  
25               time in which an alien has a bona fide

1 application for asylum pending under  
2 section 208 shall be taken into ac-  
3 count in determining the period of un-  
4 lawful presence in the United States  
5 under clause (i) unless the alien dur-  
6 ing such period was employed without  
7 authorization in the United States.

8 “(III) FAMILY UNITY.—No pe-  
9 riod of time in which the alien is a  
10 beneficiary of family unity protection  
11 pursuant to section 301 of the Immi-  
12 gration Act of 1990 shall be taken  
13 into account in determining the period  
14 of unlawful presence in the United  
15 States under clause (i).

16 “(IV) BATTERED WOMEN AND  
17 CHILDREN.—Clause (i) shall not apply  
18 to an alien who would be described in  
19 paragraph (6)(A)(ii) if ‘violation of  
20 the terms of the alien’s nonimmigrant  
21 visa’ were substituted for ‘unlawful  
22 entry into the United States’ in sub-  
23 clause (III) of that paragraph.

24 “(iv) TOLLING FOR GOOD CAUSE.—In  
25 the case of an alien who—

1 “(I) has been lawfully admitted  
2 or paroled into the United States,

3 “(II) has filed a nonfrivolous ap-  
4 plication for a change or extension of  
5 status before the date of expiration of  
6 the period of stay authorized by the  
7 Attorney General, and

8 “(III) has not been employed  
9 without authorization in the United  
10 States before or during the pendency  
11 of such application,

12 the calculation of the period of time speci-  
13 fied in clause (i)(I) shall be tolled during  
14 the pendency of such application, but not  
15 to exceed 120 days.

16 “(v) WAIVER.—The Attorney General  
17 has sole discretion to waive clause (i) in  
18 the case of an immigrant who is the spouse  
19 or son or daughter of a United States citi-  
20 zen or of an alien lawfully admitted for  
21 permanent residence, if it is established to  
22 the satisfaction of the Attorney General  
23 that the refusal of admission to such immi-  
24 grant alien would result in extreme hard-  
25 ship to the citizen or lawfully resident

1 spouse or parent of such alien. No court  
2 shall have jurisdiction to review a decision  
3 or action by the Attorney General regard-  
4 ing a waiver under this clause.

5 “(C) ALIENS UNLAWFULLY PRESENT  
6 AFTER PREVIOUS IMMIGRATION VIOLATIONS.—

7 “(i) IN GENERAL.—Any alien who—

8 “(I) has been unlawfully present  
9 in the United States for an aggregate  
10 period of more than 1 year, or

11 “(II) has been ordered removed  
12 under section 235(b)(1), section 240,  
13 or any other provision of law,

14 and who enters or attempts to reenter the  
15 United States without being admitted is  
16 inadmissible.

17 “(ii) EXCEPTION.—Clause (i) shall  
18 not apply to an alien seeking admission  
19 more than 10 years after the date of the  
20 alien’s last departure from the United  
21 States if, prior to the alien’s reembar-  
22 kation at a place outside the United States  
23 or attempt to be readmitted from a foreign  
24 contiguous territory, the Attorney General

1           has consented to the alien’s reapplying for  
2           admission.”.

3           (2) LIMITATION ON CHANGE OF STATUS.—Sec-  
4           tion 248 (8 U.S.C. 1258) is amended by inserting  
5           “and who is not inadmissible under section  
6           212(a)(9)(B)(i) (or whose inadmissibility under such  
7           section is waived under section 212(a)(9)(B)(v))”  
8           after “maintain that status”.

9           (3) TREATMENT OF UNLAWFUL PRESENCE BE-  
10          FORE EFFECTIVE DATE.—In applying section  
11          212(a)(9)(B) of the Immigration and Nationality  
12          Act, as inserted by paragraph (1), no period before  
13          the title III–A effective date shall be included in a  
14          period of unlawful presence in the United States.

15          (c) REVISION TO GROUND OF INADMISSIBILITY FOR  
16          ILLEGAL ENTRANTS AND IMMIGRATION VIOLATORS.—

17               (1) IN GENERAL.—Subparagraphs (A) and (B)  
18               of section 212(a)(6) (8 U.S.C. 1182(a)(6)) are  
19               amended to read as follows:

20                       “(A) ALIENS PRESENT WITHOUT ADMIS-  
21                       SION OR PAROLE.—

22                               “(i) IN GENERAL.—An alien present  
23                               in the United States without being admit-  
24                               ted or paroled, or who arrives in the Unit-  
25                               ed States at any time or place other than



1 as designated by the Attorney General, is  
2 inadmissible.

3 “(ii) EXCEPTION FOR CERTAIN BAT-  
4 TERED WOMEN AND CHILDREN.—Clause  
5 (i) shall not apply to an alien who dem-  
6 onstrates that—

7 “(I) the alien qualifies for immi-  
8 grant status under subparagraph  
9 (A)(iii), (A)(iv), (B)(ii), or (B)(iii) of  
10 section 204(a)(1),

11 “(II)(a) the alien has been bat-  
12 tered or subjected to extreme cruelty  
13 by a spouse or parent, or by a mem-  
14 ber of the spouse’s or parent’s family  
15 residing in the same household as the  
16 alien and the spouse or parent con-  
17 sented or acquiesced to such battery  
18 or cruelty, or (b) the alien’s child has  
19 been battered or subjected to extreme  
20 cruelty by a spouse or parent of the  
21 alien (without the active participation  
22 of the alien in the battery or cruelty)  
23 or by a member of the spouse’s or  
24 parent’s family residing in the same  
25 household as the alien when the

1 spouse or parent consented to or ac-  
2 quiesced in such battery or cruelty  
3 and the alien did not actively partici-  
4 pate in such battery or cruelty, and

5 “(III) there was a substantial  
6 connection between the battery or cru-  
7 elty described in subclause (I) or (II)  
8 and the alien’s unlawful entry into the  
9 United States.

10 “(B) FAILURE TO ATTEND REMOVAL PRO-  
11 CEEDING.—Any alien who without reasonable  
12 cause fails or refuses to attend or remain in at-  
13 tendance at a proceeding to determine the  
14 alien’s inadmissibility or deportability and who  
15 seeks admission to the United States within 5  
16 years of such alien’s subsequent departure or  
17 removal is inadmissible. ”.

18 (2) TRANSITION FOR BATTERED SPOUSE OR  
19 CHILD PROVISION.—The requirements of subclauses  
20 (II) and (III) of section 212(a)(6)(A)(ii) of the Im-  
21 migration and Nationality Act, as inserted by para-  
22 graph (1), shall not apply to an alien who dem-  
23 onstrates that the alien first arrived in the United  
24 States before the title III–A effective date (described  
25 in section 309(a) of this division).

1 (d) ADJUSTMENT IN GROUNDS FOR DEPORTA-  
2 TION.—Section 241 (8 U.S.C. 1251), before redesignation  
3 as section 237 by section 305(a)(2) of this division, is  
4 amended—

5 (1) in the matter before paragraph (1) of sub-  
6 section (a), by striking “in the United States” and  
7 inserting “in and admitted to the United States”;

8 (2) in subsection (a)(1), by striking “EXCLUD-  
9 ABLE” each place it appears and inserting “INAD-  
10 MISSIBLE”;

11 (3) in subsection (a)(1)(A), by striking “exclud-  
12 able” and inserting “inadmissible”; and

13 (4) by amending subparagraph (B) of sub-  
14 section (a)(1) to read as follows:

15 “(B) PRESENT IN VIOLATION OF LAW.—

16 Any alien who is present in the United States  
17 in violation of this Act or any other law of the  
18 United States is deportable.

19 **SEC. 302. INSPECTION OF ALIENS; EXPEDITED REMOVAL**  
20 **OF INADMISSIBLE ARRIVING ALIENS; REFER-**  
21 **RAL FOR HEARING (REVISED SECTION 235).**

22 (a) IN GENERAL.—Section 235 (8 U.S.C. 1225) is  
23 amended to read as follows:

1 “INSPECTION BY IMMIGRATION OFFICERS; EXPEDITED  
2 REMOVAL OF INADMISSIBLE ARRIVING ALIENS; RE-  
3 FERRAL FOR HEARING

4 “SEC. 235. (a) INSPECTION.—

5 “(1) ALIENS TREATED AS APPLICANTS FOR AD-  
6 MISSION.—An alien present in the United States  
7 who has not been admitted or who arrives in the  
8 United States (whether or not at a designated port  
9 of arrival and including an alien who is brought to  
10 the United States after having been interdicted in  
11 international or United States waters) shall be  
12 deemed for purposes of this Act an applicant for ad-  
13 mission.

14 “(2) STOWAWAYS.—An arriving alien who is a  
15 stowaway is not eligible to apply for admission or to  
16 be admitted and shall be ordered removed upon in-  
17 spection by an immigration officer. Upon such in-  
18 spection if the alien indicates an intention to apply  
19 for asylum under section 208 or a fear of persecu-  
20 tion, the officer shall refer the alien for an interview  
21 under subsection (b)(1)(B). A stowaway may apply  
22 for asylum only if the stowaway is found to have a  
23 credible fear of persecution under subsection  
24 (b)(1)(B). In no case may a stowaway be considered

1 an applicant for admission or eligible for a hearing  
2 under section 240.

3 “(3) INSPECTION.—All aliens (including alien  
4 crewmen) who are applicants for admission or other-  
5 wise seeking admission or readmission to or transit  
6 through the United States shall be inspected by im-  
7 migration officers.

8 “(4) WITHDRAWAL OF APPLICATION FOR AD-  
9 MISSION.—An alien applying for admission may, in  
10 the discretion of the Attorney General and at any  
11 time, be permitted to withdraw the application for  
12 admission and depart immediately from the United  
13 States.

14 “(5) STATEMENTS.—An applicant for admis-  
15 sion may be required to state under oath any infor-  
16 mation sought by an immigration officer regarding  
17 the purposes and intentions of the applicant in seek-  
18 ing admission to the United States, including the  
19 applicant’s intended length of stay and whether the  
20 applicant intends to remain permanently or become  
21 a United States citizen, and whether the applicant  
22 is inadmissible.

23 “(b) INSPECTION OF APPLICANTS FOR ADMISSION.—

1           “(1) INSPECTION OF ALIENS ARRIVING IN THE  
2           UNITED STATES AND CERTAIN OTHER ALIENS WHO  
3           HAVE NOT BEEN ADMITTED OR PAROLED.—

4           “(A) SCREENING.—

5                   “(i) IN GENERAL.—If an immigration  
6                   officer determines that an alien (other  
7                   than an alien described in subparagraph  
8                   (F)) who is arriving in the United States  
9                   or is described in clause (iii) is inadmis-  
10                  sible under section 212(a)(6)(C) or  
11                  212(a)(7), the officer shall order the alien  
12                  removed from the United States without  
13                  further hearing or review unless the alien  
14                  indicates either an intention to apply for  
15                  asylum under section 208 or a fear of per-  
16                  secution.

17                  “(ii) CLAIMS FOR ASYLUM.—If an im-  
18                  migration officer determines that an alien  
19                  (other than an alien described in subpara-  
20                  graph (F)) who is arriving in the United  
21                  States or is described in clause (iii) is in-  
22                  admissible under section 212(a)(6)(C) or  
23                  212(a)(7) and the alien indicates either an  
24                  intention to apply for asylum under section  
25                  208 or a fear of persecution, the officer

1 shall refer the alien for an interview by an  
2 asylum officer under subparagraph (B).

3 “(iii) APPLICATION TO CERTAIN  
4 OTHER ALIENS.—

5 “(I) IN GENERAL.—The Attorney  
6 General may apply clauses (i) and (ii)  
7 of this subparagraph to any or all  
8 aliens described in subclause (II) as  
9 designated by the Attorney General.  
10 Such designation shall be in the sole  
11 and unreviewable discretion of the At-  
12 torney General and may be modified  
13 at any time.

14 “(II) ALIENS DESCRIBED.—An  
15 alien described in this clause is an  
16 alien who is not described in subpara-  
17 graph (F), who has not been admitted  
18 or paroled into the United States, and  
19 who has not affirmatively shown, to  
20 the satisfaction of an immigration of-  
21 ficer, that the alien has been phys-  
22 ically present in the United States  
23 continuously for the 2-year period im-  
24 mediately prior to the date of the de-

1                   termination of inadmissibility under  
2                   this subparagraph.

3                   “(B) ASYLUM INTERVIEWS.—

4                   “(i) CONDUCT BY ASYLUM OFFI-  
5                   CERS.—An asylum officer shall conduct  
6                   interviews of aliens referred under sub-  
7                   paragraph (A)(ii), either at a port of entry  
8                   or at such other place designated by the  
9                   Attorney General.

10                  “(ii) REFERRAL OF CERTAIN  
11                  ALIENS.—If the officer determines at the  
12                  time of the interview that an alien has a  
13                  credible fear of persecution (within the  
14                  meaning of clause (v)), the alien shall be  
15                  detained for further consideration of the  
16                  application for asylum.

17                  “(iii) REMOVAL WITHOUT FURTHER  
18                  REVIEW IF NO CREDIBLE FEAR OF PERSE-  
19                  CUTION.—

20                  “(I) IN GENERAL.—Subject to  
21                  subclause (III), if the officer deter-  
22                  mines that an alien does not have a  
23                  credible fear of persecution, the officer  
24                  shall order the alien removed from the



1 United States without further hearing  
2 or review.

3 “(II) RECORD OF DETERMINA-  
4 TION.—The officer shall prepare a  
5 written record of a determination  
6 under subclause (I). Such record shall  
7 include a summary of the material  
8 facts as stated by the applicant, such  
9 additional facts (if any) relied upon by  
10 the officer, and the officer’s analysis  
11 of why, in the light of such facts, the  
12 alien has not established a credible  
13 fear of persecution. A copy of the offi-  
14 cer’s interview notes shall be attached  
15 to the written summary.

16 “(III) REVIEW OF DETERMINA-  
17 TION.—The Attorney General shall  
18 provide by regulation and upon the  
19 alien’s request for prompt review by  
20 an immigration judge of a determina-  
21 tion under subclause (I) that the alien  
22 does not have a credible fear of perse-  
23 cution. Such review shall include an  
24 opportunity for the alien to be heard  
25 and questioned by the immigration

1 judge, either in person or by tele-  
2 phonic or video connection. Review  
3 shall be concluded as expeditiously as  
4 possible, to the maximum extent prac-  
5 ticable within 24 hours, but in no case  
6 later than 7 days after the date of the  
7 determination under subclause (I).

8 “(IV) MANDATORY DETEN-  
9 TION.—Any alien subject to the proce-  
10 dures under this clause shall be de-  
11 tained pending a final determination  
12 of credible fear of persecution and, if  
13 found not to have such a fear, until  
14 removed.

15 “(iv) INFORMATION ABOUT INTER-  
16 VIEWS.—The Attorney General shall pro-  
17 vide information concerning the asylum  
18 interview described in this subparagraph to  
19 aliens who may be eligible. An alien who is  
20 eligible for such interview may consult with  
21 a person or persons of the alien’s choosing  
22 prior to the interview or any review there-  
23 of, according to regulations prescribed by  
24 the Attorney General. Such consultation  
25 shall be at no expense to the Government

1 and shall not unreasonably delay the proc-  
2 ess.

3 “(v) CREDIBLE FEAR OF PERSECU-  
4 TION DEFINED.—For purposes of this sub-  
5 paragraph, the term ‘credible fear of perse-  
6 cution’ means that there is a significant  
7 possibility, taking into account the credibil-  
8 ity of the statements made by the alien in  
9 support of the alien’s claim and such other  
10 facts as are known to the officer, that the  
11 alien could establish eligibility for asylum  
12 under section 208.

13 “(C) LIMITATION ON ADMINISTRATIVE RE-  
14 VIEW.—Except as provided in subparagraph  
15 (B)(iii)(III), a removal order entered in accord-  
16 ance with subparagraph (A)(i) or (B)(iii)(I) is  
17 not subject to administrative appeal, except  
18 that the Attorney General shall provide by reg-  
19 ulation for prompt review of such an order  
20 under subparagraph (A)(i) against an alien who  
21 claims under oath, or as permitted under pen-  
22 alty of perjury under section 1746 of title 28,  
23 United States Code, after having been warned  
24 of the penalties for falsely making such claim  
25 under such conditions, to have been lawfully ad-

mitted for permanent residence, to have been admitted as a refugee under section 207, or to have been granted asylum under section 208.

“(D) LIMIT ON COLLATERAL ATTACKS.—

In any action brought against an alien under section 275(a) or section 276, the court shall not have jurisdiction to hear any claim attacking the validity of an order of removal entered under subparagraph (A)(i) or (B)(iii).

“(E) ASYLUM OFFICER DEFINED.—As

used in this paragraph, the term ‘asylum officer’ means an immigration officer who—

“(i) has had professional training in country conditions, asylum law, and interview techniques comparable to that provided to full-time adjudicators of applications under section 208, and

“(ii) is supervised by an officer who meets the condition described in clause (i) and has had substantial experience adjudicating asylum applications.

“(F) EXCEPTION.—Subparagraph (A)

shall not apply to an alien who is a native or citizen of a country in the Western Hemisphere with whose government the United States does

1 not have full diplomatic relations and who ar-  
2 rives by aircraft at a port of entry.

3 “(2) INSPECTION OF OTHER ALIENS.—

4 “(A) IN GENERAL.—Subject to subpara-  
5 graphs (B) and (C), in the case of an alien who  
6 is an applicant for admission, if the examining  
7 immigration officer determines that an alien  
8 seeking admission is not clearly and beyond a  
9 doubt entitled to be admitted, the alien shall be  
10 detained for a proceeding under section 240.

11 “(B) EXCEPTION.—Subparagraph (A)  
12 shall not apply to an alien—

13 “(i) who is a crewman,

14 “(ii) to whom paragraph (1) applies,

15 or

16 “(iii) who is a stowaway.

17 “(C) TREATMENT OF ALIENS ARRIVING  
18 FROM CONTIGUOUS TERRITORY.—In the case of  
19 an alien described in subparagraph (A) who is  
20 arriving on land (whether or not at a des-  
21 ignated port of arrival) from a foreign territory  
22 contiguous to the United States, the Attorney  
23 General may return the alien to that territory  
24 pending a proceeding under section 240.

1           “(3) CHALLENGE OF DECISION.—The decision  
2           of the examining immigration officer, if favorable to  
3           the admission of any alien, shall be subject to chal-  
4           lenge by any other immigration officer and such  
5           challenge shall operate to take the alien whose privi-  
6           lege to be admitted is so challenged, before an immi-  
7           gration judge for a proceeding under section 240.

8           “(c) REMOVAL OF ALIENS INADMISSIBLE ON SECU-  
9           RITY AND RELATED GROUNDS.—

10           “(1) REMOVAL WITHOUT FURTHER HEARING.—  
11           If an immigration officer or an immigration judge  
12           suspects that an arriving alien may be inadmissible  
13           under subparagraph (A) (other than clause (ii)),  
14           (B), or (C) of section 212(a)(3), the officer or judge  
15           shall—

16                   “(A) order the alien removed, subject to  
17                   review under paragraph (2);

18                   “(B) report the order of removal to the At-  
19                   torney General; and

20                   “(C) not conduct any further inquiry or  
21                   hearing until ordered by the Attorney General.

22           “(2) REVIEW OF ORDER.—(A) The Attorney  
23           General shall review orders issued under paragraph  
24           (1).

25           “(B) If the Attorney General—

1           “(i) is satisfied on the basis of confidential  
2           information that the alien is inadmissible under  
3           subparagraph (A) (other than clause (ii)), (B),  
4           or (C) of section 212(a)(3), and

5           “(ii) after consulting with appropriate se-  
6           curity agencies of the United States Govern-  
7           ment, concludes that disclosure of the informa-  
8           tion would be prejudicial to the public interest,  
9           safety, or security,  
10          the Attorney General may order the alien removed  
11          without further inquiry or hearing by an immigra-  
12          tion judge.

13          “(C) If the Attorney General does not order the  
14          removal of the alien under subparagraph (B), the  
15          Attorney General shall specify the further inquiry or  
16          hearing that shall be conducted in the case.

17          “(3) SUBMISSION OF STATEMENT AND INFOR-  
18          MATION.—The alien or the alien’s representative  
19          may submit a written statement and additional in-  
20          formation for consideration by the Attorney General.

21          “(d) AUTHORITY RELATING TO INSPECTIONS.—

22          “(1) AUTHORITY TO SEARCH CONVEYANCES.—  
23          Immigration officers are authorized to board and  
24          search any vessel, aircraft, railway car, or other con-

veyance or vehicle in which they believe aliens are being brought into the United States.

“(2) AUTHORITY TO ORDER DETENTION AND DELIVERY OF ARRIVING ALIENS.—Immigration officers are authorized to order an owner, agent, master, commanding officer, person in charge, purser, or consignee of a vessel or aircraft bringing an alien (except an alien crewmember) to the United States—

“(A) to detain the alien on the vessel or at the airport of arrival, and

“(B) to deliver the alien to an immigration officer for inspection or to a medical officer for examination.

“(3) ADMINISTRATION OF OATH AND CONSIDERATION OF EVIDENCE.—The Attorney General and any immigration officer shall have power to administer oaths and to take and consider evidence of or from any person touching the privilege of any alien or person he believes or suspects to be an alien to enter, reenter, transit through, or reside in the United States or concerning any matter which is material and relevant to the enforcement of this Act and the administration of the Service.



1           “(4) SUBPOENA AUTHORITY.—(A) The Attor-  
2       ney General and any immigration officer shall have  
3       power to require by subpoena the attendance and  
4       testimony of witnesses before immigration officers  
5       and the production of books, papers, and documents  
6       relating to the privilege of any person to enter, reen-  
7       ter, reside in, or pass through the United States or  
8       concerning any matter which is material and rel-  
9       evant to the enforcement of this Act and the admin-  
10      istration of the Service, and to that end may invoke  
11      the aid of any court of the United States.

12           “(B) Any United States district court within  
13      the jurisdiction of which investigations or inquiries  
14      are being conducted by an immigration officer may,  
15      in the event of neglect or refusal to respond to a  
16      subpoena issued under this paragraph or refusal to  
17      testify before an immigration officer, issue an order  
18      requiring such persons to appear before an immigra-  
19      tion officer, produce books, papers, and documents  
20      if demanded, and testify, and any failure to obey  
21      such order of the court may be punished by the  
22      court as a contempt thereof.”.

23           (b) GAO STUDY ON OPERATION OF EXPEDITED RE-  
24      MOVAL PROCEDURES.—

1           (1) STUDY.—The Comptroller General shall  
2       conduct a study on the implementation of the expedited removal procedures under section 235(b)(1) of  
3       the Immigration and Nationality Act, as amended by  
4       subsection (a). The study shall examine—

5                   (A) the effectiveness of such procedures in  
6       deterring illegal entry,

7                   (B) the detention and adjudication resources saved as a result of the procedures,

8                   (C) the administrative and other costs expended to comply with the provision,

9                   (D) the effectiveness of such procedures in  
10       processing asylum claims by undocumented  
11       aliens who assert a fear of persecution, including the accuracy of credible fear determinations, and

12                   (E) the cooperation of other countries and  
13       air carriers in accepting and returning aliens removed under such procedures.

14           (2) REPORT.—By not later than 18 months  
15       after the date of the enactment of this Act, the  
16       Comptroller General shall submit to the Committees  
17       on the Judiciary of the House of Representatives  
18       and the Senate a report on the study conducted  
19       under paragraph (1).

1 **SEC. 303. APPREHENSION AND DETENTION OF ALIENS (RE-**  
2 **vised SECTION 236).**

3 (a) IN GENERAL.—Section 236 (8 U.S.C. 1226) is  
4 amended to read as follows:

5 “APPREHENSION AND DETENTION OF ALIENS

6 “SEC. 236. (a) ARREST, DETENTION, AND RE-  
7 LEASE.—On a warrant issued by the Attorney General,  
8 an alien may be arrested and detained pending a decision  
9 on whether the alien is to be removed from the United  
10 States. Except as provided in subsection (c) and pending  
11 such decision, the Attorney General—

12 “(1) may continue to detain the arrested alien;

13 and

14 “(2) may release the alien on—

15 “(A) bond of at least \$1,500 with security  
16 approved by, and containing conditions pre-  
17 scribed by, the Attorney General; or

18 “(B) conditional parole; but

19 “(3) may not provide the alien with work au-  
20 thorization (including an ‘employment authorized’  
21 endorsement or other appropriate work permit), un-  
22 less the alien is lawfully admitted for permanent res-  
23 idence or otherwise would (without regard to re-  
24 moval proceedings) be provided such authorization.

25 “(b) REVOCATION OF BOND OR PAROLE.—The At-  
26 torney General at any time may revoke a bond or parole

1 authorized under subsection (a), rearrest the alien under  
2 the original warrant, and detain the alien.

3 “(c) DETENTION OF CRIMINAL ALIENS.—

4 “(1) CUSTODY.—The Attorney General shall  
5 take into custody any alien who—

6 “(A) is inadmissible by reason of having  
7 committed any offense covered in section  
8 212(a)(2),

9 “(B) is deportable by reason of having  
10 committed any offense covered in section  
11 237(a)(2)(A)(ii), (A)(iii), (B), (C), or (D),

12 “(C) is deportable under section  
13 237(a)(2)(A)(i) on the basis of an offense for  
14 which the alien has been sentence to a term of  
15 imprisonment of at least 1 year, or

16 “(D) is inadmissible under section  
17 212(a)(3)(B) or deportable under section  
18 237(a)(4)(B),

19 when the alien is released, without regard to whether  
20 the alien is released on parole, supervised release, or  
21 probation, and without regard to whether the alien  
22 may be arrested or imprisoned again for the same  
23 offense.

24 “(2) RELEASE.—The Attorney General may re-  
25 lease an alien described in paragraph (1) only if the

1 Attorney General decides pursuant to section 3521  
2 of title 18, United States Code, that release of the  
3 alien from custody is necessary to provide protection  
4 to a witness, a potential witness, a person cooperat-  
5 ing with an investigation into major criminal activ-  
6 ity, or an immediate family member or close associ-  
7 ate of a witness, potential witness, or person cooper-  
8 ating with such an investigation, and the alien satis-  
9 fies the Attorney General that the alien will not pose  
10 a danger to the safety of other persons or of prop-  
11 erty and is likely to appear for any scheduled pro-  
12 ceeding. A decision relating to such release shall  
13 take place in accordance with a procedure that con-  
14 sider the severity of the offense committed by the  
15 alien.

16 “(d) IDENTIFICATION OF CRIMINAL ALIENS.—(1)  
17 The Attorney General shall devise and implement a sys-  
18 tem—

19 “(A) to make available, daily (on a 24-hour  
20 basis), to Federal, State, and local authorities the  
21 investigative resources of the Service to determine  
22 whether individuals arrested by such authorities for  
23 aggravated felonies are aliens;

24 “(B) to designate and train officers and em-  
25 ployees of the Service to serve as a liaison to Fed-

1       eral, State, and local law enforcement and correc-  
2       tional agencies and courts with respect to the arrest,  
3       conviction, and release of any alien charged with an  
4       aggravated felony; and

5           “(C) which uses computer resources to main-  
6       tain a current record of aliens who have been con-  
7       victed of an aggravated felony, and indicates those  
8       who have been removed.

9       “(2) The record under paragraph (1)(C) shall be  
10   made available—

11           “(A) to inspectors at ports of entry and to bor-  
12       der patrol agents at sector headquarters for pur-  
13       poses of immediate identification of any alien who  
14       was previously ordered removed and is seeking to re-  
15       enter the United States, and

16           “(B) to officials of the Department of State for  
17       use in its automated visa lookout system.

18       “(3) Upon the request of the governor or chief execu-  
19       tive officer of any State, the Service shall provide assist-  
20       ance to State courts in the identification of aliens unlaw-  
21       fully present in the United States pending criminal pros-  
22       ecution.

23       “(e) JUDICIAL REVIEW.—The Attorney General’s  
24       discretionary judgment regarding the application of this  
25       section shall not be subject to review. No court may set

1 aside any action or decision by the Attorney General under  
2 this section regarding the detention or release of any alien  
3 or the grant, revocation, or denial of bond or parole.”.

4 (b) EFFECTIVE DATE.—

5 (1) IN GENERAL.—The amendment made by  
6 subsection (a) shall become effective on the title III—  
7 A effective date.

8 (2) NOTIFICATION REGARDING CUSTODY.—If  
9 the Attorney General, not later than 10 days after  
10 the date of the enactment of this Act, notifies in  
11 writing the Committees on the Judiciary of the  
12 House of Representatives and the Senate that there  
13 is insufficient detention space and Immigration and  
14 Naturalization Service personnel available to carry  
15 out section 236(c) of the Immigration and National-  
16 ity Act, as amended by subsection (a), or the amend-  
17 ments made by section 440(c) of Public Law 104—  
18 132, the provisions in paragraph (3) shall be in ef-  
19 fect for a 1-year period beginning on the date of  
20 such notification, instead of such section or such  
21 amendments. The Attorney General may extend  
22 such 1-year period for an additional year if the At-  
23 torney General provides the same notice not later  
24 than 10 days before the end of the first 1-year pe-  
25 riod. After the end of such 1-year or 2-year periods,

1 the provisions of such section 236(c) shall apply to  
2 individuals released after such periods.

3 (3) TRANSITION PERIOD CUSTODY RULES.—

4 (A) IN GENERAL.—During the period in  
5 which this paragraph is in effect pursuant to  
6 paragraph (2), the Attorney General shall take  
7 into custody any alien who—

8 (i) has been convicted of an aggra-  
9 vated felony (as defined under section  
10 101(a)(43) of the Immigration and Nation-  
11 ality Act, as amended by section 321 of  
12 this division),

13 (ii) is inadmissible by reason of hav-  
14 ing committed any offense covered in sec-  
15 tion 212(a)(2) of such Act,

16 (iii) is deportable by reason of having  
17 committed any offense covered in section  
18 241(a)(2)(A)(ii), (A)(iii), (B), (C), or (D)  
19 of such Act (before redesignation under  
20 this subtitle), or

21 (iv) is inadmissible under section  
22 212(a)(3)(B) of such Act or deportable  
23 under section 241(a)(4)(B) of such Act  
24 (before redesignation under this subtitle),



1           when the alien is released, without regard to  
2           whether the alien is released on parole, super-  
3           vised release, or probation, and without regard  
4           to whether the alien may be arrested or impris-  
5           oned again for the same offense.

6           (B) RELEASE.—The Attorney General may  
7           release the alien only if the alien is an alien de-  
8           scribed in subparagraph (A)(ii) or (A)(iii)  
9           and—

10                   (i) the alien was lawfully admitted to  
11                   the United States and satisfies the Attor-  
12                   ney General that the alien will not pose a  
13                   danger to the safety of other persons or of  
14                   property and is likely to appear for any  
15                   scheduled proceeding, or

16                   (ii) the alien was not lawfully admit-  
17                   ted to the United States, cannot be re-  
18                   moved because the designated country of  
19                   removal will not accept the alien, and satis-  
20                   fies the Attorney General that the alien  
21                   will not pose a danger to the safety of  
22                   other persons or of property and is likely  
23                   to appear for any scheduled proceeding.

1 **SEC. 304. REMOVAL PROCEEDINGS; CANCELLATION OF RE-**  
2 **MOVAL AND ADJUSTMENT OF STATUS; VOL-**  
3 **UNTARY DEPARTURE (REVISED AND NEW**  
4 **SECTIONS 239 TO 240C).**

5 (a) IN GENERAL.—Chapter 4 of title II is amended—

6 (1) by redesignating section 239 (8 U.S.C.  
7 1229) as section 234 and by moving such section to  
8 immediately follow section 233;

9 (2) by redesignating section 240 (8 U.S.C.  
10 1230) as section 240C; and

11 (3) by inserting after section 238 the following  
12 new sections:

13 “INITIATION OF REMOVAL PROCEEDINGS

14 “SEC. 239. (a) NOTICE TO APPEAR.—

15 “(1) IN GENERAL.—In removal proceedings  
16 under section 240, written notice (in this section re-  
17 ferred to as a ‘notice to appear’) shall be given in  
18 person to the alien (or, if personal service is not  
19 practicable, through service by mail to the alien or  
20 to the alien’s counsel of record, if any) specifying the  
21 following:

22 “(A) The nature of the proceedings against  
23 the alien.

24 “(B) The legal authority under which the  
25 proceedings are conducted.

1           “(C) The acts or conduct alleged to be in  
2 violation of law.

3           “(D) The charges against the alien and the  
4 statutory provisions alleged to have been vio-  
5 lated.

6           “(E) The alien may be represented by  
7 counsel and the alien will be provided (i) a pe-  
8 riod of time to secure counsel under subsection  
9 (b)(1) and (ii) a current list of counsel prepared  
10 under subsection (b)(2).

11           “(F)(i) The requirement that the alien  
12 must immediately provide (or have provided)  
13 the Attorney General with a written record of  
14 an address and telephone number (if any) at  
15 which the alien may be contacted respecting  
16 proceedings under section 240.

17           “(ii) The requirement that the alien must  
18 provide the Attorney General immediately with  
19 a written record of any change of the alien’s ad-  
20 dress or telephone number.

21           “(iii) The consequences under section  
22 240(b)(5) of failure to provide address and tele-  
23 phone information pursuant to this subpara-  
24 graph.

1           “(G)(i) The time and place at which the  
2           proceedings will be held.

3           “(ii) The consequences under section  
4           240(b)(5) of the failure, except under excep-  
5           tional circumstances, to appear at such proceed-  
6           ings.

7           “(2) NOTICE OF CHANGE IN TIME OR PLACE OF  
8           PROCEEDINGS.—

9           “(A) IN GENERAL.—In removal proceed-  
10          ings under section 240, in the case of any  
11          change or postponement in the time and place  
12          of such proceedings, subject to subparagraph  
13          (B) a written notice shall be given in person to  
14          the alien (or, if personal service is not prac-  
15          ticable, through service by mail to the alien or  
16          to the alien’s counsel of record, if any) specify-  
17          ing—

18                 “(i) the new time or place of the pro-  
19                 ceedings, and

20                 “(ii) the consequences under section  
21                 240(b)(5) of failing, except under excep-  
22                 tional circumstances, to attend such pro-  
23                 ceedings.

24           “(B) EXCEPTION.—In the case of an alien  
25          not in detention, a written notice shall not be

1 required under this paragraph if the alien has  
2 failed to provide the address required under  
3 paragraph (1)(F).

4 “(3) CENTRAL ADDRESS FILES.—The Attorney  
5 General shall create a system to record and preserve  
6 on a timely basis notices of addresses and telephone  
7 numbers (and changes) provided under paragraph  
8 (1)(F).

9 “(b) SECURING OF COUNSEL.—

10 “(1) IN GENERAL.—In order that an alien be  
11 permitted the opportunity to secure counsel before  
12 the first hearing date in proceedings under section  
13 240, the hearing date shall not be scheduled earlier  
14 than 10 days after the service of the notice to ap-  
15 pear, unless the alien requests in writing an earlier  
16 hearing date.

17 “(2) CURRENT LISTS OF COUNSEL.—The Attor-  
18 ney General shall provide for lists (updated not less  
19 often than quarterly) of persons who have indicated  
20 their availability to represent pro bono aliens in pro-  
21 ceedings under section 240. Such lists shall be pro-  
22 vided under subsection (a)(1)(E) and otherwise  
23 made generally available.

24 “(3) RULE OF CONSTRUCTION.—Nothing in  
25 this subsection may be construed to prevent the At-

1       torney General from proceeding against an alien  
2       pursuant to section 240 if the time period described  
3       in paragraph (1) has elapsed and the alien has failed  
4       to secure counsel.

5       “(c) SERVICE BY MAIL.—Service by mail under this  
6       section shall be sufficient if there is proof of attempted  
7       delivery to the last address provided by the alien in accord-  
8       ance with subsection (a)(1)(F).

9       “(d) PROMPT INITIATION OF REMOVAL.—(1) In the  
10      case of an alien who is convicted of an offense which  
11      makes the alien deportable, the Attorney General shall  
12      begin any removal proceeding as expeditiously as possible  
13      after the date of the conviction.

14      “(2) Nothing in this subsection shall be construed to  
15      create any substantive or procedural right or benefit that  
16      is legally enforceable by any party against the United  
17      States or its agencies or officers or any other person.

18                               “REMOVAL PROCEEDINGS

19      “SEC. 240. (a) PROCEEDING.—

20                   “(1) IN GENERAL.—An immigration judge shall  
21      conduct proceedings for deciding the inadmissibility  
22      or deportability of an alien.

23                   “(2) CHARGES.—An alien placed in proceedings  
24      under this section may be charged with any applica-  
25      ble ground of inadmissibility under section 212(a) or

1 any applicable ground of deportability under section  
2 237(a).

3 “(3) EXCLUSIVE PROCEDURES.—Unless other-  
4 wise specified in this Act, a proceeding under this  
5 section shall be the sole and exclusive procedure for  
6 determining whether an alien may be admitted to  
7 the United States or, if the alien has been so admit-  
8 ted, removed from the United States. Nothing in  
9 this section shall affect proceedings conducted pur-  
10 suant to section 238.

11 “(b) CONDUCT OF PROCEEDING.—

12 “(1) AUTHORITY OF IMMIGRATION JUDGE.—  
13 The immigration judge shall administer oaths, re-  
14 ceive evidence, and interrogate, examine, and cross-  
15 examine the alien and any witnesses. The immigra-  
16 tion judge may issue subpoenas for the attendance  
17 of witnesses and presentation of evidence. The immi-  
18 gration judge shall have authority (under regulations  
19 prescribed by the Attorney General) to sanction by  
20 civil money penalty any action (or inaction) in con-  
21 tempt of the judge’s proper exercise of authority  
22 under this Act.

23 “(2) FORM OF PROCEEDING.—

24 “(A) IN GENERAL.—The proceeding may  
25 take place—

1 “(i) in person,  
2 “(ii) where agreed to by the parties,  
3 in the absence of the alien,  
4 “(iii) through video conference, or  
5 “(iv) subject to subparagraph (B),  
6 through telephone conference.

7 “(B) CONSENT REQUIRED IN CERTAIN  
8 CASES.—An evidentiary hearing on the merits  
9 may only be conducted through a telephone con-  
10 ference with the consent of the alien involved  
11 after the alien has been advised of the right to  
12 proceed in person or through video conference.

13 “(3) PRESENCE OF ALIEN.—If it is impractica-  
14 ble by reason of an alien’s mental incompetency for  
15 the alien to be present at the proceeding, the Attor-  
16 ney General shall prescribe safeguards to protect the  
17 rights and privileges of the alien.

18 “(4) ALIENS RIGHTS IN PROCEEDING.—In pro-  
19 ceedings under this section, under regulations of the  
20 Attorney General—

21 “(A) the alien shall have the privilege of  
22 being represented, at no expense to the Govern-  
23 ment, by counsel of the alien’s choosing who is  
24 authorized to practice in such proceedings,



1           “(B) the alien shall have a reasonable op-  
2           portunity to examine the evidence against the  
3           alien, to present evidence on the alien’s own be-  
4           half, and to cross-examine witnesses presented  
5           by the Government but these rights shall not  
6           entitle the alien to examine such national secu-  
7           rity information as the Government may proffer  
8           in opposition to the alien’s admission to the  
9           United States or to an application by the alien  
10          for discretionary relief under this Act, and

11          “(C) a complete record shall be kept of all  
12          testimony and evidence produced at the pro-  
13          ceeding.

14          “(5) CONSEQUENCES OF FAILURE TO AP-  
15          PEAR.—

16          “(A) IN GENERAL.—Any alien who, after  
17          written notice required under paragraph (1) or  
18          (2) of section 239(a) has been provided to the  
19          alien or the alien’s counsel of record, does not  
20          attend a proceeding under this section, shall be  
21          ordered removed in absentia if the Service es-  
22          tablishes by clear, unequivocal, and convincing  
23          evidence that the written notice was so provided  
24          and that the alien is removable (as defined in  
25          subsection (e)(2)). The written notice by the

1 Attorney General shall be considered sufficient  
2 for purposes of this subparagraph if provided at  
3 the most recent address provided under section  
4 239(a)(1)(F).

5 “(B) NO NOTICE IF FAILURE TO PROVIDE  
6 ADDRESS INFORMATION.—No written notice  
7 shall be required under subparagraph (A) if the  
8 alien has failed to provide the address required  
9 under section 239(a)(1)(F).

10 “(C) RESCISSION OF ORDER.—Such an  
11 order may be rescinded only—

12 “(i) upon a motion to reopen filed  
13 within 180 days after the date of the order  
14 of removal if the alien demonstrates that  
15 the failure to appear was because of excep-  
16 tional circumstances (as defined in sub-  
17 section (e)(1)), or

18 “(ii) upon a motion to reopen filed at  
19 any time if the alien demonstrates that the  
20 alien did not receive notice in accordance  
21 with paragraph (1) or (2) of section 239(a)  
22 or the alien demonstrates that the alien  
23 was in Federal or State custody and the  
24 failure to appear was through no fault of  
25 the alien.

1           The filing of the motion to reopen described in  
2           clause (i) or (ii) shall stay the removal of the  
3           alien pending disposition of the motion by the  
4           immigration judge.

5           “(D) EFFECT ON JUDICIAL REVIEW.—Any  
6           petition for review under section 242 of an  
7           order entered in absentia under this paragraph  
8           shall (except in cases described in section  
9           242(b)(5)) be confined to (i) the validity of the  
10          notice provided to the alien, (ii) the reasons for  
11          the alien’s not attending the proceeding, and  
12          (iii) whether or not the alien is removable.

13          “(E) ADDITIONAL APPLICATION TO CER-  
14          TAIN ALIENS IN CONTIGUOUS TERRITORY.—The  
15          preceding provisions of this paragraph shall  
16          apply to all aliens placed in proceedings under  
17          this section, including any alien who remains in  
18          a contiguous foreign territory pursuant to sec-  
19          tion 235(b)(2)(C).

20          “(6) TREATMENT OF FRIVOLOUS BEHAVIOR.—

21          The Attorney General shall, by regulation—

22                 “(A) define in a proceeding before an im-  
23                 migration judge or before an appellate adminis-  
24                 trative body under this title, frivolous behavior  
25                 for which attorneys may be sanctioned,

1           “(B) specify the circumstances under  
2           which an administrative appeal of a decision or  
3           ruling will be considered frivolous and will be  
4           summarily dismissed, and

5           “(C) impose appropriate sanctions (which  
6           may include suspension and disbarment) in the  
7           case of frivolous behavior.

8 Nothing in this paragraph shall be construed as limiting  
9 the authority of the Attorney General to take actions with  
10 respect to inappropriate behavior.

11           “(7) LIMITATION ON DISCRETIONARY RELIEF  
12           FOR FAILURE TO APPEAR.—Any alien against whom  
13           a final order of removal is entered in absentia under  
14           this subsection and who, at the time of the notice  
15           described in paragraph (1) or (2) of section 239(a),  
16           was provided oral notice, either in the alien’s native  
17           language or in another language the alien under-  
18           stands, of the time and place of the proceedings and  
19           of the consequences under this paragraph of failing,  
20           other than because of exceptional circumstances (as  
21           defined in subsection (e)(1)) to attend a proceeding  
22           under this section, shall not be eligible for relief  
23           under section 240A, 240B, 245, 248, or 249 for a  
24           period of 10 years after the date of the entry of the  
25           final order of removal.

1       “(c) DECISION AND BURDEN OF PROOF.—

2               “(1) DECISION.—

3                       “(A) IN GENERAL.—At the conclusion of  
4                       the proceeding the immigration judge shall de-  
5                       cide whether an alien is removable from the  
6                       United States. The determination of the immi-  
7                       gration judge shall be based only on the evi-  
8                       dence produced at the hearing.

9                       “(B) CERTAIN MEDICAL DECISIONS.—If a  
10                      medical officer or civil surgeon or board of med-  
11                      ical officers has certified under section 232(b)  
12                      that an alien has a disease, illness, or addiction  
13                      which would make the alien inadmissible under  
14                      paragraph (1) of section 212(a), the decision of  
15                      the immigration judge shall be based solely  
16                      upon such certification.

17                      “(2) BURDEN ON ALIEN.—In the proceeding  
18                      the alien has the burden of establishing—

19                               “(A) if the alien is an applicant for admis-  
20                               sion, that the alien is clearly and beyond doubt  
21                               entitled to be admitted and is not inadmissible  
22                               under section 212; or

23                               “(B) by clear and convincing evidence, that  
24                               the alien is lawfully present in the United  
25                               States pursuant to a prior admission.

1 In meeting the burden of proof under subparagraph  
2 (B), the alien shall have access to the alien's visa or  
3 other entry document, if any, and any other records  
4 and documents, not considered by the Attorney Gen-  
5 eral to be confidential, pertaining to the alien's ad-  
6 mission or presence in the United States.

7 “(3) BURDEN ON SERVICE IN CASES OF DE-  
8 PORTABLE ALIENS.—

9 “(A) IN GENERAL.—In the proceeding the  
10 Service has the burden of establishing by clear  
11 and convincing evidence that, in the case of an  
12 alien who has been admitted to the United  
13 States, the alien is deportable. No decision on  
14 deportability shall be valid unless it is based  
15 upon reasonable, substantial, and probative evi-  
16 dence.

17 “(B) PROOF OF CONVICTIONS.—In any  
18 proceeding under this Act, any of the following  
19 documents or records (or a certified copy of  
20 such an official document or record) shall con-  
21 stitute proof of a criminal conviction:

22 “(i) An official record of judgment  
23 and conviction.

24 “(ii) An official record of plea, verdict,  
25 and sentence.

1           “(iii) A docket entry from court  
2 records that indicates the existence of the  
3 conviction.

4           “(iv) Official minutes of a court pro-  
5 ceeding or a transcript of a court hearing  
6 in which the court takes notice of the exist-  
7 ence of the conviction.

8           “(v) An abstract of a record of convic-  
9 tion prepared by the court in which the  
10 conviction was entered, or by a State offi-  
11 cial associated with the State’s repository  
12 of criminal justice records, that indicates  
13 the charge or section of law violated, the  
14 disposition of the case, the existence and  
15 date of conviction, and the sentence.

16           “(vi) Any document or record pre-  
17 pared by, or under the direction of, the  
18 court in which the conviction was entered  
19 that indicates the existence of a conviction.

20           “(vii) Any document or record attest-  
21 ing to the conviction that is maintained by  
22 an official of a State or Federal penal in-  
23 stitution, which is the basis for that insti-  
24 tution’s authority to assume custody of the  
25 individual named in the record.

1           “(C) ELECTRONIC RECORDS.—In any pro-  
2           ceeding under this Act, any record of conviction  
3           or abstract that has been submitted by elec-  
4           tronic means to the Service from a State or  
5           court shall be admissible as evidence to prove a  
6           criminal conviction if it is—

7                   “(i) certified by a State official associ-  
8                   ated with the State’s repository of criminal  
9                   justice records as an official record from  
10                  its repository or by a court official from  
11                  the court in which the conviction was en-  
12                  tered as an official record from its reposi-  
13                  tory, and

14                  “(ii) certified in writing by a Service  
15                  official as having been received electroni-  
16                  cally from the State’s record repository or  
17                  the court’s record repository.

18           A certification under clause (i) may be by  
19           means of a computer-generated signature and  
20           statement of authenticity.

21           “(4) NOTICE.—If the immigration judge de-  
22           cides that the alien is removable and orders the alien  
23           to be removed, the judge shall inform the alien of  
24           the right to appeal that decision and of the con-



1 sequences for failure to depart under the order of re-  
2 moval, including civil and criminal penalties.

3 “(5) MOTIONS TO RECONSIDER.—

4 “(A) IN GENERAL.—The alien may file one  
5 motion to reconsider a decision that the alien is  
6 removable from the United States.

7 “(B) DEADLINE.—The motion must be  
8 filed within 30 days of the date of entry of a  
9 final administrative order of removal.

10 “(C) CONTENTS.—The motion shall speci-  
11 fy the errors of law or fact in the previous order  
12 and shall be supported by pertinent authority.

13 “(6) MOTIONS TO REOPEN.—

14 “(A) IN GENERAL.—An alien may file one  
15 motion to reopen proceedings under this sec-  
16 tion.

17 “(B) CONTENTS.—The motion to reopen  
18 shall state the new facts that will be proven at  
19 a hearing to be held if the motion is granted,  
20 and shall be supported by affidavits or other  
21 evidentiary material.

22 “(C) DEADLINE.—

23 “(i) IN GENERAL.—Except as pro-  
24 vided in this subparagraph, the motion to  
25 reopen shall be filed within 90 days of the

1 date of entry of a final administrative  
2 order of removal.

3 “(ii) ASYLUM.—There is no time limit  
4 on the filing of a motion to reopen if the  
5 basis of the motion is to apply for relief  
6 under sections 208 or 241(b)(3) and is  
7 based on changed country conditions arising  
8 in the country of nationality or the  
9 country to which removal has been ordered,  
10 if such evidence is material and was  
11 not available and would not have been discovered  
12 or presented at the previous proceeding.  
13

14 “(iii) FAILURE TO APPEAR.—The filing  
15 of a motion to reopen an order entered  
16 pursuant to subsection (b)(5) is subject to  
17 the deadline specified in subparagraph (C)  
18 of such subsection.

19 “(d) STIPULATED REMOVAL.—The Attorney General  
20 shall provide by regulation for the entry by an immigration  
21 judge of an order of removal stipulated to by the alien  
22 (or the alien’s representative) and the Service. A stipulated  
23 order shall constitute a conclusive determination of  
24 the alien’s removability from the United States.

1       “(e) DEFINITIONS.—In this section and section  
2 240A:

3           “(1) EXCEPTIONAL CIRCUMSTANCES.—The  
4       term ‘exceptional circumstances’ refers to excep-  
5       tional circumstances (such as serious illness of the  
6       alien or serious illness or death of the spouse, child,  
7       or parent of the alien, but not including less compel-  
8       ling circumstances) beyond the control of the alien.

9           “(2) REMOVABLE.—The term ‘removable’  
10       means—

11           “(A) in the case of an alien not admitted  
12       to the United States, that the alien is inadmis-  
13       sible under section 212, or

14           “(B) in the case of an alien admitted to  
15       the United States, that the alien is deportable  
16       under section 237.

17   “CANCELLATION OF REMOVAL; ADJUSTMENT OF STATUS

18       “SEC. 240A. (a) CANCELLATION OF REMOVAL FOR  
19   CERTAIN PERMANENT RESIDENTS.—The Attorney Gen-  
20   eral may cancel removal in the case of an alien who is  
21   inadmissible or deportable from the United States if the  
22   alien—

23           “(1) has been an alien lawfully admitted for  
24       permanent residence for not less than 5 years,

1           “(2) has resided in the United States continu-  
2           ously for 7 years after having been admitted in any  
3           status, and

4           “(3) has not been convicted of any aggravated  
5           felony.

6           “(b) CANCELLATION OF REMOVAL AND ADJUSTMENT  
7           OF STATUS FOR CERTAIN NONPERMANENT RESI-  
8           DENTS.—

9           “(1) IN GENERAL.—The Attorney General may  
10          cancel removal in the case of an alien who is inad-  
11          missible or deportable from the United States if the  
12          alien—

13               “(A) has been physically present in the  
14               United States for a continuous period of not  
15               less than 10 years immediately preceding the  
16               date of such application;

17               “(B) has been a person of good moral  
18               character during such period;

19               “(C) has not been convicted of an offense  
20               under section 212(a)(2), 237(a)(2), or  
21               237(a)(3); and

22               “(D) establishes that removal would result  
23               in exceptional and extremely unusual hardship  
24               to the alien’s spouse, parent, or child, who is a

1 citizen of the United States or an alien lawfully  
2 admitted for permanent residence.

3 “(2) SPECIAL RULE FOR BATTERED SPOUSE OR  
4 CHILD.—The Attorney General may cancel removal  
5 in the case of an alien who is inadmissible or deport-  
6 able from the United States if the alien dem-  
7 onstrates that—

8 “(A) the alien has been battered or sub-  
9 jected to extreme cruelty in the United States  
10 by a spouse or parent who is a United States  
11 citizen or lawful permanent resident (or is the  
12 parent of a child of a United States citizen or  
13 lawful permanent resident and the child has  
14 been battered or subjected to extreme cruelty in  
15 the United States by such citizen or permanent  
16 resident parent);

17 “(B) the alien has been physically present  
18 in the United States for a continuous period of  
19 not less than 3 years immediately preceding the  
20 date of such application;

21 “(C) the alien has been a person of good  
22 moral character during such period;

23 “(D) the alien is not inadmissible under  
24 paragraph (2) or (3) of section 212(a), is not  
25 deportable under paragraph (1)(G) or (2)

1 through (4) of section 237(a), and has not been  
2 convicted of an aggravated felony; and

3 “(E) the removal would result in extreme  
4 hardship to the alien, the alien’s child, or (in  
5 the case of an alien who is a child) to the  
6 alien’s parent.

7 In acting on applications under this paragraph, the  
8 Attorney General shall consider any credible evi-  
9 dence relevant to the application. The determination  
10 of what evidence is credible and the weight to be  
11 given that evidence shall be within the sole discretion  
12 of the Attorney General.

13 “(3) ADJUSTMENT OF STATUS.—The Attorney  
14 General may adjust to the status of an alien lawfully  
15 admitted for permanent residence any alien who the  
16 Attorney General determines meets the requirements  
17 of paragraph (1) or (2). The number of adjustments  
18 under this paragraph shall not exceed 4,000 for any  
19 fiscal year. The Attorney General shall record the  
20 alien’s lawful admission for permanent residence as  
21 of the date the Attorney General’s cancellation of re-  
22 moval under paragraph (1) or (2) or determination  
23 under this paragraph.

1       “(c) ALIENS INELIGIBLE FOR RELIEF.—The provi-  
2       sions of subsections (a) and (b)(1) shall not apply to any  
3       of the following aliens:

4               “(1) An alien who entered the United States as  
5       a crewman subsequent to June 30, 1964.

6               “(2) An alien who was admitted to the United  
7       States as a nonimmigrant exchange alien as defined  
8       in section 101(a)(15)(J), or has acquired the status  
9       of such a nonimmigrant exchange alien after admis-  
10      sion, in order to receive graduate medical education  
11      or training, regardless of whether or not the alien is  
12      subject to or has fulfilled the two-year foreign resi-  
13      dence requirement of section 212(e).

14              “(3) An alien who—

15                      “(A) was admitted to the United States as  
16                      a nonimmigrant exchange alien as defined in  
17                      section 101(a)(15)(J) or has acquired the sta-  
18                      tus of such a nonimmigrant exchange alien  
19                      after admission other than to receive graduate  
20                      medical education or training,

21                      “(B) is subject to the two-year foreign res-  
22                      idence requirement of section 212(e), and

23                      “(C) has not fulfilled that requirement or  
24                      received a waiver thereof.

1           “(4) An alien who is inadmissible under section  
2           212(a)(3) or deportable under section 237(a)(4).

3           “(5) An alien who is described in section  
4           241(b)(3)(B)(i).

5           “(6) An alien whose removal has previously  
6           been cancelled under this section or whose deporta-  
7           tion was suspended under section 244(a) or who has  
8           been granted relief under section 212(c), as such  
9           sections were in effect before the date of the enact-  
10          ment of the Illegal Immigration Reform and Immig-  
11          grant Responsibility Act of 1996.

12          “(d) SPECIAL RULES RELATING TO CONTINUOUS  
13          RESIDENCE OR PHYSICAL PRESENCE.—

14               “(1) TERMINATION OF CONTINUOUS PERIOD.—  
15          For purposes of this section, any period of continu-  
16          ous residence or continuous physical presence in the  
17          United States shall be deemed to end when the alien  
18          is served a notice to appear under section 239(a) or  
19          when the alien has committed an offense referred to  
20          in section 212(a)(2) that renders the alien inadmis-  
21          sible to the United States under section 212(a)(2) or  
22          removable from the United States under section  
23          237(a)(2) or 237(a)(4), whichever is earliest.

24               “(2) TREATMENT OF CERTAIN BREAKS IN  
25          PRESENCE.—An alien shall be considered to have



1 failed to maintain continuous physical presence in  
2 the United States under subsections (b)(1) and  
3 (b)(2) if the alien has departed from the United  
4 States for any period in excess of 90 days or for any  
5 periods in the aggregate exceeding 180 days.

6 “(3) CONTINUITY NOT REQUIRED BECAUSE OF  
7 HONORABLE SERVICE IN ARMED FORCES AND PRES-  
8 ENCE UPON ENTRY INTO SERVICE.—The require-  
9 ments of continuous residence or continuous physical  
10 presence in the United States under subsections (a)  
11 and (b) shall not apply to an alien who—

12 “(A) has served for a minimum period of  
13 24 months in an active-duty status in the  
14 Armed Forces of the United States and, if sep-  
15 arated from such service, was separated under  
16 honorable conditions, and

17 “(B) at the time of the alien’s enlistment  
18 or induction was in the United States.

19 “(e) ANNUAL LIMITATION.—The Attorney General  
20 may not cancel the removal and adjust the status under  
21 this section, nor suspend the deportation and adjust the  
22 status under section 244(a) (as in effect before the enact-  
23 ment of the Illegal Immigration Reform and Immigrant  
24 Responsibility Act of 1996), of a total of more than 4,000  
25 aliens in any fiscal year. The previous sentence shall apply

1 regardless of when an alien applied for such cancellation  
2 and adjustment and whether such an alien had previously  
3 applied for suspension of deportation under such section  
4 244(a).

5 “VOLUNTARY DEPARTURE

6 “SEC. 240B. (a) CERTAIN CONDITIONS.—

7 “(1) IN GENERAL.—The Attorney General may  
8 permit an alien voluntarily to depart the United  
9 States at the alien’s own expense under this sub-  
10 section, in lieu of being subject to proceedings under  
11 section 240 or prior to the completion of such pro-  
12 ceedings, if the alien is not deportable under section  
13 237(a)(2)(A)(iii) or section 237(a)(4)(B).

14 “(2) PERIOD.—Permission to depart voluntarily  
15 under this subsection shall not be valid for a period  
16 exceeding 120 days.

17 “(3) BOND.—The Attorney General may re-  
18 quire an alien permitted to depart voluntarily under  
19 this subsection to post a voluntary departure bond,  
20 to be surrendered upon proof that the alien has de-  
21 parted the United States within the time specified.

22 “(4) TREATMENT OF ALIENS ARRIVING IN THE  
23 UNITED STATES.—In the case of an alien who is ar-  
24 riving in the United States and with respect to  
25 whom proceedings under section 240 are (or would  
26 otherwise be) initiated at the time of such alien’s ar-

1 rival, paragraph (1) shall not apply. Nothing in this  
2 paragraph shall be construed as preventing such an  
3 alien from withdrawing the application for admission  
4 in accordance with section 235(a)(4).

5 “(b) AT CONCLUSION OF PROCEEDINGS.—

6 “(1) IN GENERAL.—The Attorney General may  
7 permit an alien voluntarily to depart the United  
8 States at the alien’s own expense if, at the conclu-  
9 sion of a proceeding under section 240, the immigra-  
10 tion judge enters an order granting voluntary depart-  
11 ure in lieu of removal and finds that—

12 “(A) the alien has been physically present  
13 in the United States for a period of at least one  
14 year immediately preceding the date the notice  
15 to appear was served under section 239(a);

16 “(B) the alien is, and has been, a person  
17 of good moral character for at least 5 years im-  
18 mediately preceding the alien’s application for  
19 voluntary departure;

20 “(C) the alien is not deportable under sec-  
21 tion 237(a)(2)(A)(iii) or section 237(a)(4); and

22 “(D) the alien has established by clear and  
23 convincing evidence that the alien has the  
24 means to depart the United States and intends  
25 to do so.

1           “(2) PERIOD.—Permission to depart voluntarily  
2           under this subsection shall not be valid for a period  
3           exceeding 60 days.

4           “(3) BOND.—An alien permitted to depart vol-  
5           untarily under this subsection shall be required to  
6           post a voluntary departure bond, in an amount nec-  
7           essary to ensure that the alien will depart, to be sur-  
8           rendered upon proof that the alien has departed the  
9           United States within the time specified.

10          “(c) ALIENS NOT ELIGIBLE.—The Attorney General  
11          shall not permit an alien to depart voluntarily under this  
12          section if the alien was previously permitted to so depart  
13          after having been found inadmissible under section  
14          212(a)(6)(A).

15          “(d) CIVIL PENALTY FOR FAILURE TO DEPART.—  
16          If an alien is permitted to depart voluntarily under this  
17          section and fails voluntarily to depart the United States  
18          within the time period specified, the alien shall be subject  
19          to a civil penalty of not less than \$1,000 and not more  
20          than \$5,000, and be ineligible for a period of 10 years  
21          for any further relief under this section and sections 240A,  
22          245, 248, and 249. The order permitting the alien to de-  
23          part voluntarily shall inform the alien of the penalties  
24          under this subsection.

1       “(e) ADDITIONAL CONDITIONS.—The Attorney Gen-  
2 eral may by regulation limit eligibility for voluntary depart-  
3 ure under this section for any class or classes of aliens.  
4 No court may review any regulation issued under this sub-  
5 section.

6       “(f) JUDICIAL REVIEW.—No court shall have juris-  
7 diction over an appeal from denial of a request for an  
8 order of voluntary departure under subsection (b), nor  
9 shall any court order a stay of an alien’s removal pending  
10 consideration of any claim with respect to voluntary depart-  
11 ure.”.

12       (b) REPEAL OF SECTION 212(c).—Section 212(c) (8  
13 U.S.C. 1182(c)) is repealed.

14       (c) STREAMLINING REMOVAL OF CRIMINAL  
15 ALIENS.—

16           (1) IN GENERAL.—Section 242A(b)(4) (8  
17 U.S.C. 1252a(b)(4)), as amended by section 442(a)  
18 of Public Law 104–132 and before redesignation by  
19 section 308(b)(5) of this division, is amended—

20                   (A) by striking subparagraph (D);

21                   (B) by amending subparagraph (E) to read  
22 as follows:

23                   “(D) a determination is made for the  
24 record that the individual upon whom the notice  
25 for the proceeding under this section is served

1 (either in person or by mail) is, in fact, the  
 2 alien named in such notice;” and

3 (C) by redesignating subparagraphs (F)  
 4 and (G) as subparagraph (E) and (F), respec-  
 5 tively.

6 (2) EFFECTIVE DATE.—The amendments made  
 7 by paragraph (1) shall be effective as if included in  
 8 the enactment of section 442(a) of Public Law 104—  
 9 132.

10 **SEC. 305. DETENTION AND REMOVAL OF ALIENS ORDERED**  
 11 **REMOVED (NEW SECTION 241).**

12 (a) IN GENERAL.—Title II is further amended—

13 (1) by striking section 237 (8 U.S.C. 1227),

14 (2) by redesignating section 241 (8 U.S.C.  
 15 1251) as section 237 and by moving such section to  
 16 immediately follow section 236, and

17 (3) by inserting after section 240C (as redesign-  
 18 nated by section 304(a)(2)) of this division the fol-  
 19 lowing new section:

20 “DETENTION AND REMOVAL OF ALIENS ORDERED  
 21 REMOVED

22 “SEC. 241. (a) DETENTION, RELEASE, AND RE-  
 23 MOVAL OF ALIENS ORDERED REMOVED.—

24 “(1) REMOVAL PERIOD.—

25 “(A) IN GENERAL.—Except as otherwise  
 26 provided in this section, when an alien is or-

1           dered removed, the Attorney General shall re-  
2           move the alien from the United States within a  
3           period of 90 days (in this section referred to as  
4           the ‘removal period’).

5           “(B) BEGINNING OF PERIOD.—The re-  
6           moval period begins on the latest of the follow-  
7           ing:

8                   “(i) The date the order of removal be-  
9                   comes administratively final.

10                   “(ii) If the removal order is judicially  
11                   reviewed and if a court orders a stay of the  
12                   removal of the alien, the date of the court’s  
13                   final order.

14                   “(iii) If the alien is detained or con-  
15                   fined (except under an immigration proc-  
16                   ess), the date the alien is released from de-  
17                   tention or confinement.

18           “(C) SUSPENSION OF PERIOD.—The re-  
19           moval period shall be extended beyond a period  
20           of 90 days and the alien may remain in deten-  
21           tion during such extended period if the alien  
22           fails or refuses to make timely application in  
23           good faith for travel or other documents nec-  
24           essary to the alien’s departure or conspires or

1 acts to prevent the alien's removal subject to an  
2 order of removal.

3 “(2) DETENTION.—During the removal period,  
4 the Attorney General shall detain the alien. Under  
5 no circumstance during the removal period shall the  
6 Attorney General release an alien who has been  
7 found inadmissible under section 212(a)(2) or  
8 212(a)(3)(B) or deportable under section 237(a)(2)  
9 or 237(a)(4)(B).

10 “(3) SUPERVISION AFTER 90-DAY PERIOD.—If  
11 the alien does not leave or is not removed within the  
12 removal period, the alien, pending removal, shall be  
13 subject to supervision under regulations prescribed  
14 by the Attorney General. The regulations shall in-  
15 clude provisions requiring the alien—

16 “(A) to appear before an immigration offi-  
17 cer periodically for identification;

18 “(B) to submit, if necessary, to a medical  
19 and psychiatric examination at the expense of  
20 the United States Government;

21 “(C) to give information under oath about  
22 the alien's nationality, circumstances, habits,  
23 associations, and activities, and other informa-  
24 tion the Attorney General considers appro-  
25 priate; and



1           “(D) to obey reasonable written restric-  
2           tions on the alien’s conduct or activities that  
3           the Attorney General prescribes for the alien.

4           “(4) ALIENS IMPRISONED, ARRESTED, OR ON  
5           PAROLE, SUPERVISED RELEASE, OR PROBATION.—

6           “(A) IN GENERAL.—Except as provided in  
7           section 343(a) of the Public Health Service Act  
8           (42 U.S.C. 259(a)) and paragraph (2), the At-  
9           torney General may not remove an alien who is  
10          sentenced to imprisonment until the alien is re-  
11          leased from imprisonment. Parole, supervised  
12          release, probation, or possibility of arrest or  
13          further imprisonment is not a reason to defer  
14          removal.

15          “(B) EXCEPTION FOR REMOVAL OF NON-  
16          VIOLENT OFFENDERS PRIOR TO COMPLETION  
17          OF SENTENCE OF IMPRISONMENT.—The Attor-  
18          ney General is authorized to remove an alien in  
19          accordance with applicable procedures under  
20          this Act before the alien has completed a sen-  
21          tence of imprisonment—

22                 “(i) in the case of an alien in the cus-  
23                 tody of the Attorney General, if the Attor-  
24                 ney General determines that (I) the alien  
25                 is confined pursuant to a final conviction

1 for a nonviolent offense (other than an of-  
2 fense related to smuggling or harboring of  
3 aliens or an offense described in section  
4 101(a)(43)(B), (C), (E), (I), or (L) and  
5 (II) the removal of the alien is appropriate  
6 and in the best interest of the United  
7 States; or

8 “(ii) in the case of an alien in the cus-  
9 tody of a State (or a political subdivision  
10 of a State), if the chief State official exer-  
11 cising authority with respect to the incar-  
12 ceration of the alien determines that (I)  
13 the alien is confined pursuant to a final  
14 conviction for a nonviolent offense (other  
15 than an offense described in section  
16 101(a)(43)(C) or (E)), (II) the removal is  
17 appropriate and in the best interest of the  
18 State, and (III) submits a written request  
19 to the Attorney General that such alien be  
20 so removed.

21 “(C) NOTICE.—Any alien removed pursu-  
22 ant to this paragraph shall be notified of the  
23 penalties under the laws of the United States  
24 relating to the reentry of deported aliens, par-

1           ticularly the expanded penalties for aliens re-  
2           moved under subparagraph (B).

3           “(D) NO PRIVATE RIGHT.—No cause or  
4           claim may be asserted under this paragraph  
5           against any official of the United States or of  
6           any State to compel the release, removal, or  
7           consideration for release or removal of any  
8           alien.

9           “(5) REINSTATEMENT OF REMOVAL ORDERS  
10          AGAINST ALIENS ILLEGALLY REENTERING.—If the  
11          Attorney General finds that an alien has reentered  
12          the United States illegally after having been removed  
13          or having departed voluntarily, under an order of re-  
14          moval, the prior order of removal is reinstated from  
15          its original date and is not subject to being reopened  
16          or reviewed, the alien is not eligible and may not  
17          apply for any relief under this Act, and the alien  
18          shall be removed under the prior order at any time  
19          after the reentry.

20          “(6) INADMISSIBLE OR CRIMINAL ALIENS.—An  
21          alien ordered removed who is inadmissible under sec-  
22          tion 212, removable under section 237(a)(1)(C),  
23          237(a)(2), or 237(a)(4) or who has been determined  
24          by the Attorney General to be a risk to the commu-  
25          nity or unlikely to comply with the order of removal,

1       may be detained beyond the removal period and, if  
2       released, shall be subject to the terms of supervision  
3       in paragraph (3).

4               “(7) EMPLOYMENT AUTHORIZATION.—No alien  
5       ordered removed shall be eligible to receive author-  
6       ization to be employed in the United States unless  
7       the Attorney General makes a specific finding that—

8               “(A) the alien cannot be removed due to  
9               the refusal of all countries designated by the  
10              alien or under this section to receive the alien,  
11              or

12              “(B) the removal of the alien is otherwise  
13              impracticable or contrary to the public interest.

14       “(b) COUNTRIES TO WHICH ALIENS MAY BE RE-  
15       MOVED.—

16              “(1) ALIENS ARRIVING AT THE UNITED  
17       STATES.—Subject to paragraph (3)—

18              “(A) IN GENERAL.—Except as provided by  
19              subparagraphs (B) and (C), an alien who ar-  
20              rives at the United States and with respect to  
21              whom proceedings under section 240 were initi-  
22              ated at the time of such alien’s arrival shall be  
23              removed to the country in which the alien  
24              boarded the vessel or aircraft on which the alien  
25              arrived in the United States.

1           “(B) TRAVEL FROM CONTIGUOUS TERRI-  
2           TORY.—If the alien boarded the vessel or air-  
3           craft on which the alien arrived in the United  
4           States in a foreign territory contiguous to the  
5           United States, an island adjacent to the United  
6           States, or an island adjacent to a foreign terri-  
7           tory contiguous to the United States, and the  
8           alien is not a native, citizen, subject, or national  
9           of, or does not reside in, the territory or island,  
10          removal shall be to the country in which the  
11          alien boarded the vessel that transported the  
12          alien to the territory or island.

13          “(C) ALTERNATIVE COUNTRIES.—If the  
14          government of the country designated in sub-  
15          paragraph (A) or (B) is unwilling to accept the  
16          alien into that country’s territory, removal shall  
17          be to any of the following countries, as directed  
18          by the Attorney General:

19                 “(i) The country of which the alien is  
20                 a citizen, subject, or national.

21                 “(ii) The country in which the alien  
22                 was born.

23                 “(iii) The country in which the alien  
24                 has a residence.

1                   “(iv) A country with a government  
2                   that will accept the alien into the country’s  
3                   territory if removal to each country de-  
4                   scribed in a previous clause of this sub-  
5                   paragraph is impracticable, inadvisable, or  
6                   impossible.

7                   “(2) OTHER ALIENS.—Subject to paragraph  
8                   (3)—

9                   “(A) SELECTION OF COUNTRY BY  
10                  ALIEN.—Except as otherwise provided in this  
11                  paragraph—

12                  “(i) any alien not described in para-  
13                  graph (1) who has been ordered removed  
14                  may designate one country to which the  
15                  alien wants to be removed, and

16                  “(ii) the Attorney General shall re-  
17                  move the alien to the country the alien so  
18                  designates.

19                  “(B) LIMITATION ON DESIGNATION.—An  
20                  alien may designate under subparagraph (A)(i)  
21                  a foreign territory contiguous to the United  
22                  States, an adjacent island, or an island adja-  
23                  cent to a foreign territory contiguous to the  
24                  United States as the place to which the alien is  
25                  to be removed only if the alien is a native, citi-

1           zen, subject, or national of, or has resided in,  
2           that designated territory or island.

3           “(C) DISREGARDING DESIGNATION.—The  
4           Attorney General may disregard a designation  
5           under subparagraph (A)(i) if—

6                   “(i) the alien fails to designate a  
7                   country promptly;

8                   “(ii) the government of the country  
9                   does not inform the Attorney General fi-  
10                  nally, within 30 days after the date the At-  
11                  torney General first inquires, whether the  
12                  government will accept the alien into the  
13                  country;

14                  “(iii) the government of the country is  
15                  not willing to accept the alien into the  
16                  country; or

17                  “(iv) the Attorney General decides  
18                  that removing the alien to the country is  
19                  prejudicial to the United States.

20           “(D) ALTERNATIVE COUNTRY.—If an alien  
21           is not removed to a country designated under  
22           subparagraph (A)(i), the Attorney General shall  
23           remove the alien to a country of which the alien  
24           is a subject, national, or citizen unless the gov-  
25           ernment of the country—

1           “(i) does not inform the Attorney  
2           General or the alien finally, within 30 days  
3           after the date the Attorney General first  
4           inquires or within another period of time  
5           the Attorney General decides is reasonable,  
6           whether the government will accept the  
7           alien into the country; or

8           “(ii) is not willing to accept the alien  
9           into the country.

10          “(E) ADDITIONAL REMOVAL COUNTRIES.—  
11          If an alien is not removed to a country under  
12          the previous subparagraphs of this paragraph,  
13          the Attorney General shall remove the alien to  
14          any of the following countries:

15               “(i) The country from which the alien  
16               was admitted to the United States.

17               “(ii) The country in which is located  
18               the foreign port from which the alien left  
19               for the United States or for a foreign terri-  
20               tory contiguous to the United States.

21               “(iii) A country in which the alien re-  
22               sided before the alien entered the country  
23               from which the alien entered the United  
24               States.



1           “(iv) The country in which the alien  
2           was born.

3           “(v) The country that had sovereignty  
4           over the alien’s birthplace when the alien  
5           was born.

6           “(vi) The country in which the alien’s  
7           birthplace is located when the alien is or-  
8           dered removed.

9           “(vii) If impracticable, inadvisable, or  
10          impossible to remove the alien to each  
11          country described in a previous clause of  
12          this subparagraph, another country whose  
13          government will accept the alien into that  
14          country.

15          “(F) REMOVAL COUNTRY WHEN UNITED  
16          STATES IS AT WAR.—When the United States is  
17          at war and the Attorney General decides that it  
18          is impracticable, inadvisable, inconvenient, or  
19          impossible to remove an alien under this sub-  
20          section because of the war, the Attorney Gen-  
21          eral may remove the alien—

22               “(i) to the country that is host to a  
23               government in exile of the country of which  
24               the alien is a citizen or subject if the gov-

ernment of the host country will permit the  
alien's entry; or

“(ii) if the recognized government of  
the country of which the alien is a citizen  
or subject is not in exile, to a country, or  
a political or territorial subdivision of a  
country, that is very near the country of  
which the alien is a citizen or subject, or,  
with the consent of the government of the  
country of which the alien is a citizen or  
subject, to another country.

“(3) RESTRICTION ON REMOVAL TO A COUNTRY  
WHERE ALIEN'S LIFE OR FREEDOM WOULD BE  
THREATENED.—

“(A) IN GENERAL.—Notwithstanding  
paragraphs (1) and (2), the Attorney General  
may not remove an alien to a country if the At-  
torney General decides that the alien's life or  
freedom would be threatened in that country  
because of the alien's race, religion, nationality,  
membership in a particular social group, or po-  
litical opinion.

“(B) EXCEPTION.—Subparagraph (A)  
does not apply to an alien deportable under sec-

tion 237(a)(4)(D) or if the Attorney General decides that—

“(i) the alien ordered, incited, assisted, or otherwise participated in the persecution of an individual because of the individual’s race, religion, nationality, membership in a particular social group, or political opinion;

“(ii) the alien, having been convicted by a final judgment of a particularly serious crime is a danger to the community of the United States;

“(iii) there are serious reasons to believe that the alien committed a serious nonpolitical crime outside the United States before the alien arrived in the United States; or

“(iv) there are reasonable grounds to believe that the alien is a danger to the security of the United States.

For purposes of clause (ii), an alien who has been convicted of an aggravated felony (or felonies) for which the alien has been sentenced to an aggregate term of imprisonment of at least 5 years shall be considered to have committed

1 a particularly serious crime. The previous sen-  
2 tence shall not preclude the Attorney General  
3 from determining that, notwithstanding the  
4 length of sentence imposed, an alien has been  
5 convicted of a particularly serious crime. For  
6 purposes of clause (iv), an alien who is de-  
7 scribed in section 237(a)(4)(B) shall be consid-  
8 ered to be an alien with respect to whom there  
9 are reasonable grounds for regarding as a dan-  
10 ger to the security of the United States.

11 “(c) REMOVAL OF ALIENS ARRIVING AT PORT OF  
12 ENTRY.—

13 “(1) VESSELS AND AIRCRAFT.—An alien arriv-  
14 ing at a port of entry of the United States who is  
15 ordered removed either without a hearing under sec-  
16 tion 235(b)(1) or 235(c) or pursuant to proceedings  
17 under section 240 initiated at the time of such  
18 alien’s arrival shall be removed immediately on a  
19 vessel or aircraft owned by the owner of the vessel  
20 or aircraft on which the alien arrived in the United  
21 States, unless—

22 “(A) it is impracticable to remove the alien  
23 on one of those vessels or aircraft within a rea-  
24 sonable time, or

25 “(B) the alien is a stowaway—

1 “(i) who has been ordered removed in  
2 accordance with section 235(a)(1),  
3 “(ii) who has requested asylum, and  
4 “(iii) whose application has not been  
5 adjudicated or whose asylum application  
6 has been denied but who has not exhausted  
7 all appeal rights.

8 “(2) STAY OF REMOVAL.—

9 “(A) IN GENERAL.—The Attorney General  
10 may stay the removal of an alien under this  
11 subsection if the Attorney General decides  
12 that—

13 “(i) immediate removal is not prac-  
14 ticable or proper; or

15 “(ii) the alien is needed to testify in  
16 the prosecution of a person for a violation  
17 of a law of the United States or of any  
18 State.

19 “(B) PAYMENT OF DETENTION COSTS.—

20 During the period an alien is detained because  
21 of a stay of removal under subparagraph  
22 (A)(ii), the Attorney General may pay from the  
23 appropriation ‘Immigration and Naturalization  
24 Service—Salaries and Expenses’—

1 “(i) the cost of maintenance of the  
2 alien; and

3 “(ii) a witness fee of \$1 a day.

4 “(C) RELEASE DURING STAY.—The Attor-  
5 ney General may release an alien whose removal  
6 is stayed under subparagraph (A)(ii) on—

7 “(i) the alien’s filing a bond of at  
8 least \$500 with security approved by the  
9 Attorney General;

10 “(ii) condition that the alien appear  
11 when required as a witness and for re-  
12 moval; and

13 “(iii) other conditions the Attorney  
14 General may prescribe.

15 “(3) COSTS OF DETENTION AND MAINTENANCE  
16 PENDING REMOVAL.—

17 “(A) IN GENERAL.—Except as provided in  
18 subparagraph (B) and subsection (d), an owner  
19 of a vessel or aircraft bringing an alien to the  
20 United States shall pay the costs of detaining  
21 and maintaining the alien—

22 “(i) while the alien is detained under  
23 subsection (d)(1), and

1 “(ii) in the case of an alien who is a  
2 stowaway, while the alien is being detained  
3 pursuant to—

4 “(I) subsection (d)(2)(A) or  
5 (d)(2)(B)(i),

6 “(II) subsection (d)(2)(B)(ii) or  
7 (iii) for the period of time reasonably  
8 necessary for the owner to arrange for  
9 repatriation or removal of the stow-  
10 away, including obtaining necessary  
11 travel documents, but not to extend  
12 beyond the date on which it is  
13 ascertained that such travel docu-  
14 ments cannot be obtained from the  
15 country to which the stowaway is to  
16 be returned, or

17 “(III) section 235(b)(1)(B)(ii),  
18 for a period not to exceed 15 days  
19 (excluding Saturdays, Sundays, and  
20 holidays) commencing on the first  
21 such day which begins on the earlier  
22 of 72 hours after the time of the ini-  
23 tial presentation of the stowaway for  
24 inspection or at the time the stow-

1 away is determined to have a credible  
2 fear of persecution.

3 “(B) NONAPPLICATION.—Subparagraph  
4 (A) shall not apply if—

5 “(i) the alien is a crewmember;

6 “(ii) the alien has an immigrant visa;

7 “(iii) the alien has a nonimmigrant  
8 visa or other documentation authorizing  
9 the alien to apply for temporary admission  
10 to the United States and applies for admis-  
11 sion not later than 120 days after the date  
12 the visa or documentation was issued;

13 “(iv) the alien has a reentry permit  
14 and applies for admission not later than  
15 120 days after the date of the alien’s last  
16 inspection and admission;

17 “(v)(I) the alien has a nonimmigrant  
18 visa or other documentation authorizing  
19 the alien to apply for temporary admission  
20 to the United States or a reentry permit;

21 “(II) the alien applies for admission  
22 more than 120 days after the date the visa  
23 or documentation was issued or after the  
24 date of the last inspection and admission  
25 under the reentry permit; and



1 “(III) the owner of the vessel or air-  
2 craft satisfies the Attorney General that  
3 the existence of the condition relating to  
4 inadmissibility could not have been discov-  
5 ered by exercising reasonable care before  
6 the alien boarded the vessel or aircraft; or

7 “(vi) the individual claims to be a na-  
8 tional of the United States and has a Unit-  
9 ed States passport.

10 “(d) REQUIREMENTS OF PERSONS PROVIDING  
11 TRANSPORTATION.—

12 “(1) REMOVAL AT TIME OF ARRIVAL.—An  
13 owner, agent, master, commanding officer, person in  
14 charge, purser, or consignee of a vessel or aircraft  
15 bringing an alien (except an alien crewmember) to  
16 the United States shall—

17 “(A) receive an alien back on the vessel or  
18 aircraft or another vessel or aircraft owned or  
19 operated by the same interests if the alien is or-  
20 dered removed under this part; and

21 “(B) take the alien to the foreign country  
22 to which the alien is ordered removed.

23 “(2) ALIEN STOWAWAYS.—An owner, agent,  
24 master, commanding officer, charterer, or consignee

1 of a vessel or aircraft arriving in the United States  
2 with an alien stowaway—

3 “(A) shall detain the alien on board the  
4 vessel or aircraft, or at such place as the Attor-  
5 ney General shall designate, until completion of  
6 the inspection of the alien by an immigration  
7 officer;

8 “(B) may not permit the stowaway to land  
9 in the United States, except pursuant to regula-  
10 tions of the Attorney General temporarily—

11 “(i) for medical treatment,

12 “(ii) for detention of the stowaway by  
13 the Attorney General, or

14 “(iii) for departure or removal of the  
15 stowaway; and

16 “(C) if ordered by an immigration officer,  
17 shall remove the stowaway on the vessel or air-  
18 craft or on another vessel or aircraft.

19 The Attorney General shall grant a timely request to  
20 remove the stowaway under subparagraph (C) on a  
21 vessel or aircraft other than that on which the stow-  
22 away arrived if the requester has obtained any travel  
23 documents necessary for departure or repatriation of  
24 the stowaway and removal of the stowaway will not  
25 be unreasonably delayed.

1           “(3) REMOVAL UPON ORDER.—An owner,  
2           agent, master, commanding officer, person in  
3           charge, purser, or consignee of a vessel, aircraft, or  
4           other transportation line shall comply with an order  
5           of the Attorney General to take on board, guard  
6           safely, and transport to the destination specified any  
7           alien ordered to be removed under this Act.

8           “(e) PAYMENT OF EXPENSES OF REMOVAL.—

9           “(1) COSTS OF REMOVAL AT TIME OF ARRIV-  
10          AL.—In the case of an alien who is a stowaway or  
11          who is ordered removed either without a hearing  
12          under section 235(a)(1) or 235(c) or pursuant to  
13          proceedings under section 240 initiated at the time  
14          of such alien’s arrival, the owner of the vessel or air-  
15          craft (if any) on which the alien arrived in the Unit-  
16          ed States shall pay the transportation cost of remov-  
17          ing the alien. If removal is on a vessel or aircraft not  
18          owned by the owner of the vessel or aircraft on  
19          which the alien arrived in the United States, the At-  
20          torney General may—

21                 “(A) pay the cost from the appropriation  
22                 ‘Immigration and Naturalization Service—Sala-  
23                 ries and Expenses’; and

24                 “(B) recover the amount of the cost in a  
25                 civil action from the owner, agent, or consignee

1           of the vessel or aircraft (if any) on which the  
2           alien arrived in the United States.

3           “(2) COSTS OF REMOVAL TO PORT OF REMOVAL  
4           FOR ALIENS ADMITTED OR PERMITTED TO LAND.—  
5           In the case of an alien who has been admitted or  
6           permitted to land and is ordered removed, the cost  
7           (if any) of removal of the alien to the port of re-  
8           moval shall be at the expense of the appropriation  
9           for the enforcement of this Act.

10          “(3) COSTS OF REMOVAL FROM PORT OF RE-  
11          MOVAL FOR ALIENS ADMITTED OR PERMITTED TO  
12          LAND.—

13                 “(A) THROUGH APPROPRIATION.—Except  
14                 as provided in subparagraph (B), in the case of  
15                 an alien who has been admitted or permitted to  
16                 land and is ordered removed, the cost (if any)  
17                 of removal of the alien from the port of removal  
18                 shall be at the expense of the appropriation for  
19                 the enforcement of this Act.

20                 “(B) THROUGH OWNER.—

21                         “(i) IN GENERAL.—In the case of an  
22                         alien described in clause (ii), the cost of re-  
23                         moval of the alien from the port of removal  
24                         may be charged to any owner of the vessel,

1           aircraft, or other transportation line by  
2           which the alien came to the United States.

3           “(ii) ALIENS DESCRIBED.—An alien  
4           described in this clause is an alien who—

5                   “(I) is admitted to the United  
6                   States (other than lawfully admitted  
7                   for permanent residence) and is or-  
8                   dered removed within 5 years of the  
9                   date of admission based on a ground  
10                  that existed before or at the time of  
11                  admission, or

12                   “(II) is an alien crewman per-  
13                   mitted to land temporarily under sec-  
14                   tion 252 and is ordered removed with-  
15                  in 5 years of the date of landing.

16           “(C) COSTS OF REMOVAL OF CERTAIN  
17           ALIENS GRANTED VOLUNTARY DEPARTURE.—In  
18           the case of an alien who has been granted vol-  
19           untary departure under section 240B and who  
20           is financially unable to depart at the alien’s own  
21           expense and whose removal the Attorney Gen-  
22           eral deems to be in the best interest of the  
23           United States, the expense of such removal may  
24           be paid from the appropriation for the enforce-  
25           ment of this Act.

1       “(f) ALIENS REQUIRING PERSONAL CARE DURING  
2 REMOVAL.—

3               “(1) IN GENERAL.—If the Attorney General be-  
4 lieves that an alien being removed requires personal  
5 care because of the alien’s mental or physical condi-  
6 tion, the Attorney General may employ a suitable  
7 person for that purpose who shall accompany and  
8 care for the alien until the alien arrives at the final  
9 destination.

10              “(2) COSTS.—The costs of providing the service  
11 described in paragraph (1) shall be defrayed in the  
12 same manner as the expense of removing the accom-  
13 panied alien is defrayed under this section.

14       “(g) PLACES OF DETENTION.—

15              “(1) IN GENERAL.—The Attorney General shall  
16 arrange for appropriate places of detention for aliens  
17 detained pending removal or a decision on removal.  
18 When United States Government facilities are un-  
19 available or facilities adapted or suitably located for  
20 detention are unavailable for rental, the Attorney  
21 General may expend from the appropriation ‘Immi-  
22 gration and Naturalization Service—Salaries and  
23 Expenses’, without regard to section 3709 of the Re-  
24 vised Statutes (41 U.S.C. 5), amounts necessary to  
25 acquire land and to acquire, build, remodel, repair,

1       and operate facilities (including living quarters for  
2       immigration officers if not otherwise available) nec-  
3       essary for detention.

4               “(2) DETENTION FACILITIES OF THE IMMIGRA-  
5       TION AND NATURALIZATION SERVICE.—Prior to ini-  
6       tiating any project for the construction of any new  
7       detention facility for the Service, the Commissioner  
8       shall consider the availability for purchase or lease  
9       of any existing prison, jail, detention center, or other  
10      comparable facility suitable for such use.

11      “(h) STATUTORY CONSTRUCTION.—Nothing in this  
12      section shall be construed to create any substantive or pro-  
13      cedural right or benefit that is legally enforceable by any  
14      party against the United States or its agencies or officers  
15      or any other person.”.

16      (b) REENTRY OF ALIEN REMOVED PRIOR TO COM-  
17      PLETION OF TERM OF IMPRISONMENT.—Section 276(b)  
18      (8 U.S.C. 1326(b)), as amended by section 321(b) of this  
19      division, is amended—

20              (1) by striking “or” at the end of paragraph

21      (2),

22              (2) by adding “or” at the end of paragraph (3),

23      and

24              (3) by inserting after paragraph (3) the follow-

25      ing new paragraph:

1           “(4) who was removed from the United States  
 2           pursuant to section 241(a)(4)(B) who thereafter,  
 3           without the permission of the Attorney General, en-  
 4           ters, attempts to enter, or is at any time found in,  
 5           the United States (unless the Attorney General has  
 6           expressly consented to such alien’s reentry) shall be  
 7           fined under title 18, United States Code, imprisoned  
 8           for not more than 10 years, or both.

9           (c) MISCELLANEOUS CONFORMING AMENDMENT.—  
 10          Section 212(a)(4) (8 U.S.C. 1182(a)(4)), as amended by  
 11          section 621(a) of this division, is amended by striking  
 12          “241(a)(5)(B)” each place it appears and inserting  
 13          “237(a)(5)(B)”.

14       **SEC. 306. APPEALS FROM ORDERS OF REMOVAL (NEW SEC-**  
 15                               **TION 242).**

16          (a) IN GENERAL.—Section 242 (8 U.S.C. 1252) is  
 17          amended—

18               (1) by redesignating subsection (j) as sub-  
 19               section (i) and by moving such subsection and add-  
 20               ing it at the end of section 241, as inserted by sec-  
 21               tion 305(a)(3) of this division; and

22               (2) by amending the remainder of section 242  
 23               to read as follows:

24               “JUDICIAL REVIEW OF ORDERS OF REMOVAL

25               “SEC. 242. (a) APPLICABLE PROVISIONS.—



1           “(1) GENERAL ORDERS OF REMOVAL.—Judicial  
2 review of a final order of removal (other than an  
3 order of removal without a hearing pursuant to sec-  
4 tion 235(b)(1)) is governed only by chapter 158 of  
5 title 28 of the United States Code, except as pro-  
6 vided in subsection (b) and except that the court  
7 may not order the taking of additional evidence  
8 under section 2347(c) of such title.

9           “(2) MATTERS NOT SUBJECT TO JUDICIAL RE-  
10 VIEW.—

11           “(A) REVIEW RELATING TO SECTION  
12 235(b)(1).—Notwithstanding any other provision  
13 of law, no court shall have jurisdiction to re-  
14 view—

15           “(i) except as provided in subsection  
16 (e), any individual determination or to en-  
17 tertain any other cause or claim arising  
18 from or relating to the implementation or  
19 operation of an order of removal pursuant  
20 to section 235(b)(1),

21           “(ii) except as provided in subsection  
22 (e), a decision by the Attorney General to  
23 invoke the provisions of such section,

24           “(iii) the application of such section  
25 to individual aliens, including the deter-

1 mination made under section 235(b)(1)(B),  
2 or

3 “(iv) except as provided in subsection  
4 (e), procedures and policies adopted by the  
5 Attorney General to implement the provi-  
6 sions of section 235(b)(1).

7 “(B) DENIALS OF DISCRETIONARY RE-  
8 LIEF.—Notwithstanding any other provision of  
9 law, no court shall have jurisdiction to review—

10 “(i) any judgment regarding the  
11 granting of relief under section 212(h),  
12 212(i), 240A, 240B, or 245, or

13 “(ii) any other decision or action of  
14 the Attorney General the authority for  
15 which is specified under this title to be in  
16 the discretion of the Attorney General,  
17 other than the granting of relief under sec-  
18 tion 208(a).

19 “(C) ORDERS AGAINST CRIMINAL  
20 ALIENS.—Notwithstanding any other provision  
21 of law, no court shall have jurisdiction to review  
22 any final order of removal against an alien who  
23 is removable by reason of having committed a  
24 criminal offense covered in section 212(a)(2) or  
25 237(a)(2)(A)(iii), (B), (C), or (D), or any of-

1           fense covered by section 237(a)(2)(A)(ii) for  
2           which both predicate offenses are, without re-  
3           gard to their date of commission, otherwise cov-  
4           ered by section 237(a)(2)(A)(i).

5           “(3) TREATMENT OF CERTAIN DECISIONS.—No  
6           alien shall have a right to appeal from a decision of  
7           an immigration judge which is based solely on a cer-  
8           tification described in section 240(c)(1)(B).

9           “(b) REQUIREMENTS FOR REVIEW OF ORDERS OF  
10          REMOVAL.—With respect to review of an order of removal  
11          under subsection (a)(1), the following requirements apply:

12           “(1) DEADLINE.—The petition for review must  
13          be filed not later than 30 days after the date of the  
14          final order of removal.

15           “(2) VENUE AND FORMS.—The petition for re-  
16          view shall be filed with the court of appeals for the  
17          judicial circuit in which the immigration judge com-  
18          pleted the proceedings. The record and briefs do not  
19          have to be printed. The court of appeals shall review  
20          the proceeding on a typewritten record and on type-  
21          written briefs.

22           “(3) SERVICE.—

23           “(A) IN GENERAL.—The respondent is the  
24          Attorney General. The petition shall be served  
25          on the Attorney General and on the officer or

1 employee of the Service in charge of the Service  
2 district in which the final order of removal  
3 under section 240 was entered.

4 “(B) STAY OF ORDER.—Service of the pe-  
5 tition on the officer or employee does not stay  
6 the removal of an alien pending the court’s de-  
7 cision on the petition, unless the court orders  
8 otherwise.

9 “(C) ALIEN’S BRIEF.—The alien shall  
10 serve and file a brief in connection with a peti-  
11 tion for judicial review not later than 40 days  
12 after the date on which the administrative  
13 record is available, and may serve and file a  
14 reply brief not later than 14 days after service  
15 of the brief of the Attorney General, and the  
16 court may not extend these deadlines except  
17 upon motion for good cause shown. If an alien  
18 fails to file a brief within the time provided in  
19 this paragraph, the court shall dismiss the ap-  
20 peal unless a manifest injustice would result.

21 “(4) SCOPE AND STANDARD FOR REVIEW.—Ex-  
22 cept as provided in paragraph (5)(B)—

23 “(A) the court of appeals shall decide the  
24 petition only on the administrative record on  
25 which the order of removal is based,

1           “(B) the administrative findings of fact are  
2           conclusive unless any reasonable adjudicator  
3           would be compelled to conclude to the contrary,

4           “(C) a decision that an alien is not eligible  
5           for admission to the United States is conclusive  
6           unless manifestly contrary to law, and

7           “(D) the Attorney General’s discretionary  
8           judgment whether to grant relief under section  
9           208(a) shall be conclusive unless manifestly  
10          contrary to the law and an abuse of discretion.

11          “(5) TREATMENT OF NATIONALITY CLAIMS.—

12               “(A) COURT DETERMINATION IF NO ISSUE  
13               OF FACT.—If the petitioner claims to be a na-  
14               tional of the United States and the court of ap-  
15               peals finds from the pleadings and affidavits  
16               that no genuine issue of material fact about the  
17               petitioner’s nationality is presented, the court  
18               shall decide the nationality claim.

19               “(B) TRANSFER IF ISSUE OF FACT.—If  
20               the petitioner claims to be a national of the  
21               United States and the court of appeals finds  
22               that a genuine issue of material fact about the  
23               petitioner’s nationality is presented, the court  
24               shall transfer the proceeding to the district  
25               court of the United States for the judicial dis-

1           trict in which the petitioner resides for a new  
2           hearing on the nationality claim and a decision  
3           on that claim as if an action had been brought  
4           in the district court under section 2201 of title  
5           28, United States Code.

6           “(C) LIMITATION ON DETERMINATION.—

7           The petitioner may have such nationality claim  
8           decided only as provided in this paragraph.

9           “(6) CONSOLIDATION WITH REVIEW OF MO-

10          TIONS TO REOPEN OR RECONSIDER.—When a peti-  
11          tioner seeks review of an order under this section,  
12          any review sought of a motion to reopen or recon-  
13          sider the order shall be consolidated with the review  
14          of the order.

15          “(7) CHALLENGE TO VALIDITY OF ORDERS IN

16          CERTAIN CRIMINAL PROCEEDINGS.—

17          “(A) IN GENERAL.—If the validity of an

18          order of removal has not been judicially de-  
19          cided, a defendant in a criminal proceeding  
20          charged with violating section 243(a) may chal-  
21          lenge the validity of the order in the criminal  
22          proceeding only by filing a separate motion be-  
23          fore trial. The district court, without a jury,  
24          shall decide the motion before trial.

1           “(B) CLAIMS OF UNITED STATES NATION-  
2           ALITY.—If the defendant claims in the motion  
3           to be a national of the United States and the  
4           district court finds that—

5                   “(i) no genuine issue of material fact  
6                   about the defendant’s nationality is pre-  
7                   sented, the court shall decide the motion  
8                   only on the administrative record on which  
9                   the removal order is based and the admin-  
10                  istrative findings of fact are conclusive if  
11                  supported by reasonable, substantial, and  
12                  probative evidence on the record considered  
13                  as a whole; or

14                  “(ii) a genuine issue of material fact  
15                  about the defendant’s nationality is pre-  
16                  sented, the court shall hold a new hearing  
17                  on the nationality claim and decide that  
18                  claim as if an action had been brought  
19                  under section 2201 of title 28, United  
20                  States Code.

21           The defendant may have such nationality claim  
22           decided only as provided in this subparagraph.

23           “(C) CONSEQUENCE OF INVALIDATION.—  
24           If the district court rules that the removal order  
25           is invalid, the court shall dismiss the indictment

1 for violation of section 243(a). The United  
2 States Government may appeal the dismissal to  
3 the court of appeals for the appropriate circuit  
4 within 30 days after the date of the dismissal.

5 “(D) LIMITATION ON FILING PETITIONS  
6 FOR REVIEW.—The defendant in a criminal  
7 proceeding under section 243(a) may not file a  
8 petition for review under subsection (a) during  
9 the criminal proceeding.

10 “(8) CONSTRUCTION.—This subsection—

11 “(A) does not prevent the Attorney Gen-  
12 eral, after a final order of removal has been is-  
13 sued, from detaining the alien under section  
14 241(a);

15 “(B) does not relieve the alien from com-  
16 plying with section 241(a)(4) and section  
17 243(g); and

18 “(C) does not require the Attorney General  
19 to defer removal of the alien.

20 “(9) CONSOLIDATION OF QUESTIONS FOR JUDI-  
21 CIAL REVIEW.—Judicial review of all questions of  
22 law and fact, including interpretation and applica-  
23 tion of constitutional and statutory provisions, aris-  
24 ing from any action taken or proceeding brought to  
25 remove an alien from the United States under this



1 title shall be available only in judicial review of a  
2 final order under this section.

3 “(c) REQUIREMENTS FOR PETITION.—A petition for  
4 review or for habeas corpus of an order of removal—

5 “(1) shall attach a copy of such order, and

6 “(2) shall state whether a court has upheld the  
7 validity of the order, and, if so, shall state the name  
8 of the court, the date of the court’s ruling, and the  
9 kind of proceeding.

10 “(d) REVIEW OF FINAL ORDERS.—A court may re-  
11 view a final order of removal only if—

12 “(1) the alien has exhausted all administrative  
13 remedies available to the alien as of right, and

14 “(2) another court has not decided the validity  
15 of the order, unless the reviewing court finds that  
16 the petition presents grounds that could not have  
17 been presented in the prior judicial proceeding or  
18 that the remedy provided by the prior proceeding  
19 was inadequate or ineffective to test the validity of  
20 the order.

21 “(e) JUDICIAL REVIEW OF ORDERS UNDER SECTION  
22 235(b)(1).—

23 “(1) LIMITATIONS ON RELIEF.—Without regard  
24 to the nature of the action or claim and without re-

1       gard to the identity of the party or parties bringing  
2       the action, no court may—

3               “(A) enter declaratory, injunctive, or other  
4       equitable relief in any action pertaining to an  
5       order to exclude an alien in accordance with  
6       section 235(b)(1) except as specifically author-  
7       ized in a subsequent paragraph of this sub-  
8       section, or

9               “(B) certify a class under Rule 23 of the  
10      Federal Rules of Civil Procedure in any action  
11      for which judicial review is authorized under a  
12      subsequent paragraph of this subsection.

13              “(2) HABEAS CORPUS PROCEEDINGS.—Judicial  
14      review of any determination made under section  
15      235(b)(1) is available in habeas corpus proceedings,  
16      but shall be limited to determinations of—

17              “(A) whether the petitioner is an alien,

18              “(B) whether the petitioner was ordered  
19      removed under such section, and

20              “(C) whether the petitioner can prove by a  
21      preponderance of the evidence that the peti-  
22      tioner is an alien lawfully admitted for perma-  
23      nent residence, has been admitted as a refugee  
24      under section 207, or has been granted asylum  
25      under section 208, such status not having been

1 terminated, and is entitled to such further in-  
2 quiry as prescribed by the Attorney General  
3 pursuant to section 235(b)(1)(C).

4 “(3) CHALLENGES ON VALIDITY OF THE SYS-  
5 TEM.—

6 “(A) IN GENERAL.—Judicial review of de-  
7 terminations under section 235(b) and its im-  
8 plementation is available in an action instituted  
9 in the United States District Court for the Dis-  
10 trict of Columbia, but shall be limited to deter-  
11 minations of—

12 “(i) whether such section, or any reg-  
13 ulation issued to implement such section, is  
14 constitutional; or

15 “(ii) whether such a regulation, or a  
16 written policy directive, written policy  
17 guideline, or written procedure issued by  
18 or under the authority of the Attorney  
19 General to implement such section, is not  
20 consistent with applicable provisions of this  
21 title or is otherwise in violation of law.

22 “(B) DEADLINES FOR BRINGING AC-  
23 TIONS.—Any action instituted under this para-  
24 graph must be filed no later than 60 days after  
25 the date the challenged section, regulation, di-

1           rective, guideline, or procedure described in  
2           clause (i) or (ii) of subparagraph (A) is first  
3           implemented.

4           “(C) NOTICE OF APPEAL.—A notice of ap-  
5           peal of an order issued by the District Court  
6           under this paragraph may be filed not later  
7           than 30 days after the date of issuance of such  
8           order.

9           “(D) EXPEDITIOUS CONSIDERATION OF  
10          CASES.—It shall be the duty of the District  
11          Court, the Court of Appeals, and the Supreme  
12          Court of the United States to advance on the  
13          docket and to expedite to the greatest possible  
14          extent the disposition of any case considered  
15          under this paragraph.

16          “(4) DECISION.—In any case where the court  
17          determines that the petitioner—

18               “(A) is an alien who was not ordered re-  
19               moved under section 235(b)(1), or

20               “(B) has demonstrated by a preponderance  
21               of the evidence that the alien is an alien law-  
22               fully admitted for permanent residence, has  
23               been admitted as a refugee under section 207,  
24               or has been granted asylum under section 208,  
25               the court may order no remedy or relief other

1           than to require that the petitioner be provided  
2           a hearing in accordance with section 240. Any  
3           alien who is provided a hearing under section  
4           240 pursuant to this paragraph may thereafter  
5           obtain judicial review of any resulting final  
6           order of removal pursuant to subsection (a)(1).

7           “(5) SCOPE OF INQUIRY.—In determining  
8           whether an alien has been ordered removed under  
9           section 235(b)(1), the court’s inquiry shall be limited  
10          to whether such an order in fact was issued and  
11          whether it relates to the petitioner. There shall be  
12          no review of whether the alien is actually inadmis-  
13          sible or entitled to any relief from removal.

14          “(f) LIMIT ON INJUNCTIVE RELIEF.—

15               “(1) IN GENERAL.—Regardless of the nature of  
16               the action or claim or of the identity of the party or  
17               parties bringing the action, no court (other than the  
18               Supreme Court) shall have jurisdiction or authority  
19               to enjoin or restrain the operation of the provisions  
20               of chapter 4 of title II, as amended by the Illegal  
21               Immigration Reform and Immigrant Responsibility  
22               Act of 1996, other than with respect to the applica-  
23               tion of such provisions to an individual alien against  
24               whom proceedings under such chapter have been ini-  
25               tiated.

1           “(2) PARTICULAR CASES.—Notwithstanding  
2           any other provision of law, no court shall enjoin the  
3           removal of any alien pursuant to a final order under  
4           this section unless the alien shows by clear and con-  
5           vincing evidence that the entry or execution of such  
6           order is prohibited as a matter of law.

7           “(g) EXCLUSIVE JURISDICTION.—Except as provided  
8           in this section and notwithstanding any other provision of  
9           law, no court shall have jurisdiction to hear any cause or  
10          claim by or on behalf of any alien arising from the decision  
11          or action by the Attorney General to commence proceed-  
12          ings, adjudicate cases, or execute removal orders against  
13          any alien under this Act.”.

14          (b) REPEAL OF SECTION 106.—Section 106 (8  
15          U.S.C. 1105a) is repealed.

16          (c) EFFECTIVE DATE.—

17               (1) IN GENERAL.—Subject to paragraph (2),  
18               the amendments made by subsections (a) and (b)  
19               shall apply to all final orders of deportation or re-  
20               moval and motions to reopen filed on or after the  
21               date of the enactment of this Act and subsection (g)  
22               of section 242 of the Immigration and Nationality  
23               Act (as added by subsection (a)), shall apply without  
24               limitation to claims arising from all past, pending,

1 or future exclusion, deportation, or removal proceed-  
 2 ings under such Act.

3 (2) LIMITATION.—Paragraph (1) shall not be  
 4 considered to invalidate or to require the reconsider-  
 5 ation of any judgment or order entered under sec-  
 6 tion 106 of the Immigration and Nationality Act, as  
 7 amended by section 440 of Public Law 104–132.

8 (d) TECHNICAL AMENDMENT.—Effective as if in-  
 9 cluded in the enactment of the Antiterrorism and Effective  
 10 Death Penalty Act of 1996 (Public Law 104–132), sub-  
 11 sections (a), (c), (d), (g), and (h) of section 440 of such  
 12 Act are amended by striking “any offense covered by sec-  
 13 tion 241(a)(2)(A)(ii) for which both predicate offenses are  
 14 covered by section 241(a)(2)(A)(i)” and inserting “any of-  
 15 fense covered by section 241(a)(2)(A)(ii) for which both  
 16 predicate offenses are, without regard to the date of their  
 17 commission, otherwise covered by section  
 18 241(a)(2)(A)(i)”.

19 **SEC. 307. PENALTIES RELATING TO REMOVAL (REVISED**  
 20 **SECTION 243).**

21 (a) IN GENERAL.—Section 243 (8 U.S.C. 1253) is  
 22 amended to read as follows:

23 “PENALTIES RELATED TO REMOVAL

24 “SEC. 243. (a) PENALTY FOR FAILURE TO DE-  
 25 PART.—

1           “(1) IN GENERAL.—Any alien against whom a  
2           final order of removal is outstanding by reason of  
3           being a member of any of the classes described in  
4           section 237(a), who—

5                   “(A) willfully fails or refuses to depart  
6                   from the United States within a period of 90  
7                   days from the date of the final order of removal  
8                   under administrative processes, or if judicial re-  
9                   view is had, then from the date of the final  
10                  order of the court,

11                  “(B) willfully fails or refuses to make time-  
12                  ly application in good faith for travel or other  
13                  documents necessary to the alien’s departure,

14                  “(C) connives or conspires, or takes any  
15                  other action, designed to prevent or hamper or  
16                  with the purpose of preventing or hampering  
17                  the alien’s departure pursuant to such, or

18                  “(D) willfully fails or refuses to present  
19                  himself or herself for removal at the time and  
20                  place required by the Attorney General pursu-  
21                  ant to such order,

22           shall be fined under title 18, United States Code, or  
23           imprisoned not more than four years (or 10 years if  
24           the alien is a member of any of the classes described



1 in paragraph (1)(E), (2), (3), or (4) of section  
2 237(a)), or both.

3 “(2) EXCEPTION.—It is not a violation of para-  
4 graph (1) to take any proper steps for the purpose  
5 of securing cancellation of or exemption from such  
6 order of removal or for the purpose of securing the  
7 alien’s release from incarceration or custody.

8 “(3) SUSPENSION.—The court may for good  
9 cause suspend the sentence of an alien under this  
10 subsection and order the alien’s release under such  
11 conditions as the court may prescribe. In determin-  
12 ing whether good cause has been shown to justify re-  
13 leasing the alien, the court shall take into account  
14 such factors as—

15 “(A) the age, health, and period of deten-  
16 tion of the alien;

17 “(B) the effect of the alien’s release upon  
18 the national security and public peace or safety;

19 “(C) the likelihood of the alien’s resuming  
20 or following a course of conduct which made or  
21 would make the alien deportable;

22 “(D) the character of the efforts made by  
23 such alien himself and by representatives of the  
24 country or countries to which the alien’s re-

1           moval is directed to expedite the alien's depar-  
2           ture from the United States;

3           “(E) the reason for the inability of the  
4           Government of the United States to secure  
5           passports, other travel documents, or removal  
6           facilities from the country or countries to which  
7           the alien has been ordered removed; and

8           “(F) the eligibility of the alien for discre-  
9           tionary relief under the immigration laws.

10       “(b) WILLFUL FAILURE TO COMPLY WITH TERMS  
11 OF RELEASE UNDER SUPERVISION.—An alien who shall  
12 willfully fail to comply with regulations or requirements  
13 issued pursuant to section 241(a)(3) or knowingly give  
14 false information in response to an inquiry under such sec-  
15 tion shall be fined not more than \$1,000 or imprisoned  
16 for not more than one year, or both.

17       “(c) PENALTIES RELATING TO VESSELS AND AIR-  
18 CRAFT.—

19           “(1) CIVIL PENALTIES.—

20           “(A) FAILURE TO CARRY OUT CERTAIN  
21 ORDERS.—If the Attorney General is satisfied  
22 that a person has violated subsection (d) or (e)  
23 of section 241, the person shall pay to the Com-  
24 missioner the sum of \$2,000 for each violation.

1           “(B) FAILURE TO REMOVE ALIEN STOW-  
2           AWAYS.—If the Attorney General is satisfied  
3           that a person has failed to remove an alien  
4           stowaway as required under section 241(d)(2),  
5           the person shall pay to the Commissioner the  
6           sum of \$5,000 for each alien stowaway not re-  
7           moved.

8           “(C) NO COMPROMISE.—The Attorney  
9           General may not compromise the amount of  
10          such penalty under this paragraph.

11          “(2) CLEARING VESSELS AND AIRCRAFT.—

12               “(A) CLEARANCE BEFORE DECISION ON  
13               LIABILITY.—A vessel or aircraft may be grant-  
14               ed clearance before a decision on liability is  
15               made under paragraph (1) only if a bond ap-  
16               proved by the Attorney General or an amount  
17               sufficient to pay the civil penalty is deposited  
18               with the Commissioner.

19               “(B) PROHIBITION ON CLEARANCE WHILE  
20               PENALTY UNPAID.—A vessel or aircraft may  
21               not be granted clearance if a civil penalty im-  
22               posed under paragraph (1) is not paid.

23          “(d) DISCONTINUING GRANTING VISAS TO NATION-  
24          ALS OF COUNTRY DENYING OR DELAYING ACCEPTING  
25          ALIEN.—On being notified by the Attorney General that

1 the government of a foreign country denies or unreason-  
 2 ably delays accepting an alien who is a citizen, subject,  
 3 national, or resident of that country after the Attorney  
 4 General asks whether the government will accept the alien  
 5 under this section, the Secretary of State shall order con-  
 6 sular officers in that foreign country to discontinue grant-  
 7 ing immigrant visas or nonimmigrant visas, or both, to  
 8 citizens, subjects, nationals, and residents of that country  
 9 until the Attorney General notifies the Secretary that the  
 10 country has accepted the alien.”.

11 **SEC. 308. REDESIGNATION AND REORGANIZATION OF**  
 12 **OTHER PROVISIONS; ADDITIONAL CONFORM-**  
 13 **ING AMENDMENTS.**

14 (a) CONFORMING AMENDMENT TO TABLE OF CON-  
 15 TENTS; OVERVIEW OF REORGANIZED CHAPTERS.—The  
 16 table of contents, as amended by sections 123(b) and  
 17 671(e)(1) of this division, is amended—

18 (1) by striking the item relating to section 106,

19 and

20 (2) by striking the item relating to chapter 4 of

21 title II and all that follows through the item relating

22 to section 244A and inserting the following:

“CHAPTER 4—INSPECTION, APPREHENSION, EXAMINATION, EXCLUSION, AND  
 REMOVAL

“Sec. 231. Lists of alien and citizen passengers arriving or departing; record  
 of resident aliens and citizens leaving permanently for foreign  
 country.

“Sec. 232. Detention of aliens for physical and mental examination.

- “Sec. 233. Entry through or from foreign territory and adjacent islands; landing stations.
- “Sec. 234. Designation of ports of entry for aliens arriving by civil aircraft.
- “Sec. 235. Inspection by immigration officers; expedited removal of inadmissible arriving aliens; referral for hearing.
- “Sec. 235A. Preinspection at foreign airports.
- “Sec. 236. Apprehension and detention of aliens not lawfully in the United States.
- “Sec. 237. General classes of deportable aliens.
- “Sec. 238. Expedited removal of aliens convicted of committing aggravated felonies.
- “Sec. 239. Initiation of removal proceedings.
- “Sec. 240. Removal proceedings.
- “Sec. 240A. Cancellation of removal; adjustment of status.
- “Sec. 240B. Voluntary departure.
- “Sec. 240C. Records of admission.
- “Sec. 241. Detention and removal of aliens ordered removed.
- “Sec. 242. Judicial review of orders of removal.
- “Sec. 243. Penalties relating to removal.
- “Sec. 244. Temporary protected status.

“CHAPTER 5—ADJUSTMENT AND CHANGE OF STATUS”.

1           (b) REORGANIZATION OF OTHER PROVISIONS.—

2 Chapters 4 and 5 of title II are amended as follows:

3           (1) AMENDING CHAPTER HEADING.—Amend  
 4 the heading for chapter 4 of title II to read as fol-  
 5 lows:

6           “CHAPTER 4—INSPECTION, APPREHENSION,  
 7 EXAMINATION, EXCLUSION, AND REMOVAL”.

8           (2) REDESIGNATING SECTION 232 AS SECTION  
 9 232(a).—Amend section 232 (8 U.S.C. 1222)—

10           (A) by inserting “(a) DETENTION OF  
 11 ALIENS.—” after “SEC. 232.”, and

12           (B) by amending the section heading to  
 13 read as follows:

1 “DETENTION OF ALIENS FOR PHYSICAL AND MENTAL  
2 EXAMINATION”.

3 (3) REDESIGNATING SECTION 234 AS SECTION  
4 232(b).—Amend section 234 (8 U.S.C. 1224)—

5 (A) by striking the heading,

6 (B) by striking “SEC. 234.” and inserting  
7 the following: “(b) PHYSICAL AND MENTAL EX-  
8 AMINATION.—”, and

9 (C) by moving such provision to the end of  
10 section 232.

11 (4) REDESIGNATING SECTION 238 AS SECTION  
12 233.—Redesignate section 238 (8 U.S.C. 1228) as  
13 section 233 and move the section to immediately fol-  
14 low section 232.

15 (5) REDESIGNATING SECTION 242A AS SECTION  
16 238.—Redesignate section 242A as section 238,  
17 strike “DEPORTATION” in its heading and insert  
18 “REMOVAL”, and move the section to immediately  
19 follow section 237 (as redesignated by section  
20 305(a)(2)).

21 (6) STRIKING SECTION 242B.—Strike section  
22 242B (8 U.S.C. 1252b).

23 (7) STRIKING SECTION 244 AND REDESIGNAT-  
24 ING SECTION 244A AS SECTION 244.—Strike section

1       244 (8 U.S.C. 1254) and redesignate section 244A  
2       as section 244.

3           (8) AMENDING CHAPTER HEADING.—Amend  
4       the heading for chapter 5 of title II to read as fol-  
5       lows:

6       “CHAPTER 5—ADJUSTMENT AND CHANGE OF STATUS”.

7           (c) ADDITIONAL CONFORMING AMENDMENTS.—

8           (1) EXPEDITED PROCEDURES FOR AGGRA-  
9       VATED FELONS (FORMER SECTION 242A).—Section  
10      238 (which, previous to redesignation under section  
11      308(b)(5) of this division, was section 242A) is  
12      amended—

13           (A) in subsection (a)(1), by striking “sec-  
14      tion 242” and inserting “section 240”;

15           (B) in subsection (a)(2), by striking “sec-  
16      tion 242(a)(2)” and inserting “section 236(c)”;  
17      and

18           (C) in subsection (b)(1), by striking “sec-  
19      tion 241(a)(2)(A)(iii)” and inserting “section  
20      237(a)(2)(A)(iii)”.

21           (2) TREATMENT OF CERTAIN HELPLESS  
22      ALIENS.—

23           (A) CERTIFICATION OF HELPLESS  
24      ALIENS.—Section 232 (8 U.S.C. 1222), as  
25      amended by section 308(b)(2) of this division,

1 is further amended by adding at the end the  
2 following new subsection:

3 “(c) CERTIFICATION OF CERTAIN HELPLESS  
4 ALIENS.—If an examining medical officer determines that  
5 an alien arriving in the United States is inadmissible, is  
6 helpless from sickness, mental or physical disability, or in-  
7 fancy, and is accompanied by another alien whose protec-  
8 tion or guardianship may be required, the officer may cer-  
9 tify such fact for purposes of applying section  
10 212(a)(10)(B) with respect to the other alien.”.

11 (B) GROUND OF INADMISSIBILITY FOR  
12 PROTECTION AND GUARDIANSHIP OF ALIENS  
13 DENIED ADMISSION FOR HEALTH OR IN-  
14 FANCY.—Subparagraph (B) of section  
15 212(a)(10) (8 U.S.C. 1182(a)(10)), as redesign-  
16 nated by section 301(a)(1) of this division, is  
17 amended to read as follows:

18 “(B) GUARDIAN REQUIRED TO ACCOMPANY  
19 HELPLESS ALIEN.—Any alien—

20 “(i) who is accompanying another  
21 alien who is inadmissible and who is cer-  
22 tified to be helpless from sickness, mental  
23 or physical disability, or infancy pursuant  
24 to section 232(c), and



1                   “(ii) whose protection or guardianship  
2                   is determined to be required by the alien  
3                   described in clause (i),  
4                   is inadmissible.”.

5                   (3) CONTINGENT CONSIDERATION IN RELATION  
6                   TO REMOVAL OF ALIENS.—Section 273(a) (8 U.S.C.  
7                   1323(a)) is amended—

8                   (A) by inserting “(1)” after “(a)”, and

9                   (B) by adding at the end the following new  
10                  paragraph:

11               “(2) It is unlawful for an owner, agent, master, com-  
12               manding officer, person in charge, purser, or consignee of  
13               a vessel or aircraft who is bringing an alien (except an  
14               alien crewmember) to the United States to take any con-  
15               sideration to be kept or returned contingent on whether  
16               an alien is admitted to, or ordered removed from, the  
17               United States.”.

18               (4) CLARIFICATION.—(A) Section 238(a)(1),  
19               which, previous to redesignation under section  
20               308(b)(5) of this division, was section 242A(a)(1), is  
21               amended by adding at the end the following: “Noth-  
22               ing in this section shall be construed to create any  
23               substantive or procedural right or benefit that is le-  
24               gally enforceable by any party against the United

1 States or its agencies or officers or any other per-  
2 son.”.

3 (B) Section 225 of the Immigration and Na-  
4 tionality Technical Corrections Act of 1994 (Public  
5 Law 103–416) is amended by striking “and nothing  
6 in” and all that follows up to “shall”.

7 (d) ADDITIONAL CONFORMING AMENDMENTS RE-  
8 LATING TO EXCLUSION AND INADMISSIBILITY.—

9 (1) SECTION 212.—Section 212 (8 U.S.C.  
10 1182(a)) is amended—

11 (A) in the heading, by striking “EX-  
12 CLUDED FROM” and inserting “INELIGIBLE  
13 FOR”;

14 (B) in the matter in subsection (a) before  
15 paragraph (1), by striking all that follows “(a)”  
16 and inserting the following: “CLASSES OF  
17 ALIENS INELIGIBLE FOR VISAS OR ADMIS-  
18 SION.—Except as otherwise provided in this  
19 Act, aliens who are inadmissible under the fol-  
20 lowing paragraphs are ineligible to receive visas  
21 and ineligible to be admitted to the United  
22 States.”;

23 (C) in subsection (a), by striking “is ex-  
24 cludable” and inserting “is inadmissible” each  
25 place it appears;

1 (D) in subsections (a)(5)(C) (before redesi-  
2 gnation by section 343(c)(1) of this division),  
3 (d)(1), and (k), by striking “exclusion” and in-  
4 serting “inadmissibility”;

5 (E) in subsections (b), (d)(3), (h)(1)(A)(i),  
6 and (k), by striking “excludable” each place it  
7 appears and inserting “inadmissible”;

8 (F) in subsection (b)(2), by striking “or  
9 ineligible for entry”;

10 (G) in subsection (d)(7), by striking “ex-  
11 cluded from” and inserting “denied”; and

12 (H) in subsection (h)(1)(B), by striking  
13 “exclusion” and inserting “denial of admis-  
14 sion”.

15 (2) SECTION 241.—Section 241 (8 U.S.C.  
16 1251), before redesignation as section 237 by section  
17 305(a)(2) of this division, is amended—

18 (A) in subsection (a)(1)(H), by striking  
19 “excludable” and inserting “inadmissible”;

20 (B) in subsection (a)(4)(C)(ii), by striking  
21 “excludability” and inserting “inadmissibility”;

22 (C) in subsection (c), by striking “exclu-  
23 sion” and inserting “inadmissibility”; and

24 (D) effective upon enactment of this Act,  
25 by striking subsection (d), as added by section

1           414(a) of the Antiterrorism and Effective  
2           Death Penalty Act of 1996 (P.L. 104–132).

3           (3) OTHER GENERAL REFERENCES.—The fol-  
4           lowing provisions are amended by striking “exclud-  
5           ability” and “excludable” each place each appears  
6           and inserting “inadmissibility” and “inadmissible”,  
7           respectively:

8                   (A) Sections 101(f)(3), 213, 234 (before  
9                   redesignation by section 308(b) of this divi-  
10                  sion), 241(a)(1) (before redesignation by sec-  
11                  tion 305(a)(2) of this division), 272(a), 277,  
12                  286(h)(2)(A)(v), and 286(h)(2)(A)(vi).

13                  (B) Section 601(c) of the Immigration Act  
14                  of 1990.

15                  (C) Section 128 of the Foreign Relations  
16                  Authorization Act, Fiscal Years 1992 and 1993  
17                  (Public Law 102–138).

18                  (D) Section 1073 of the National Defense  
19                  Authorization Act for Fiscal Year 1995 (Public  
20                  Law 103–337).

21                  (E) Section 221 of the Immigration and  
22                  Nationality Technical Corrections Act of 1994  
23                  (Public Law 103–416).

24           (4) RELATED TERMS.—

1           (A) Section 101(a)(17) (8 U.S.C.  
2           1101(a)(17)) is amended by striking “or expul-  
3           sion” and inserting “expulsion, or removal”.

4           (B) Section 102 (8 U.S.C. 1102) is  
5           amended by striking “exclusion or deportation”  
6           and inserting “removal”.

7           (C) Section 103(c)(2) (8 U.S.C.  
8           1103(c)(2)) is amended by striking “been ex-  
9           cluded or deported” and inserting “not been ad-  
10          mitted or have been removed”.

11          (D) Section 206 (8 U.S.C. 1156) is  
12          amended by striking “excluded from admission  
13          to the United States and deported” and insert-  
14          ing “denied admission to the United States and  
15          removed”.

16          (E) Section 216(f) (8 U.S.C. 1186a) is  
17          amended by striking “exclusion” and inserting  
18          “inadmissibility”.

19          (F) Section 217 (8 U.S.C. 1187) is amend-  
20          ed by striking “excluded from admission” and  
21          inserting “denied admission at the time of ar-  
22          rival” each place it appears.

23          (G) Section 221(f) (8 U.S.C. 1201) is  
24          amended by striking “exclude” and inserting  
25          “deny admission to”.

1 (H) Section 232(a) (8 U.S.C. 1222(a)), as  
2 redesignated by subsection (b)(2), is amended  
3 by striking “excluded by” and “the excluded  
4 classes” and inserting “inadmissible under” and  
5 “inadmissible classes”, respectively.

6 (I)(i) Section 272 (8 U.S.C. 1322) is  
7 amended—

8 (I) by striking “EXCLUSION” in the  
9 heading and inserting “DENIAL OF ADMIS-  
10 SION”,

11 (II) in subsection (a), by striking “ex-  
12 cluding condition” and inserting “condition  
13 causing inadmissibility”, and

14 (III) in subsection (c), by striking  
15 “excluding”.

16 (ii) The item in the table of contents relat-  
17 ing to such section is amended by striking “ex-  
18 clusion” and inserting “denial of admission”.

19 (J) Section 276(a) (8 U.S.C. 1326(a)) is  
20 amended—

21 (i) in paragraph (1), as amended by  
22 section 324(a) of this division—

23 (I) by striking “arrested and de-  
24 ported, has been excluded and de-  
25 ported,” and inserting “denied admis-

1 sion, excluded, deported, or removed”,  
2 and

3 (II) by striking “exclusion or de-  
4 portation” and inserting “exclusion,  
5 deportation, or removal”; and

6 (ii) in paragraph (2)(B), by striking  
7 “excluded and deported” and inserting  
8 “denied admission and removed”.

9 (K) Section 286(h)(2)(A)(vi) (8 U.S.C.  
10 1356(h)(2)(A)(vi)) is amended by striking “ex-  
11 clusion” each place it appears and inserting  
12 “removal”.

13 (L) Section 287 (8 U.S.C. 1357) is amend-  
14 ed—

15 (i) in subsection (a), by striking “or  
16 expulsion” each place it appears and in-  
17 serting “expulsion, or removal”, and

18 (ii) in subsection (c), by striking “ex-  
19 clusion from” and inserting “denial of ad-  
20 mission to”.

21 (M) Section 290(a) (8 U.S.C. 1360(a)) is  
22 amended by striking “admitted to the United  
23 States, or excluded therefrom” each place it ap-  
24 pears and inserting “admitted or denied admis-  
25 sion to the United States”.

1           (N) Section 291 (8 U.S.C. 1361) is  
2 amended by striking “subject to exclusion” and  
3 inserting “inadmissible” each place it appears.

4           (O) Section 292 (8 U.S.C. 1362) is  
5 amended by striking “exclusion or deportation”  
6 each place it appears and inserting “removal”.

7           (P) Section 360 (8 U.S.C. 1503) is amend-  
8 ed—

9                 (i) in subsection (a), by striking “ex-  
10 clusion” each place it appears and insert-  
11 ing “removal”, and

12                 (ii) in subsection (c), by striking “ex-  
13 cluded from” and inserting “denied”.

14           (Q) Section 507(b)(2)(D) (8 U.S.C.  
15 1537(b)(2)(D)) is amended by striking “exclu-  
16 sion because such alien is excludable” and in-  
17 serting “removal because such alien is inadmis-  
18 sible”.

19           (R) Section 301(a)(1) of the Immigration  
20 Act of 1990 is amended by striking “exclusion”  
21 and inserting “inadmissibility”.

22           (S) Section 401(c) of the Refugee Act of  
23 1980 is amended by striking “deportation or  
24 exclusion” and inserting “removal”.



1 (T) Section 501(e)(2) of the Refugee Edu-  
2 cation Assistance Act of 1980 (Public Law 96-  
3 422) is amended—

4 (i) by striking “exclusion or deporta-  
5 tion” each place it appears and inserting  
6 “removal”, and

7 (ii) by striking “deportation or exclu-  
8 sion” each place it appears and inserting  
9 “removal”.

10 (U) Section 4113(c) of title 18, United  
11 States Code, is amended by striking “exclusion  
12 and deportation” and inserting “removal”.

13 (5) REPEAL OF SUPERSEDED PROVISION.—Ef-  
14 fective as of the date of the enactment of the  
15 Antiterrorism and Effective Death Penalty Act of  
16 1996, section 422 of such Act is repealed and the  
17 Immigration and Nationality Act shall be applied as  
18 if such section had not been enacted.

19 (e) REVISION OF TERMINOLOGY RELATING TO DE-  
20 PORTATION.—

21 (1) Each of the following is amended by strik-  
22 ing “deportation” each place it appears and insert-  
23 ing “removal”:

1 (A) Subparagraphs (A)(iii)(II), (A)(iv)(II),  
2 and (B)(iii)(II) of section 204(a)(1) (8 U.S.C.  
3 1154(a)(1)).

4 (B) Section 212(d)(1) (8 U.S.C.  
5 1182(d)(1)).

6 (C) Section 212(d)(11) (8 U.S.C.  
7 1182(d)(11)).

8 (D) Section 214(k)(4)(C) (8 U.S.C.  
9 1184(k)(4)(C)), as redesignated by section  
10 671(a)(3)(A) of this division.

11 (E) Section 241(a)(1)(H) (8 U.S.C.  
12 1251(a)(1)(H)), before redesignation as section  
13 237 by section 305(a)(2) of this division.

14 (F) Section 242A (8 U.S.C. 1252a), before  
15 redesignation as section 238 by subsection  
16 (b)(5).

17 (G) Subsections (a)(3) and (b)(5)(B) of  
18 section 244A (8 U.S.C. 1254a), before redesign-  
19 nation as section 244 by subsection (b)(7).

20 (H) Section 246(a) (8 U.S.C. 1256(a)).

21 (I) Section 254 (8 U.S.C. 1284).

22 (J) Section 263(a)(4) (8 U.S.C.  
23 1303(a)(4)).

24 (K) Section 276(b) (8 U.S.C. 1326(b)).

1 (L) Section 286(h)(2)(A)(v) (8 U.S.C.  
2 1356(h)(2)(A)(v)).

3 (M) Section 287(g) (8 U.S.C. 1357(g)) (as  
4 added by section 122 of this division).

5 (N) Section 291 (8 U.S.C. 1361).

6 (O) Section 318 (8 U.S.C. 1429).

7 (P) Section 130005(a) of the Violent  
8 Crime Control and Law Enforcement Act of  
9 1994 (Public Law 103–322).

10 (Q) Section 4113(b) of title 18, United  
11 States Code.

12 (2) Each of the following is amended by strik-  
13 ing “deported” each place it appears and inserting  
14 “removed”:

15 (A) Section 212(d)(7) (8 U.S.C.  
16 1182(d)(7)).

17 (B) Section 214(d) (8 U.S.C. 1184(d)).

18 (C) Section 241(a) (8 U.S.C. 1251(a)), be-  
19 fore redesignation as section 237 by section  
20 305(a)(2) of this division.

21 (D) Section 242A(c)(2)(D)(iv) (8 U.S.C.  
22 1252a(c)(2)(D)(iv)), as amended by section  
23 671(b)(13) of this division but before redesigna-  
24 tion as section 238 by subsection (b)(5).

25 (E) Section 252(b) (8 U.S.C. 1282(b)).

1 (F) Section 254 (8 U.S.C. 1284).

2 (G) Subsections (b) and (c) of section 266  
3 (8 U.S.C. 1306).

4 (H) Section 301(a)(1) of the Immigration  
5 Act of 1990.

6 (I) Section 4113 of title 18, United States  
7 Code.

8 (3) Section 101(g) (8 U.S.C. 1101(g)) is  
9 amended by inserting “or removed” after “deported”  
10 each place it appears.

11 (4) Section 103(c)(2) (8 U.S.C. 1103(c)(2)) is  
12 amended by striking “suspension of deportation”  
13 and inserting “cancellation of removal”.

14 (5) Section 201(b)(1)(D) (8 U.S.C.  
15 1151(b)(1)(D)) is amended by striking “deportation  
16 is suspended” and inserting “removal is canceled”.

17 (6) Section 212(l)(2)(B) (8 U.S.C.  
18 1182(l)(2)(B)) is amended by striking “deportation  
19 against” and inserting “removal of”.

20 (7) Subsections (b)(2), (c)(2)(B), (c)(3)(D),  
21 (c)(4)(A), and (d)(2)(C) of section 216 (8 U.S.C.  
22 1186a) are each amended by striking “DEPORTA-  
23 TION”, “deportation”, “deport”, and “deported”  
24 each place each appears and inserting “REMOVAL”,  
25 “removal”, “remove”, and “removed”, respectively.

1           (8) Subsections (b)(2), (c)(2)(B), (c)(3)(D),  
2           and (d)(2)(C) of section 216A (8 U.S.C. 1186b) are  
3           each amended by striking “DEPORTATION”, “depor-  
4           tation”, “deport”, and “deported” and inserting  
5           “REMOVAL”, “removal”, “remove”, and “removed”,  
6           respectively.

7           (9) Section 217(b)(2) (8 U.S.C. 1187(b)(2)) is  
8           amended by striking “deportation against” and in-  
9           serting “removal of”.

10          (10) Section 242A (8 U.S.C. 1252a), before re-  
11          designation as section 238 by subsection (b)(6), is  
12          amended, in the headings to various subdivisions, by  
13          striking “DEPORTATION” and “DEPORTATION” and  
14          inserting “REMOVAL” and “REMOVAL”, respectively.

15          (11) Section 244A(a)(1)(A) (8 U.S.C.  
16          1254a(a)(1)(A)), before redesignation as section 244  
17          by subsection (b)(8), is amended—

18                 (A) in subsection (a)(1)(A), by striking  
19                 “deport” and inserting “remove”, and

20                 (B) in subsection (e), by striking “SUS-  
21                 PENSION OF DEPORTATION” and inserting  
22                 “CANCELLATION OF REMOVAL”.

23          (12) Section 254 (8 U.S.C. 1284) is amended  
24          by striking “deport” each place it appears and in-  
25          serting “remove”.

1           (13) Section 273(d) (8 U.S.C. 1323(d)) is re-  
2       pealed.

3           (14)(A) Section 276 (8 U.S.C. 1326) is amend-  
4       ed by striking “DEPORTED” and inserting “RE-  
5       MOVED”.

6           (B) The item in the table of contents relating  
7       to such section is amended by striking “deported”  
8       and inserting “removed”.

9           (15) Section 318 (8 U.S.C. 1429) is amended  
10      by striking “suspending” and inserting “canceling”.

11          (16) Section 301(a) of the Immigration Act of  
12      1990 is amended by striking “DEPORTATION” and  
13      inserting “REMOVAL”.

14          (17) The heading of section 130005 of the Vio-  
15      lent Crime Control and Law Enforcement Act of  
16      1994 (Public Law 103–322) is amended by striking  
17      “**DEPORTATION**” and inserting “**RE-**  
18      **MOVAL**”.

19          (18) Section 9 of the Peace Corps Act (22  
20      U.S.C. 2508) is amended by striking “deported” and  
21      all that follows through “Deportation” and inserting  
22      “removed pursuant to chapter 4 of title II of the Im-  
23      migration and Nationality Act”.

24          (19) Section 8(c) of the Foreign Agents Reg-  
25      istration Act (22 U.S.C. 618(c)) is amended by

1 striking “deportation” and all that follows and in-  
2 serting “removal pursuant to chapter 4 of title II of  
3 the Immigration and Nationality Act.”.

4 (f) REVISION OF REFERENCES TO ENTRY.—

5 (1) The following provisions are amended by  
6 striking “entry” and inserting “admission” each  
7 place it appears:

8 (A) Section 101(a)(15)(K) (8 U.S.C.  
9 1101(a)(15)(K)).

10 (B) Section 101(a)(30) (8 U.S.C.  
11 1101(a)(30)).

12 (C) Section 212(a)(2)(D) (8 U.S.C.  
13 1182(a)(2)(D)).

14 (D) Section 212(a)(6)(C)(i) (8 U.S.C.  
15 1182(a)(6)(C)(i)).

16 (E) Section 212(h)(1)(A)(i) (8 U.S.C.  
17 1182(h)(1)(A)(i)).

18 (F) Section 212(j)(1)(D) (8 U.S.C.  
19 1182(j)(1)(D)).

20 (G) Section 214(c)(2)(A) (8 U.S.C.  
21 1184(c)(2)(A)).

22 (H) Section 214(d) (8 U.S.C. 1184(d)).

23 (I) Section 216(b)(1)(A)(i) (8 U.S.C.  
24 1186a(b)(1)(A)(i)).

1 (J) Section 216(d)(1)(A)(i)(III) (8 U.S.C.  
2 1186a(d)(1)(A)(i)(III)).

3 (K) Subsection (b) of section 240 (8  
4 U.S.C. 1230), before redesignation as section  
5 240C by section 304(a)(2) of this division.

6 (L) Subsection (a)(1)(G) of section 241 (8  
7 U.S.C. 1251), before redesignation as section  
8 237 by section 305(a)(2) of this division.

9 (M) Subsection (a)(1)(H) of section 241 (8  
10 U.S.C. 1251), before redesignation as section  
11 237 by section 305(a)(2) of this division, other  
12 than the last time it appears.

13 (N) Paragraphs (2) and (4) of subsection  
14 (a) of section 241 (8 U.S.C. 1251), before re-  
15 designation as section 237 by section 305(a)(2)  
16 of this division.

17 (O) Section 245(e)(3) (8 U.S.C.  
18 1255(e)(3)).

19 (P) Section 247(a) (8 U.S.C. 1257(a)).

20 (Q) Section 601(c)(2) of the Immigration  
21 Act of 1990.

22 (2) The following provisions are amended by  
23 striking “enter” and inserting “be admitted”:

24 (A) Section 204(e) (8 U.S.C. 1154(e)).

25 (B) Section 221(h) (8 U.S.C. 1201(h)).



1 (C) Section 245(e)(2) (8 U.S.C.  
2 1255(e)(2)).

3 (3) The following provisions are amended by  
4 striking “enters” and inserting “is admitted to”:

5 (A) Section 212(j)(1)(D)(ii) (8 U.S.C.  
6 1154(e)).

7 (B) Section 214(c)(5)(B) (8 U.S.C.  
8 1184(c)(5)(B)).

9 (4) Subsection (a) of section 238 (8 U.S.C.  
10 1228), before redesignation as section 233 by section  
11 308(b)(4) of this division, is amended by striking  
12 “entry and inspection” and inserting “inspection  
13 and admission”.

14 (5) Subsection (a)(1)(H)(ii) of section 241 (8  
15 U.S.C. 1251), before redesignation as section 237 by  
16 section 305(a)(2) of this division, is amended by  
17 striking “at entry”.

18 (6) Section 7 of the Central Intelligence Agency  
19 Act of 1949 (50 U.S.C. 403h) is amended by strik-  
20 ing “that the entry”, “given entry into”, and “enter-  
21 ing” and inserting “that the admission”, “admitted  
22 to”, and “admitted to”.

23 (7) Section 4 of the Atomic Weapons and Spe-  
24 cial Nuclear Materials Rewards Act (50 U.S.C. 47c)

1 is amended by striking “entry” and inserting “ad-  
2 mission”.

3 (g) CONFORMING REFERENCES TO REORGANIZED  
4 SECTIONS.—

5 (1) REFERENCES TO SECTIONS 232, 234, 238,  
6 239, 240, 241, 242A, AND 244A.—Any reference in law  
7 in effect on the day before the date of the enactment  
8 of this Act to section 232, 234, 238, 239, 240, 241,  
9 242A, or 244A of the Immigration and Nationality  
10 Act (or a subdivision of such section) is deemed, as  
11 of the title III–A effective date, to refer to section  
12 232(a), 232(b), 233, 234, 234A, 237, 238, or 244  
13 of such Act (or the corresponding subdivision of  
14 such section), as redesignated by this subtitle. Any  
15 reference in law to section 241 (or a subdivision of  
16 such section) of the Immigration and Nationality  
17 Act in an amendment made by a subsequent subtitle  
18 of this title is deemed a reference (as of the title  
19 III–A effective date) to section 237 (or the cor-  
20 responding subdivision of such section), as redesign-  
21 nated by this subtitle.

22 (2) REFERENCES TO SECTION 106.—

23 (A) Sections 242A(b)(3) and  
24 242A(c)(3)(A)(ii) (8 U.S.C. 1252a(b)(3),  
25 1252a(c)(3)(A)(ii)), as amended by section

671(b)(13) of this division but before redesignation as section 238 by subsection (b)(5), are each amended by striking “106” and inserting “242”.

(B) Sections 210(e)(3)(A) and 245A(f)(4)(A) (8 U.S.C. 1160(e)(3)(A), 1255a(f)(4)(A)) are amended by inserting “(as in effect before October 1, 1996)” after “106”.

(C) Section 242A(c)(3)(A)(iii) (8 U.S.C. 1252a(c)(3)(A)(iii)), as amended by section 671(b)(13) of this division but before redesignation as section 238 by subsection (b)(5), is amended by striking “106(a)(1)” and inserting “242(b)(1)”.

(3) REFERENCES TO SECTION 236.—

(A) Sections 205 and 209(a)(1) (8 U.S.C. 1155, 1159(a)(1)) are each amended by striking “236” and inserting “240”.

(B) Section 4113(c) of title 18, United States Code, is amended by striking “1226 of title 8, United States Code” and inserting “240 of the Immigration and Nationality Act”.

(4) REFERENCES TO SECTION 237.—

1           (A)    Section   209(a)(1)   (8    U.S.C.  
2           1159(a)(1)) is amended by striking “237” and  
3           inserting “241”.

4           (B)    Section   212(d)(7)   (8    U.S.C.  
5           1182(d)(7)) is amended by striking “237(a)”  
6           and inserting “241(c)”.

7           (C)    Section 280(a) (8 U.S.C. 1330(a)) is  
8           amended by striking “237, 239, 243” and in-  
9           serting “234, 243(c)(2)”.

10          (5) REFERENCES TO SECTION 242.—

11               (A)(i)   Sections   214(d),   252(b),   and  
12               287(f)(1)   (8    U.S.C.   1184(d),   1282(b),  
13               1357(f)(1)) are each amended by striking  
14               “242” and inserting “240”.

15               (ii)   Subsection (c)(4) of section 242A (8  
16               U.S.C. 1252a), as amended by section  
17               671(b)(13) of this division but before redesigna-  
18               tion as section 238 by subsection (b)(5), are  
19               each amended by striking “242” and inserting  
20               “240”.

21               (iii)   Section   245A(a)(1)(B)   (8    U.S.C.  
22               1255a(a)(1)(B)) is amended by inserting “(as  
23               in effect before October 1, 1996)” after “242”.

24               (iv)   Section 4113 of title 18, United States  
25               Code, is amended—

1 (I) in subsection (a), by striking “sec-  
2 tion 1252(b) or section 1254(e) of title 8,  
3 United States Code,” and inserting “sec-  
4 tion 240B of the Immigration and Nation-  
5 ality Act”; and

6 (II) in subsection (b), by striking  
7 “section 1252 of title 8, United States  
8 Code,” and inserting “section 240 of the  
9 Immigration and Nationality Act”.

10 (B) Section 130002(a) of Public Law 103–  
11 322, as amended by section 345 of this division,  
12 is amended by striking “242(a)(3)(A)” and in-  
13 serting “236(d)”.

14 (C) Section 242A(b)(1) (8 U.S.C.  
15 1252a(b)(1)), before redesignation as section  
16 238 by section 308(b)(5) of this division, is  
17 amended by striking “242(b)” and inserting  
18 “240”.

19 (D) Section 242A(c)(2)(D)(ii) (8 U.S.C.  
20 1252a(c)(2)(D)(ii)), as amended by section  
21 671(b)(13) of this division but before redesigna-  
22 tion as section 238 by subsection (b)(5), is  
23 amended by striking “242(b)” and inserting  
24 “240”.

1 (E) Section 1821(e) of title 28, United  
2 States Code, is amended by striking “242(b)”  
3 and inserting “240”.

4 (F) Section 130007(a) of Public Law 103–  
5 322 is amended by striking “242(i)” and in-  
6 serting “239(d)”.

7 (G) Section 20301(c) of Public Law 103–  
8 322 is amended by striking “242(j)(5)” and  
9 “242(j)” and inserting “241(h)(5)” and  
10 “241(h)”, respectively.

11 (6) REFERENCES TO SECTION 242B.—

12 (A) Section 303(d)(2) of the Immigration  
13 Act of 1990 is amended by striking “242B”  
14 and inserting “240(b)(5)”.

15 (B) Section 545(g)(1)(B) of the Immigra-  
16 tion Act of 1990 is amended by striking  
17 “242B(a)(4)” and inserting “239(a)(4)”.

18 (7) REFERENCES TO SECTION 243.—

19 (A) Section 214(d) (8 U.S.C. 1184(d)) is  
20 amended by striking “243” and inserting  
21 “241”.

22 (B) Section 504(k)(2) (8 U.S.C.  
23 1534(k)(2)) is amended by striking “withhold-  
24 ing of deportation under section 243(h)” and

1 inserting “by withholding of removal under sec-  
2 tion 241(b)(3)”.

3 (C)(i) Section 315(c) of the Immigration  
4 Reform and Control Act of 1986 is amended by  
5 striking “243(g)” and “1253(g)” and inserting  
6 “243(d)” and “1253(d)” respectively.

7 (ii) Section 702(b) of the Departments of  
8 Commerce, Justice, and State, the Judiciary,  
9 and Related Agencies Appropriations Act, 1988  
10 is amended by striking “243(g)” and inserting  
11 “243(d)”.

12 (iii) Section 903(b) of Public Law 100–204  
13 is amended by striking “243(g)” and inserting  
14 “243(d)”.

15 (D)(i) Section 6(f)(2)(F) of the Food  
16 Stamp Act of 1977 (7 U.S.C. 2015(f)(2)(F)) is  
17 amended by striking “243(h)” and inserting  
18 “241(b)(3)”.

19 (ii) Section 214(a)(5) of the Housing and  
20 Community Development Act of 1980 (42  
21 U.S.C. 1436a(a)(5)) is amended by striking  
22 “243(h)” and inserting “241(b)(3)”.

23 (E)(i) Subsection (c)(2)(B)(ii) of section  
24 244A (8 U.S.C. 1254a), before redesignated as  
25 section 244 by section 308(b)(7), is amended by

1 striking “243(h)(2)” and inserting  
2 “208(b)(2)(A)”.

3 (ii) Section 301(e)(2) of the Immigration  
4 Act of 1990 is amended by striking  
5 “243(h)(2)” and inserting “208(b)(2)(A)”.

6 (F) Section 316(f) (8 U.S.C. 1427(f)) is  
7 amended by striking “subparagraphs (A)  
8 through (D) of paragraph 243(h)(2)” and in-  
9 serting “clauses (i) through (v) of section  
10 208(b)(2)(A)”.

11 (8) REFERENCES TO SECTION 244.—

12 (A)(i) Section 201(b)(1)(D) (8 U.S.C.  
13 1151(b)(1)(D)) and subsection (e) of section  
14 244A (8 U.S.C. 1254a), before redesignation as  
15 section 244 by section 308(b)(7) of this divi-  
16 sion, are each amended by striking “244(a)”  
17 and inserting “240A(a)”.

18 (ii) Section 304(c)(1)(B) of the Miscellane-  
19 ous and Technical Immigration and Naturaliza-  
20 tion Amendments of 1991 (Public Law 102–  
21 232) is amended by striking “244(a)” and in-  
22 serting “240A(a)”.

23 (B) Section 504(k)(3) (8 U.S.C.  
24 1534(k)(3)) is amended by striking “suspension  
25 of deportation under subsection (a) or (e) of



1 section 244” and inserting “cancellation of re-  
2 moval under section 240A”.

3 (C) Section 304(c)(1)(B) of the Miscellane-  
4 ous and Technical Immigration and Naturaliza-  
5 tion Amendments of 1991 (Public Law 102–  
6 232) is amended by striking “244(b)(2)” and  
7 inserting “240A(b)(2)”.

8 (D) Section 364(a)(2) of this division is  
9 amended by striking “244(a)(3)” and inserting  
10 “240A(a)(3)”.

11 (E) Section 431(c)(1)(B)(iii) of the Per-  
12 sonal Responsibility and Work Opportunity  
13 Reconciliation Act of 1996, as added by section  
14 501 of this division, is amended by striking  
15 “suspension of deportation and adjustment of  
16 status pursuant to section 244(a)(3) of such  
17 Act” and inserting “cancellation of removal  
18 under section 240A of such Act”.

19 (9) REFERENCES TO CHAPTER 5.—

20 (A) Sections 266(b), 266(c), and 291 (8  
21 U.S.C. 1306(b), 1306(c), 1361) are each  
22 amended by striking “chapter 5” and inserting  
23 “chapter 4”.

24 (B) Section 6(b) of the Act of August 1,  
25 1956 (50 U.S.C. 855(b)) is amended by strik-

1 ing “chapter 5, title II, of the Immigration and  
2 Nationality Act (66 Stat. 163)” and inserting  
3 “chapter 4 of title II of the Immigration and  
4 Nationality Act”.

5 (10) MISCELLANEOUS CROSS-REFERENCE COR-  
6 RECTIONS FOR NEWLY ADDED PROVISIONS.—

7 (A) Section 212(h), as amended by section  
8 301(h) of this division, is amended by striking  
9 “section 212(c)” and inserting “paragraphs (1)  
10 and (2) of section 240A(a)”.

11 (B) Section 245(c)(6), as amended by sec-  
12 tion 332(d) of this division, is amended by  
13 striking “241(a)(4)(B)” and inserting  
14 “237(a)(4)(B)”.

15 (C) Section 249(d), as amended by section  
16 332(e) of this division, is amended by striking  
17 “241(a)(4)(B)” and inserting “237(a)(4)(B)”.

18 (D) Section 274C(d)(7), as added by sec-  
19 tion 212(d) of this division, is amended by  
20 striking “withholding of deportation under sec-  
21 tion 243(h)” and inserting “withholding of re-  
22 moval under section 241(b)(3)”.

23 (E) Section 3563(b)(21) of title 18, United  
24 States Code, as inserted by section 374(b) of

1           this division, is amended by striking  
2           “242A(d)(5)” and inserting “238(d)(5)”.

3           (F) Section 130007(a) of the Violent  
4           Crime Control and Law Enforcement Act of  
5           1994 (Public Law 103–322), as amended by  
6           section 671(a)(6) of this division, is amended  
7           by striking “242A(a)(3)” and inserting  
8           “238(a)(3)”.

9           (G) Section 386(b) of this division is  
10          amended by striking “excludable” and “EX-  
11          CLUDABLE” and inserting “inadmissible” and  
12          “INADMISSIBLE”, respectively, each place each  
13          appears.

14          (H) Subsections (a), (c), (d), (g), and (h)  
15          of section 440 of the Antiterrorism and Effec-  
16          tive Death Penalty Act of 1996 (Public Law  
17          104–132), as amended by section 306(d) of this  
18          division, are amended by striking  
19          “241(a)(2)(A)(ii)” and “241(a)(2)(A)(i)” and  
20          inserting “237(a)(2)(A)(ii)” and  
21          “237(a)(2)(A)(i)”, respectively.

22   **SEC. 309. EFFECTIVE DATES; TRANSITION.**

23          (a) IN GENERAL.—Except as provided in this section  
24          and sections 303(b)(2), 306(c), 308(d)(2)(D), or  
25          308(d)(5) of this division, this subtitle and the amend-

1 ments made by this subtitle shall take effect on the first  
2 day of the first month beginning more than 180 days after  
3 the date of the enactment of this Act (in this title referred  
4 to as the “title III–A effective date”).

5 (b) PROMULGATION OF REGULATIONS.—The Attor-  
6 ney General shall first promulgate regulations to carry out  
7 this subtitle by not later than 30 days before the title III–  
8 A effective date.

9 (c) TRANSITION FOR ALIENS IN PROCEEDINGS.—

10 (1) GENERAL RULE THAT NEW RULES DO NOT  
11 APPLY.—Subject to the succeeding provisions of this  
12 subsection, in the case of an alien who is in exclu-  
13 sion or deportation proceedings as of the title III–  
14 A effective date—

15 (A) the amendments made by this subtitle  
16 shall not apply, and

17 (B) the proceedings (including judicial re-  
18 view thereof) shall continue to be conducted  
19 without regard to such amendments.

20 (2) ATTORNEY GENERAL OPTION TO ELECT TO  
21 APPLY NEW PROCEDURES.—In a case described in  
22 paragraph (1) in which an evidentiary hearing under  
23 section 236 or 242 and 242B of the Immigration  
24 and Nationality Act has not commenced as of the  
25 title III–A effective date, the Attorney General may

1 elect to proceed under chapter 4 of title II of such  
2 Act (as amended by this subtitle). The Attorney  
3 General shall provide notice of such election to the  
4 alien involved not later than 30 days before the date  
5 any evidentiary hearing is commenced. If the Attor-  
6 ney General makes such election, the notice of hear-  
7 ing provided to the alien under section 235 or  
8 242(a) of such Act shall be valid as if provided  
9 under section 239 of such Act (as amended by this  
10 subtitle) to confer jurisdiction on the immigration  
11 judge.

12 (3) ATTORNEY GENERAL OPTION TO TERMI-  
13 NATE AND REINITIATE PROCEEDINGS.—In the case  
14 described in paragraph (1), the Attorney General  
15 may elect to terminate proceedings in which there  
16 has not been a final administrative decision and to  
17 reinstitute proceedings under chapter 4 of title II the  
18 Immigration and Nationality Act (as amended by  
19 this subtitle). Any determination in the terminated  
20 proceeding shall not be binding in the reinitiated  
21 proceeding.

22 (4) TRANSITIONAL CHANGES IN JUDICIAL RE-  
23 VIEW.—In the case described in paragraph (1) in  
24 which a final order of exclusion or deportation is en-  
25 tered more than 30 days after the date of the enact-

1       ment of this Act, notwithstanding any provision of  
2       section 106 of the Immigration and Nationality Act  
3       (as in effect as of the date of the enactment of this  
4       Act) to the contrary—

5               (A) in the case of judicial review of a final  
6       order of exclusion, subsection (b) of such sec-  
7       tion shall not apply and the action for judicial  
8       review shall be governed by the provisions of  
9       subsections (a) and (c) of such in the same  
10      manner as they apply to judicial review of or-  
11      ders of deportation;

12             (B) a court may not order the taking of  
13      additional evidence under section 2347(c) of  
14      title 28, United States Code;

15             (C) the petition for judicial review must be  
16      filed not later than 30 days after the date of  
17      the final order of exclusion or deportation;

18             (D) the petition for review shall be filed  
19      with the court of appeals for the judicial circuit  
20      in which the administrative proceedings before  
21      the special inquiry officer or immigration judge  
22      were completed;

23             (E) there shall be no appeal of any discre-  
24      tionary decision under section 212(c), 212(h),  
25      212(i), 244, or 245 of the Immigration and Na-

1           tionality Act (as in effect as of the date of the  
2           enactment of this Act);

3           (F) service of the petition for review shall  
4           not stay the deportation of an alien pending the  
5           court's decision on the petition, unless the court  
6           orders otherwise; and

7           (G) there shall be no appeal permitted in  
8           the case of an alien who is inadmissible or de-  
9           portable by reason of having committed a crimi-  
10          nal offense covered in section 212(a)(2) or sec-  
11          tion 241(a)(2)(A)(iii), (B), (C), or (D) of the  
12          Immigration and Nationality Act (as in effect  
13          as of the date of the enactment of this Act), or  
14          any offense covered by section 241(a)(2)(A)(ii)  
15          of such Act (as in effect on such date) for  
16          which both predicate offenses are, without re-  
17          gard to their date of commission, otherwise cov-  
18          ered by section 241(a)(2)(A)(i) of such Act (as  
19          so in effect).

20          (5) TRANSITIONAL RULE WITH REGARD TO  
21          SUSPENSION OF DEPORTATION.—Paragraphs (1)  
22          and (2) of section 240A(d) of the Immigration and  
23          Nationality Act (relating to continuous residence or  
24          physical presence) shall apply to notices to appear

1 issued before, on, or after the date of the enactment  
2 of this Act.

3 (6) TRANSITION FOR CERTAIN FAMILY UNITY  
4 ALIENS.—The Attorney General may waive the ap-  
5 plication of section 212(a)(9) of the Immigration  
6 and Nationality Act, as inserted by section  
7 301(b)(1) of this division, in the case of an alien  
8 who is provided benefits under the provisions of sec-  
9 tion 301 of the Immigration Act of 1990 (relating  
10 to family unity).

11 (7) LIMITATION ON SUSPENSION OF DEPORTA-  
12 TION.—The Attorney General may not suspend the  
13 deportation and adjust the status under section 244  
14 of the Immigration and Nationality Act of more  
15 than 4,000 aliens in any fiscal year (beginning after  
16 the date of the enactment of this Act). The previous  
17 sentence shall apply regardless of when an alien ap-  
18 plied for such suspension and adjustment.

19 (d) TRANSITIONAL REFERENCES.—For purposes of  
20 carrying out the Immigration and Nationality Act, as  
21 amended by this subtitle—

22 (1) any reference in section 212(a)(1)(A) of  
23 such Act to the term “inadmissible” is deemed to in-  
24 clude a reference to the term “excludable”, and



1           (2) any reference in law to an order of removal  
 2           shall be deemed to include a reference to an order  
 3           of exclusion and deportation or an order of deporta-  
 4           tion.

5           (e) TRANSITION.—No period of time before the date  
 6           of the enactment of this Act shall be included in the period  
 7           of 1 year described in section 212(a)(6)(B)(i) of the Immi-  
 8           gration and Nationality Act (as amended by section 301(c)  
 9           of this division).

## 10                   **Subtitle B—Criminal Alien** 11                   **Provisions**

### 12   **SEC. 321. AMENDED DEFINITION OF AGGRAVATED FELONY.**

13           (a) IN GENERAL.—Section 101(a)(43) (8 U.S.C.  
 14   1101(a)(43)), as amended by section 441(e) of the  
 15   Antiterrorism and Effective Death Penalty Act of 1996  
 16   (P.L. 104–132), is amended—

17           (1) in subparagraph (A), by inserting “, rape,  
 18           or sexual abuse of a minor” after “murder”;

19           (2) in subparagraph (D), by striking  
 20           “\$100,000” and inserting “\$10,000”;

21           (3) in subparagraphs (F), (G), (N), and (P), by  
 22           striking “is at least 5 years” each place it appears  
 23           and inserting “at least one year”;

1           (4) in subparagraph (J), by striking “sentence  
2           of 5 years’ imprisonment” and inserting “sentence  
3           of one year imprisonment”;

4           (5) in subparagraph (K)(ii), by inserting “if  
5           committed” before “for commercial advantage”;

6           (6) in subparagraph (L)—

7                 (A) by striking “or” at the end of clause  
8           (i),

9                 (B) by inserting “or” at the end of clause  
10          (ii), and

11                (C) by adding at the end the following new  
12          clause:

13                         “(iii) section 601 of the National Se-  
14                         curity Act of 1947 (relating to protecting  
15                         the identity of undercover agents);”;

16          (7) in subparagraph (M), by striking  
17          “\$200,000” each place it appears and inserting  
18          “\$10,000”;

19          (8) in subparagraph (N), by striking “for which  
20          the term” and all that follows and inserting the fol-  
21          lowing: “, except in the case of a first offense for  
22          which the alien has affirmatively shown that the  
23          alien committed the offense for the purpose of as-  
24          sisting, abetting, or aiding only the alien’s spouse,

1 child, or parent (and no other individual) to violate  
2 a provision of this Act”;

3 (9) in subparagraph (P), by striking “18  
4 months” and inserting “12 months, except in the  
5 case of a first offense for which the alien has affirm-  
6 atively shown that the alien committed the offense  
7 for the purpose of assisting, abetting, or aiding only  
8 the alien’s spouse, child, or parent (and no other in-  
9 dividual) to violate a provision of this Act”;

10 (10) in subparagraph (R), by striking “for  
11 which a sentence of 5 years’ imprisonment or more  
12 may be imposed” and inserting “for which the term  
13 of imprisonment is at least one year”; and

14 (11) in subparagraph (S), by striking “for  
15 which a sentence of 5 years’ imprisonment or more  
16 may be imposed” and inserting “for which the term  
17 of imprisonment is at least one year”.

18 (b) EFFECTIVE DATE OF DEFINITION.—Section  
19 101(a)(43) (8 U.S.C. 1101(a)(43)) is amended by adding  
20 at the end the following new sentence: “Notwithstanding  
21 any other provision of law (including any effective date),  
22 the term applies regardless of whether the conviction was  
23 entered before, on, or after the date of enactment of this  
24 paragraph.”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to actions taken on or after the  
3 date of the enactment of this Act, regardless of when the  
4 conviction occurred, and shall apply under section 276(b)  
5 of the Immigration and Nationality Act only to violations  
6 of section 276(a) of such Act occurring on or after such  
7 date.

8       **SEC. 322. DEFINITION OF CONVICTION AND TERM OF IM-**  
9                                   **PRISONMENT.**

10       (a) DEFINITION.—

11               (1) IN GENERAL.—Section 101(a) (8 U.S.C.  
12       1101(a)) is amended by adding at the end the fol-  
13       lowing new paragraph:

14       “(48)(A) The term ‘conviction’ means, with respect  
15 to an alien, a formal judgment of guilt of the alien entered  
16 by a court or, if adjudication of guilt has been withheld,  
17 where—

18               “(i) a judge or jury has found the alien guilty  
19 or the alien has entered a plea of guilty or nolo  
20 contendere or has admitted sufficient facts to war-  
21 rant a finding of guilt, and

22               “(ii) the judge has ordered some form of pun-  
23 ishment, penalty, or restraint on the alien’s liberty  
24 to be imposed.

1       “(B) Any reference to a term of imprisonment or a  
2 sentence with respect to an offense is deemed to include  
3 the period of incarceration or confinement ordered by a  
4 court of law regardless of any suspension of the imposition  
5 or execution of that imprisonment or sentence in whole  
6 or in part.”.

7               (2) CONFORMING AMENDMENTS.—

8               (A) Section 101(a)(43) (8 U.S.C.  
9 1101(a)(43)) is amended by striking “imposed  
10 (regardless of any suspension of imprison-  
11 ment)” each place it appears in subparagraphs  
12 (F), (G), (N), and (P).

13              (B) Section 212(a)(2)(B) (8 U.S.C.  
14 1182(a)(2)(B)) is amended by striking “actu-  
15 ally imposed”.

16       (b) REFERENCE TO PROOF PROVISIONS.—For provi-  
17 sions relating to proof of convictions, see subparagraphs  
18 (B) and (C) of section 240(c)(3) of the Immigration and  
19 Nationality Act, as inserted by section 304(a)(3) of this  
20 division.

21       (c) EFFECTIVE DATE.—The amendments made by  
22 subsection (a) shall apply to convictions and sentences en-  
23 tered before, on, or after the date of the enactment of this  
24 Act. Subparagraphs (B) and (C) of section 240(c)(3) of  
25 the Immigration and Nationality Act, as inserted by sec-

1 tion 304(a)(3) of this division, shall apply to proving such  
2 convictions.

3 **SEC. 323. AUTHORIZING REGISTRATION OF ALIENS ON**  
4 **CRIMINAL PROBATION OR CRIMINAL PA-**  
5 **ROLE.**

6 Section 263(a) (8 U.S.C. 1303(a)) is amended by  
7 striking “and (5)” and inserting “(5) aliens who are or  
8 have been on criminal probation or criminal parole within  
9 the United States, and (6)”.

10 **SEC. 324. PENALTY FOR REENTRY OF DEPORTED ALIENS.**

11 (a) IN GENERAL.—Section 276(a)(1) (8 U.S.C.  
12 1326(a)(1)) is amended to read as follows:

13 “(1) has been arrested and deported, has been  
14 excluded and deported, or has departed the United  
15 States while an order of exclusion or deportation is  
16 outstanding, and thereafter”.

17 (b) TREATMENT OF STIPULATIONS.—The last sen-  
18 tence of section 276(b) (8 U.S.C. 1326(b)) is amended by  
19 inserting “(or not during)” after “during”.

20 (c) EFFECTIVE DATE.—The amendment made by  
21 subsection (a) shall apply to departures that occurred be-  
22 fore, on, or after the date of the enactment of this Act,  
23 but only with respect to entries (and attempted entries)  
24 occurring on or after such date.

1 **SEC. 325. CHANGE IN FILING REQUIREMENT.**

2 Section 2424 of title 18, United States Code, is  
3 amended—

4 (1) in the first undesignated paragraph of sub-  
5 section (a)—

6 (A) by striking “alien” each place it ap-  
7 pears;

8 (B) by inserting after “individual” the first  
9 place it appears the following: “, knowing or in  
10 reckless disregard of the fact that the individual  
11 is an alien”; and

12 (C) by striking “within three years after  
13 that individual has entered the United States  
14 from any country, party to the arrangement  
15 adopted July 25, 1902, for the suppression of  
16 the white-slave traffic”;

17 (2) in the second undesignated paragraph of  
18 subsection (a)—

19 (A) by striking “thirty” and inserting “five  
20 business”; and

21 (B) by striking “within three years after  
22 that individual has entered the United States  
23 from any country, party to the said arrange-  
24 ment for the suppression of the white-slave  
25 traffic,”; and

1           (3) in the text following the third undesignated  
2           paragraph of subsection (a), by striking “two” and  
3           inserting “10”.

4   **SEC. 326. CRIMINAL ALIEN IDENTIFICATION SYSTEM.**

5           Subsection (a) of section 130002 of the Violent Crime  
6   Control and Law Enforcement Act of 1994 (Public Law  
7   103–322), as amended by section 432 of Public Law 104–  
8   132, is amended to read as follows:

9           “(a) OPERATION AND PURPOSE.—The Commissioner  
10   of Immigration and Naturalization shall, under the au-  
11   thority of section 242(a)(3)(A) of the Immigration and  
12   Nationality Act operate a criminal alien identification sys-  
13   tem. The criminal alien identification system shall be used  
14   to assist Federal, State, and local law enforcement agen-  
15   cies in identifying and locating aliens who may be subject  
16   to removal by reason of their conviction of aggravated felo-  
17   nies, subject to prosecution under section 275 of such Act,  
18   not lawfully present in the United States, or otherwise re-  
19   movable. Such system shall include providing for recording  
20   of fingerprint records of aliens who have been previously  
21   arrested and removed into appropriate automated finger-  
22   print identification systems.”.



1 **SEC. 327. APPROPRIATIONS FOR CRIMINAL ALIEN TRACK-**  
2 **ING CENTER.**

3 Section 130002(b) of the Violent Crime Control and  
4 Law Enforcement Act of 1994 (8 U.S.C. 1252 note) is  
5 amended—

6 (1) by inserting “and” after “1996;”, and

7 (2) by striking paragraph (2) and all that fol-  
8 lows through the period at the end and inserting the  
9 following:

10 “(2) \$5,000,000 for each of fiscal years 1997  
11 through 2001.”.

12 **SEC. 328. PROVISIONS RELATING TO STATE CRIMINAL**  
13 **ALIEN ASSISTANCE PROGRAM.**

14 (a) MODIFICATION OF AUTHORITY.—

15 (1) IN GENERAL.—Section 241(i), as redesign-  
16 nated by section 306(a)(1) of this division, is  
17 amended—

18 (A) in paragraph (3)(A), by striking “fel-  
19 ony and sentenced to a term of imprisonment”  
20 and inserting “felony or two or more mis-  
21 demeanors”, and

22 (B) by adding at the end the following new  
23 paragraph:

24 “(6) To the extent of available appropriations,  
25 funds otherwise made available under this section  
26 with respect to a State (or political subdivision, in-

1 including a municipality) for incarceration of an un-  
2 documented criminal alien may, at the discretion of  
3 the recipient of the funds, be used for the costs of  
4 imprisonment of such alien in a State, local, or mu-  
5 nicipal prison or jail.”.

6 (2) EFFECTIVE DATE.—The amendment made  
7 by paragraph (1) shall apply beginning with fiscal  
8 year 1997.

9 (b) SENSE OF THE CONGRESS WITH RESPECT TO  
10 PROGRAM.—

11 (1) FINDINGS.—The Congress finds as follows:

12 (A) Of the \$130,000,000 appropriated in  
13 fiscal year 1995 for the State Criminal Alien  
14 Assistance Program, the Department of Justice  
15 disbursed the first \$43,000,000 to States on  
16 October 6, 1994, 32 days before the 1994 gen-  
17 eral election, and then failed to disburse the re-  
18 maining \$87,000,000 until January 31, 1996,  
19 123 days after the end of fiscal year 1995.

20 (B) While H.R. 2880, the continuing ap-  
21 propriation measure funding certain operations  
22 of the Federal Government from January 26,  
23 1996 to March 15, 1996, included \$66,000,000  
24 to reimburse States for the cost of incarcerating  
25 documented illegal immigrant felons, the De-

1           partment of Justice failed to disburse any of  
2           the funds to the States during the period of the  
3           continuing appropriation.

4           (2) SENSE OF THE CONGRESS.—It is the sense  
5           of the Congress that—

6                   (A) the Department of Justice was dis-  
7                   turbingly slow in disbursing fiscal year 1995  
8                   funds under the State Criminal Alien Assist-  
9                   ance Program to States after the initial grants  
10                  were released just prior to the 1994 election;  
11                  and

12                   (B) the Attorney General should make it a  
13                   high priority to expedite the disbursement of  
14                   Federal funds intended to reimburse States for  
15                   the cost of incarcerating illegal immigrants,  
16                   aiming for all State Criminal Alien Assistance  
17                   Program funds to be disbursed during the fiscal  
18                   year for which they are appropriated.

19   **SEC. 329. DEMONSTRATION PROJECT FOR IDENTIFICATION**  
20                   **OF ILLEGAL ALIENS IN INCARCERATION FA-**  
21                   **CILITY OF ANAHEIM, CALIFORNIA.**

22           (a) AUTHORITY.—The Attorney General shall con-  
23           duct a project demonstrating the feasibility of identifying,  
24           from among the individuals who are incarcerated in local  
25           governmental prison facilities prior to arraignment on

1 criminal charges, those individuals who are aliens unlaw-  
2 fully present in the United States.

3 (b) DESCRIPTION OF PROJECT.—The project author-  
4 ized by subsection (a) shall include—

5 (1) the detail to incarceration facilities within  
6 the city of Anaheim, California and the county of  
7 Ventura, California, of an employee of the Immigra-  
8 tion and Naturalization Service who has expertise in  
9 the identification of aliens unlawfully in the United  
10 States, and

11 (2) provision of funds sufficient to provide  
12 for—

13 (A) access for such employee to records of  
14 the Service necessary to identify such aliens,  
15 and

16 (B) in the case of an individual identified  
17 as such an alien, pre-arraignment reporting to  
18 the court regarding the Service's intention to  
19 remove the alien from the United States.

20 (c) TERMINATION.—The authority under this section  
21 shall cease to be effective 6 months after the date of the  
22 enactment of this Act.

23 **SEC. 330. PRISONER TRANSFER TREATIES.**

24 (a) NEGOTIATIONS WITH OTHER COUNTRIES.—(1)  
25 Congress advises the President to begin to negotiate and

1 renegotiate, not later than 90 days after the date of enact-  
2 ment of this Act, bilateral prisoner transfer treaties, pro-  
3 viding for the incarceration, in the country of the alien's  
4 nationality, of any alien who—

5           (A) is a national of a country that is party to  
6           such a treaty; and

7           (B) has been convicted of a criminal offense  
8           under Federal or State law and who—

9                 (i) is not in lawful immigration status in  
10           the United States, or

11               (ii) on the basis of conviction for a crimi-  
12           nal offense under Federal or State law, or on  
13           any other basis, is subject to deportation or re-  
14           moval under the Immigration and Nationality  
15           Act,

16 for the duration of the prison term to which the alien was  
17 sentenced for the offense referred to in subparagraph (B).

18 Any such agreement may provide for the release of such  
19 alien pursuant to parole procedures of that country.

20       (2) In entering into negotiations under paragraph  
21 (1), the President may consider providing for appropriate  
22 compensation, subject to the availability of appropriations,  
23 in cases where the United States is able to independently  
24 verify the adequacy of the sites where aliens will be impris-

1 oned and the length of time the alien is actually incarcer-  
2 ated in the foreign country under such a treaty.

3 (b) SENSE OF CONGRESS.—It is the sense of the  
4 Congress that—

5 (1) the focus of negotiations for such agree-  
6 ments should be—

7 (A) to expedite the transfer of aliens un-  
8 lawfully in the United States who are (or are  
9 about to be) incarcerated in United States pris-  
10 ons,

11 (B) to ensure that a transferred prisoner  
12 serves the balance of the sentence imposed by  
13 the United States courts,

14 (C) to eliminate any requirement of pris-  
15 oner consent to such a transfer, and

16 (D) to allow the Federal Government or  
17 the States to keep their original prison sen-  
18 tences in force so that transferred prisoners  
19 who return to the United States prior to the  
20 completion of their original United States sen-  
21 tences can be returned to custody for the bal-  
22 ance of their prison sentences;

23 (2) the Secretary of State should give priority  
24 to concluding an agreement with any country for  
25 which the President determines that the number of

1       aliens described in subsection (a) who are nationals  
2       of that country in the United States represents a  
3       significant percentage of all such aliens in the Unit-  
4       ed States; and

5               (3) no new treaty providing for the transfer of  
6       aliens from Federal, State, or local incarceration fa-  
7       cilities to a foreign incarceration facility should per-  
8       mit the alien to refuse the transfer.

9       (c) PRISONER CONSENT.—Notwithstanding any  
10   other provision of law, except as required by treaty, the  
11   transfer of an alien from a Federal, State, or local incar-  
12   ceration facility under an agreement of the type referred  
13   to in subsection (a) shall not require consent of the alien.

14       (d) ANNUAL REPORT.—Not later than 90 days after  
15   the date of the enactment of this Act, and annually there-  
16   after, the Attorney General shall submit a report to the  
17   Committees on the Judiciary of the House of Representa-  
18   tives and of the Senate stating whether each prisoner  
19   transfer treaty to which the United States is a party has  
20   been effective in the preceding 12 months in bringing  
21   about the return of deportable incarcerated aliens to the  
22   country of which they are nationals and in ensuring that  
23   they serve the balance of their sentences.

24       (e) TRAINING FOREIGN LAW ENFORCEMENT PER-  
25   SONNEL.—(1) Subject to paragraph (2), the President

1 shall direct the Border Patrol Academy and the Customs  
2 Service Academy to enroll for training an appropriate  
3 number of foreign law enforcement personnel, and shall  
4 make appointments of foreign law enforcement personnel  
5 to such academies, as necessary to further the following  
6 United States law enforcement goals:

7           (A) Preventing of drug smuggling and other  
8           cross-border criminal activity.

9           (B) Preventing illegal immigration.

10           (C) Preventing the illegal entry of goods into  
11           the United States (including goods the sale of which  
12           is illegal in the United States, the entry of which  
13           would cause a quota to be exceeded, or the appro-  
14           priate duty or tariff for which has not been paid).

15           (2) The appointments described in paragraph (1)  
16 shall be made only to the extent there is capacity in such  
17 academies beyond what is required to train United States  
18 citizens needed in the Border Patrol and Customs Service,  
19 and only of personnel from a country with which the pris-  
20 oner transfer treaty has been stated to be effective in the  
21 most recent report referred to in subsection (d).

22           (f) AUTHORIZATION OF APPROPRIATIONS.—There  
23 are authorized to be appropriated such sums as may be  
24 necessary to carry out this section.



1 **SEC. 331. PRISONER TRANSFER TREATIES STUDY.**

2 (a) REPORT TO CONGRESS.—Not later than 180 days  
3 after the date of the enactment of this Act, the Secretary  
4 of State and the Attorney General shall submit to the  
5 Committees on the Judiciary of the House of Representa-  
6 tives and of the Senate a report that describes the use  
7 and effectiveness of the prisoner transfer treaties with the  
8 three countries with the greatest number of their nationals  
9 incarcerated in the United States in removing from the  
10 United States such incarcerated nationals.

11 (b) USE OF TREATY.—The report under subsection  
12 (a) shall include—

13 (1) the number of aliens convicted of a criminal  
14 offense in the United States since November 30,  
15 1977, who would have been or are eligible for trans-  
16 fer pursuant to the treaties;

17 (2) the number of aliens described in paragraph  
18 (1) who have been transferred pursuant to the trea-  
19 ties;

20 (3) the number of aliens described in paragraph  
21 (2) who have been incarcerated in full compliance  
22 with the treaties;

23 (4) the number of aliens who are incarcerated  
24 in a penal institution in the United States who are  
25 eligible for transfer pursuant to the treaties; and

1           (5) the number of aliens described in paragraph  
2           (4) who are incarcerated in Federal, State, and local  
3           penal institutions in the United States.

4           (c) RECOMMENDATIONS.—The report under sub-  
5           section (a) shall include the recommendations of the Sec-  
6           retary of State and the Attorney General to increase the  
7           effectiveness and use of, and full compliance with, the  
8           treaties. In considering the recommendations under this  
9           subsection, the Secretary and the Attorney General shall  
10          consult with such State and local officials in areas dis-  
11          proportionately impacted by aliens convicted of criminal  
12          offenses as the Secretary and the Attorney General con-  
13          sider appropriate. Such recommendations shall address—

14               (1) changes in Federal laws, regulations, and  
15               policies affecting the identification, prosecution, and  
16               deportation of aliens who have committed criminal  
17               offenses in the United States;

18               (2) changes in State and local laws, regulations,  
19               and policies affecting the identification, prosecution,  
20               and deportation of aliens who have committed a  
21               criminal offense in the United States;

22               (3) changes in the treaties that may be nec-  
23               essary to increase the number of aliens convicted of  
24               criminal offenses who may be transferred pursuant  
25               to the treaties;

1           (4) methods for preventing the unlawful reentry  
2       into the United States of aliens who have been con-  
3       victed of criminal offenses in the United States and  
4       transferred pursuant to the treaties;

5           (5) any recommendations by appropriate offi-  
6       cials of the appropriate government agencies of such  
7       countries regarding programs to achieve the goals  
8       of, and ensure full compliance with, the treaties;

9           (6) whether the recommendations under this  
10      subsection require the renegotiation of the treaties;  
11      and

12           (7) the additional funds required to implement  
13      each recommendation under this subsection.

14   **SEC. 332. ANNUAL REPORT ON CRIMINAL ALIENS.**

15       Not later than 12 months after the date of the enact-  
16   ment of this Act, and annually thereafter, the Attorney  
17   General shall submit to the Committees on the Judiciary  
18   of the House of Representatives and of the Senate a report  
19   detailing—

20           (1) the number of illegal aliens incarcerated in  
21      Federal and State prisons for having committed felo-  
22      nies, stating the number incarcerated for each type  
23      of offense;

24           (2) the number of illegal aliens convicted of  
25      felonies in any Federal or State court, but not sen-

1       tenced to incarceration, in the year before the report  
2       was submitted, stating the number convicted for  
3       each type of offense;

4           (3) programs and plans underway in the De-  
5       partment of Justice to ensure the prompt removal  
6       from the United States of criminal aliens subject to  
7       removal; and

8           (4) methods for identifying and preventing the  
9       unlawful reentry of aliens who have been convicted  
10      of criminal offenses in the United States and re-  
11      moved from the United States.

12 **SEC. 333. PENALTIES FOR CONSPIRING WITH OR ASSISTING**  
13                   **AN ALIEN TO COMMIT AN OFFENSE UNDER**  
14                   **THE CONTROLLED SUBSTANCES IMPORT AND**  
15                   **EXPORT ACT.**

16       (a) REVIEW OF GUIDELINES.—Not later than 6  
17      months after the date of the enactment of this Act, the  
18      United States Sentencing Commission shall conduct a re-  
19      view of the guidelines applicable to an offender who con-  
20      spires with, or aids or abets, a person who is not a citizen  
21      or national of the United States in committing any offense  
22      under section 1010 of the Controlled Substance Import  
23      and Export Act (21 U.S.C. 960).

24       (b) REVISION OF GUIDELINES.—Following such re-  
25      view, pursuant to section 994(p) of title 28, United States

1 Code, the Commission shall promulgate sentencing guide-  
2 lines or amend existing sentencing guidelines to ensure an  
3 appropriately stringent sentence for such offenders.

4 **SEC. 334. ENHANCED PENALTIES FOR FAILURE TO DEPART,**  
5 **ILLEGAL REENTRY, AND PASSPORT AND VISA**  
6 **FRAUD.**

7 (a) FAILING TO DEPART.—The United States Sen-  
8 tencing Commission shall promptly promulgate, pursuant  
9 to section 994 of title 28, United States Code, amend-  
10 ments to the sentencing guidelines to make appropriate  
11 increases in the base offense level for offenses under sec-  
12 tion 242(e) and 276(b) of the Immigration and National-  
13 ity Act (8 U.S.C. 1252(e) and 1326(b)) to reflect the  
14 amendments made by section 130001 of the Violent Crime  
15 Control and Law Enforcement Act of 1994.

16 (b) PASSPORT AND VISA OFFENSES.—The United  
17 States Sentencing Commission shall promptly promulgate,  
18 pursuant to section 994 of title 28, United States Code,  
19 amendments to the sentencing guidelines to make appro-  
20 priate increases in the base offense level for offenses under  
21 chapter 75 of title 18, United States Code to reflect the  
22 amendments made by section 130009 of the Violent Crime  
23 Control and Law Enforcement Act of 1994.

1     **Subtitle C—Revision of Grounds**  
2     **for Exclusion and Deportation**

3     **SEC. 341. PROOF OF VACCINATION REQUIREMENT FOR IM-**  
4     **MIGRANTS.**

5         (a) IN GENERAL.—Section 212(a)(1)(A) (8 U.S.C.  
6     1182(a)(1)(A)) is amended—

7             (1) by redesignating clauses (ii) and (iii) as  
8     clauses (iii) and (iv), respectively, and

9             (2) by inserting after clause (i) the following  
10    new clause:

11                 “(ii) who seeks admission as an immi-  
12                 grant, or who seeks adjustment of status  
13                 to the status of an alien lawfully admitted  
14                 for permanent residence, and who has  
15                 failed to present documentation of having  
16                 received vaccination against vaccine-pre-  
17                 ventable diseases, which shall include at  
18                 least the following diseases: mumps, mea-  
19                 sles, rubella, polio, tetanus and diphtheria  
20                 toxoids, pertussis, influenza type B and  
21                 hepatitis B, and any other vaccinations  
22                 against vaccine-preventable diseases rec-  
23                 ommended by the Advisory Committee for  
24                 Immunization Practices,”.

1 (b) WAIVER.—Section 212(g) (8 U.S.C. 1182(g)) is  
2 amended by striking “, or” at the end of paragraph (1)  
3 and all that follows and inserting a semicolon and the fol-  
4 lowing:

5 “in accordance with such terms, conditions, and con-  
6 trols, if any, including the giving of bond, as the At-  
7 torney General, in the discretion of the Attorney  
8 General after consultation with the Secretary of  
9 Health and Human Services, may by regulation pre-  
10 scribe;

11 “(2) subsection (a)(1)(A)(ii) in the case of any  
12 alien—

13 “(A) who receives vaccination against the  
14 vaccine-preventable disease or diseases for  
15 which the alien has failed to present docu-  
16 mentation of previous vaccination,

17 “(B) for whom a civil surgeon, medical of-  
18 ficer, or panel physician (as those terms are de-  
19 fined by section 34.2 of title 42 of the Code of  
20 Federal Regulations) certifies, according to  
21 such regulations as the Secretary of Health and  
22 Human Services may prescribe, that such vac-  
23 cination would not be medically appropriate, or

24 “(C) under such circumstances as the At-  
25 torney General provides by regulation, with re-

1           spect to whom the requirement of such a vac-  
2           cination would be contrary to the alien's reli-  
3           gious beliefs or moral convictions; or

4           “(3) subsection (a)(1)(A)(iii) in the case of any  
5           alien, in accordance with such terms, conditions, and  
6           controls, if any, including the giving of bond, as the  
7           Attorney General, in the discretion of the Attorney  
8           General after consultation with the Secretary of  
9           Health and Human Services, may by regulation pre-  
10          scribe.”.

11          (c) EFFECTIVE DATE.—The amendments made by  
12          this section shall apply with respect to applications for im-  
13          migrant visas or for adjustment of status filed after Sep-  
14          tember 30, 1996.

15   **SEC. 342. INCITEMENT OF TERRORIST ACTIVITY AND PRO-**  
16                   **VISION OF FALSE DOCUMENTATION TO TER-**  
17                   **RORISTS AS A BASIS FOR EXCLUSION FROM**  
18                   **THE UNITED STATES.**

19          (a) IN GENERAL.—Section 212(a)(3)(B) (8 U.S.C.  
20          1182(a)(3)(B)) is amended—

21                  (1) by redesignating subclauses (III) and (IV)  
22                  of clause (i) as subclauses (IV) and (V), respectively;

23                  (2) by inserting after subclause (II) of clause  
24                  (i) the following new subclause:



1 “(III) has, under circumstances  
2 indicating an intention to cause death  
3 or serious bodily harm, incited terror-  
4 ist activity,”; and

5 (3) in clause (iii)(III), by inserting “documenta-  
6 tion or” before “identification”;

7 (b) EFFECTIVE DATE.—The amendments made by  
8 subsection (a) shall take effect on the date of the enact-  
9 ment of this Act and shall apply to incitement regardless  
10 of when it occurs.

11 **SEC. 343. CERTIFICATION REQUIREMENTS FOR FOREIGN**  
12 **HEALTH-CARE WORKERS.**

13 Section 212(a)(5) (8 U.S.C. 1182(a)(5)) is amend-  
14 ed—

15 (1) by redesignating subparagraph (C) as sub-  
16 paragraph (D), and

17 (2) by inserting after subparagraph (B) the fol-  
18 lowing new subparagraph:

19 “(C) UNCERTIFIED FOREIGN HEALTH-  
20 CARE WORKERS.—Any alien who seeks to enter  
21 the United States for the purpose of performing  
22 labor as a health-care worker, other than a phy-  
23 sician, is excludable unless the alien presents to  
24 the consular officer, or, in the case of an ad-  
25 justment of status, the Attorney General, a cer-

1           tificate from the Commission on Graduates of  
2           Foreign Nursing Schools, or a certificate from  
3           an equivalent independent credentialing organi-  
4           zation approved by the Attorney General in con-  
5           sultation with the Secretary of Health and  
6           Human Services, verifying that—

7                   “(i) the alien’s education, training, li-  
8                   cense, and experience—

9                           “(I) meet all applicable statutory  
10                           and regulatory requirements for entry  
11                           into the United States under the clas-  
12                           sification specified in the application;

13                           “(II) are comparable with that  
14                           required for an American health-care  
15                           worker of the same type; and

16                           “(III) are authentic and, in the  
17                           case of a license, unencumbered;

18                           “(ii) the alien has the level of com-  
19                           petence in oral and written English consid-  
20                           ered by the Secretary of Health and  
21                           Human Services, in consultation with the  
22                           Secretary of Education, to be appropriate  
23                           for health care work of the kind in which  
24                           the alien will be engaged, as shown by an  
25                           appropriate score on one or more nation-

1 ally recognized, commercially available,  
2 standardized assessments of the applicant's  
3 ability to speak and write; and

4 “(iii) if a majority of States licensing  
5 the profession in which the alien intends to  
6 work recognize a test predicting the suc-  
7 cess on the profession's licensing or certifi-  
8 cation examination, the alien has passed  
9 such a test or has passed such an examina-  
10 tion.

11 For purposes of clause (ii), determination of the  
12 standardized tests required and of the minimum  
13 scores that are appropriate are within the sole  
14 discretion of the Secretary of Health and  
15 Human Services and are not subject to further  
16 administrative or judicial review.”.

17 **SEC. 344. REMOVAL OF ALIENS FALSELY CLAIMING UNITED**  
18 **STATES CITIZENSHIP.**

19 (a) EXCLUSION OF ALIENS WHO HAVE FALSELY  
20 CLAIMED UNITED STATES CITIZENSHIP.—Section  
21 212(a)(6)(C) (8 U.S.C. 1182(a)(6)(C)) is amended—

22 (1) by redesignating clause (ii) as clause (iii),

23 and

24 (2) by inserting after clause (i) the following

25 new clause:

1                   “(ii) FALSELY CLAIMING CITIZEN-  
2                   SHIP.—Any alien who falsely represents, or  
3                   has falsely represented, himself or herself  
4                   to be a citizen of the United States for any  
5                   purpose or benefit under this Act (includ-  
6                   ing section 274A) or any other Federal or  
7                   State law is excludable.”.

8           (b) DEPORTATION OF ALIENS WHO HAVE FALSELY  
9 CLAIMED UNITED STATES CITIZENSHIP.—Section  
10 241(a)(3) (8 U.S.C. 1251(a)(3)) is amended by adding at  
11 the end the following new subparagraph:

12                   “(D) FALSELY CLAIMING CITIZENSHIP.—  
13                   Any alien who falsely represents, or has falsely  
14                   represented, himself to be a citizen of the Unit-  
15                   ed States for any purpose or benefit under this  
16                   Act (including section 274A) or any Federal or  
17                   State law is deportable.”.

18           (c) EFFECTIVE DATE.—The amendments made by  
19 this section shall apply to representations made on or after  
20 the date of the enactment of this Act.

21 **SEC. 345. WAIVER OF EXCLUSION AND DEPORTATION**  
22 **GROUND FOR CERTAIN SECTION 274C VIOLA-**  
23 **TORS.**

24           (a) EXCLUSION GROUNDS.—Section 212 (8 U.S.C.  
25 1182) is amended—

1           (1) by amending subparagraph (F) of sub-  
2       section (a)(6) to read as follows:

3                   “(F) SUBJECT OF CIVIL PENALTY.—

4                           “(i) IN GENERAL.—An alien who is  
5                   the subject of a final order for violation of  
6                   section 274C is inadmissible.

7                           “(ii) WAIVER AUTHORIZED.—For pro-  
8                   vision authorizing waiver of clause (i), see  
9                   subsection (d)(12).”; and

10           (2) by adding at the end of subsection (d) the  
11       following new paragraph:

12           “(12) The Attorney General may, in the discretion  
13       of the Attorney General for humanitarian purposes or to  
14       assure family unity, waive application of clause (i) of sub-  
15       section (a)(6)(F)—

16                   “(A) in the case of an alien lawfully admitted  
17       for permanent residence who temporarily proceeded  
18       abroad voluntarily and not under an order of depor-  
19       tation or removal and who is otherwise admissible to  
20       the United States as a returning resident under sec-  
21       tion 211(b), and

22                   “(B) in the case of an alien seeking admission  
23       or adjustment of status under section 201(b)(2)(A)  
24       or under section 203(a),

1 if no previous civil money penalty was imposed against the  
2 alien under section 274C and the offense was committed  
3 solely to assist, aid, or support the alien's spouse or child  
4 (and not another individual). No court shall have jurisdic-  
5 tion to review a decision of the Attorney General to grant  
6 or deny a waiver under this paragraph.”.

7 (b) GROUND OF DEPORTATION.—Subparagraph (C)  
8 of section 241(a)(3) (8 U.S.C. 1251(a)(3)), before redesign-  
9 nation by section 305(a)(2) of this division, is amended  
10 to read as follows:

11 “(C) DOCUMENT FRAUD.—

12 “(i) IN GENERAL.—An alien who is  
13 the subject of a final order for violation of  
14 section 274C is deportable.

15 “(ii) WAIVER AUTHORIZED.—The At-  
16 torney General may waive clause (i) in the  
17 case of an alien lawfully admitted for per-  
18 manent residence if no previous civil  
19 money penalty was imposed against the  
20 alien under section 274C and the offense  
21 was incurred solely to assist, aid, or sup-  
22 port the alien's spouse or child (and no  
23 other individual). No court shall have juris-  
24 diction to review a decision of the Attorney

1 General to grant or deny a waiver under  
2 this clause.”.

3 **SEC. 346. INADMISSIBILITY OF CERTAIN STUDENT VISA**  
4 **ABUSERS.**

5 (a) IN GENERAL.—Section 212(a)(6) (8 U.S.C.  
6 1182(a)(6)) is amended by adding at the end the following  
7 new subparagraph:

8 “(G) STUDENT VISA ABUSERS.—An alien  
9 who obtains the status of a nonimmigrant  
10 under section 101(a)(15)(F)(i) and who violates  
11 a term or condition of such status under section  
12 214(l) is excludable until the alien has been  
13 outside the United States for a continuous pe-  
14 riod of 5 years after the date of the violation.”.

15 (b) EFFECTIVE DATE.—The amendment made by  
16 subsection (a) shall apply to aliens who obtain the status  
17 of a nonimmigrant under section 101(a)(15)(F) of the Im-  
18 migration and Nationality Act after the end of the 60-  
19 day period beginning on the date of the enactment of this  
20 Act, including aliens whose status as such a nonimmigrant  
21 is extended after the end of such period.

22 **SEC. 347. REMOVAL OF ALIENS WHO HAVE UNLAWFULLY**  
23 **VOTED.**

24 (a) EXCLUSION OF ALIENS WHO HAVE UNLAW-  
25 FULLY VOTED.—Section 212(a)(10) (8 U.S.C.

1 1182(a)(10)), as redesignated by section 301(b) of this di-  
2 vision, is amended by adding at the end the following new  
3 subparagraph:

4 “(D) UNLAWFUL VOTERS.—Any alien who  
5 has voted in violation of any Federal, State, or  
6 local constitutional provision, statute, ordi-  
7 nance, or regulation is excludable.”.

8 (b) DEPORTATION OF ALIENS WHO HAVE UNLAW-  
9 FULLY VOTED.—Section 241(a) (8 U.S.C. 1251(a)), be-  
10 fore redesignation by section 305(a)(2) of this division, is  
11 amended by adding at the end the following new para-  
12 graph:

13 “(6) UNLAWFUL VOTERS.—Any alien who has  
14 voted in violation of any Federal, State, or local con-  
15 stitutional provision, statute, ordinance, or regula-  
16 tion is deportable.”.

17 (c) EFFECTIVE DATE.—The amendments made by  
18 this section shall apply to voting occurring before, on, or  
19 after the date of the enactment of this Act.

20 **SEC. 348. WAIVERS FOR IMMIGRANTS CONVICTED OF**  
21 **CRIMES.**

22 (a) IN GENERAL.—Section 212(h) (8 U.S.C.  
23 1182(h)) is amended by adding at the end the following:  
24 “No waiver shall be granted under this subsection in the  
25 case of an alien who has previously been admitted to the



1 United States as an alien lawfully admitted for permanent  
2 residence if either since the date of such admission the  
3 alien has been convicted of an aggravated felony or the  
4 alien has not lawfully resided continuously in the United  
5 States for a period of not less than 7 years immediately  
6 preceding the date of initiation of proceedings to remove  
7 the alien from the United States. No court shall have ju-  
8 risdiction to review a decision of the Attorney General to  
9 grant or deny a waiver under this subsection.”.

10 (b) EFFECTIVE DATE.—The amendment made by  
11 subsection (a) shall be effective on the date of the enact-  
12 ment of this Act and shall apply in the case of any alien  
13 who is in exclusion or deportation proceedings as of such  
14 date unless a final administrative order in such proceed-  
15 ings has been entered as of such date.

16 **SEC. 349. WAIVER OF MISREPRESENTATION GROUND OF IN-**  
17 **ADMISSIBILITY FOR CERTAIN ALIEN.**

18 Subsection (i) of section 212 (8 U.S.C. 1182) is  
19 amended to read as follows:

20 “(i)(1) The Attorney General may, in the discretion  
21 of the Attorney General, waive the application of clause  
22 (i) of subsection (a)(6)(C) in the case of an immigrant  
23 who is the spouse, son, or daughter of a United States  
24 citizen or of an alien lawfully admitted for permanent resi-  
25 dence if it is established to the satisfaction of the Attorney

1 General that the refusal of admission to the United States  
 2 of such immigrant alien would result in extreme hardship  
 3 to the citizen or lawfully resident spouse or parent of such  
 4 an alien.

5 “(2) No court shall have jurisdiction to review a deci-  
 6 sion or action of the Attorney General regarding a waiver  
 7 under paragraph (1).”.

8 **SEC. 350. OFFENSES OF DOMESTIC VIOLENCE AND STALK-**  
 9 **ING AS GROUND FOR DEPORTATION.**

10 (a) IN GENERAL.—Section 241(a)(2) (8 U.S.C.  
 11 1251(a)(2)) is amended by adding at the end the follow-  
 12 ing:

13 “(E) CRIMES OF DOMESTIC VIOLENCE,  
 14 STALKING, OR VIOLATION OF PROTECTION  
 15 ORDER, CRIMES AGAINST CHILDREN AND .—

16 “(i) DOMESTIC VIOLENCE, STALKING,  
 17 AND CHILD ABUSE.—Any alien who at any  
 18 time after entry is convicted of a crime of  
 19 domestic violence, a crime of stalking, or a  
 20 crime of child abuse, child neglect, or child  
 21 abandonment is deportable. For purposes  
 22 of this clause, the term ‘crime of domestic  
 23 violence’ means any crime of violence (as  
 24 defined in section 16 of title 18, United  
 25 States Code) against a person committed

1 by a current or former spouse of the per-  
2 son, by an individual with whom the per-  
3 son shares a child in common, by an indi-  
4 vidual who is cohabiting with or has  
5 cohabited with the person as a spouse, by  
6 an individual similarly situated to a spouse  
7 of the person under the domestic or family  
8 violence laws of the jurisdiction where the  
9 offense occurs, or by any other individual  
10 against a person who is protected from  
11 that individual's acts under the domestic  
12 or family violence laws of the United  
13 States or any State, Indian tribal govern-  
14 ment, or unit of local government.

15 “(ii) VIOLATORS OF PROTECTION OR-  
16 DERS.—Any alien who at any time after  
17 entry is enjoined under a protection order  
18 issued by a court and whom the court de-  
19 termines has engaged in conduct that vio-  
20 lates the portion of a protection order that  
21 involves protection against credible threats  
22 of violence, repeated harassment, or bodily  
23 injury to the person or persons for whom  
24 the protection order was issued is deport-  
25 able. For purposes of this clause, the term

1           ‘protection order’ means any injunction is-  
2           sued for the purpose of preventing violent  
3           or threatening acts of domestic violence,  
4           including temporary or final orders issued  
5           by civil or criminal courts (other than sup-  
6           port or child custody orders or provisions)  
7           whether obtained by filing an independent  
8           action or as a pendente lite order in an-  
9           other proceeding.”.

10       (b) EFFECTIVE DATE.—The amendment made by  
11 subsection (a) shall apply to convictions, or violations of  
12 court orders, occurring after the date of the enactment  
13 of this Act.

14 **SEC. 351. CLARIFICATION OF DATE AS OF WHICH RELA-**  
15 **TIONSHIP REQUIRED FOR WAIVER FROM EX-**  
16 **CLUSION OR DEPORTATION FOR SMUG-**  
17 **GLING.**

18       (a) EXCLUSION.—Section 212(d)(11) (8 U.S.C.  
19 1182(d)(11)) is amended by inserting “an individual who  
20 at the time of such action was” after “aided only”.

21       (b) DEPORTATION.—Section 241(a)(1)(E)(iii) (8  
22 U.S.C. 1251(a)(1)(E)(iii)) is amended by inserting “an in-  
23 dividual who at the time of the offense was” after “aided  
24 only”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to applications for waivers filed  
3 before, on, or after the date of the enactment of this Act,  
4 but shall not apply to such an application for which a final  
5 determination has been made as of the date of the enact-  
6 ment of this Act.

7       **SEC. 352. EXCLUSION OF FORMER CITIZENS WHO RE-**  
8                               **NOUNCED CITIZENSHIP TO AVOID UNITED**  
9                               **STATES TAXATION.**

10       (a) IN GENERAL.—Section 212(a)(10) (8 U.S.C.  
11 1182(a)(10)), as redesignated by section 301(b) of this di-  
12 vision and as amended by section 347(a) of this division,  
13 is amended by adding at the end the following:

14                       “(E) FORMER CITIZENS WHO RENOUNCED  
15                       CITIZENSHIP TO AVOID TAXATION.—Any alien  
16                       who is a former citizen of the United States  
17                       who officially renounces United States citizen-  
18                       ship and who is determined by the Attorney  
19                       General to have renounced United States citi-  
20                       zenship for the purpose of avoiding taxation by  
21                       the United States is excludable.”.

22       (b) EFFECTIVE DATE.—The amendment made by  
23 subsection (a) shall apply to individuals who renounce  
24 United States citizenship on and after the date of the en-  
25 actment of this Act.

1 **SEC. 353. REFERENCES TO CHANGES ELSEWHERE IN DIVI-**  
2 **SION.**

3 (a) DEPORTATION FOR HIGH SPEED FLIGHT.—For  
4 provision making high speed flight from an immigration  
5 checkpoint subject to deportation, see section 108(c) of  
6 this division.

7 (b) INADMISSIBILITY OF ALIENS PREVIOUSLY RE-  
8 MOVED AND UNLAWFULLY PRESENT.—For provision  
9 making aliens previously removed and unlawfully present  
10 in the United States inadmissible, see section 301(b) of  
11 this division.

12 (c) INADMISSIBILITY OF ILLEGAL ENTRANTS.—For  
13 provision revising the ground of inadmissibility for illegal  
14 entrants and immigration violators, see section 301(c) of  
15 this division.

16 (d) DEPORTATION FOR VISA VIOLATORS.—For provi-  
17 sion revising the ground of deportation for illegal entrants,  
18 see section 301(d) of this division.

19 (e) LABOR CERTIFICATIONS FOR PROFESSIONAL  
20 ATHLETES.—For provision providing for continued valid-  
21 ity of labor certifications and classification petitions for  
22 professional athletes, see section 624 of this division.

1 **Subtitle D—Changes in Removal of**  
2 **Alien Terrorist Provisions**

3 **SEC. 354. TREATMENT OF CLASSIFIED INFORMATION.**

4 (a) LIMITATION ON PROVISION OF SUMMARIES; USE  
5 OF SPECIAL ATTORNEYS IN CHALLENGES TO CLASSIFIED  
6 INFORMATION.—

7 (1) NO PROVISION OF SUMMARY IN CERTAIN  
8 CASES.—Section 504(e)(3)(D) (8 U.S.C.  
9 1534(e)(3)(D)) is amended—

10 (A) in clause (ii), by inserting before the  
11 period at the end the following: “unless the  
12 judge makes the findings under clause (iii)”,  
13 and

14 (B) by adding at the end the following new  
15 clause:

16 “(iii) FINDINGS.—The findings de-  
17 scribed in this clause are, with respect to  
18 an alien, that—

19 “(I) the continued presence of  
20 the alien in the United States would  
21 likely cause serious and irreparable  
22 harm to the national security or death  
23 or serious bodily injury to any person,  
24 and

1                   “(II) the provision of the sum-  
2                   mary would likely cause serious and  
3                   irreparable harm to the national secu-  
4                   rity or death or serious bodily injury  
5                   to any person.”.

6                   (2) SPECIAL CHALLENGE PROCEDURES.—Sec-  
7                   tion 504(e)(3) (8 U.S.C. 1534(e)(3)) is amended by  
8                   adding at the end the following new subparagraphs:

9                   “(E) CONTINUATION OF HEARING WITH-  
10                  OUT SUMMARY.—If a judge makes the findings  
11                  described in subparagraph (D)(iii)—

12                 “(i) if the alien involved is an alien  
13                 lawfully admitted for permanent residence,  
14                 the procedures described in subparagraph  
15                 (F) shall apply; and

16                 “(ii) in all cases the special removal  
17                 hearing shall continue, the Department of  
18                 Justice shall cause to be delivered to the  
19                 alien a statement that no summary is pos-  
20                 sible, and the classified information sub-  
21                 mitted in camera and ex parte may be  
22                 used pursuant to this paragraph.

23                 “(F) SPECIAL PROCEDURES FOR ACCESS  
24                 AND CHALLENGES TO CLASSIFIED INFORMA-



1 TION BY SPECIAL ATTORNEYS IN CASE OF LAW-  
2 FUL PERMANENT ALIENS.—

3 “(i) IN GENERAL.—The procedures  
4 described in this subparagraph are that the  
5 judge (under rules of the removal court)  
6 shall designate a special attorney to assist  
7 the alien—

8 “(I) by reviewing in camera the  
9 classified information on behalf of the  
10 alien, and

11 “(II) by challenging through an  
12 in camera proceeding the veracity of  
13 the evidence contained in the classi-  
14 fied information.

15 “(ii) RESTRICTIONS ON DISCLO-  
16 SURE.—A special attorney receiving classi-  
17 fied information under clause (i)—

18 “(I) shall not disclose the infor-  
19 mation to the alien or to any other at-  
20 torney representing the alien, and

21 “(II) who discloses such informa-  
22 tion in violation of subclause (I) shall  
23 be subject to a fine under title 18,  
24 United States Code, imprisoned for

1 not less than 10 years nor more than  
2 25 years, or both.”.

3 (3) APPEALS.—Section 505(c) (8 U.S.C.  
4 1535(c)) is amended—

5 (A) in paragraph (1), by striking “The de-  
6 cision” and inserting “Subject to paragraph  
7 (2), the decision”;

8 (B) in paragraph (3)(D), by inserting be-  
9 fore the period at the end the following: “, ex-  
10 cept that in the case of a review under para-  
11 graph (2) in which an alien lawfully admitted  
12 for permanent residence was denied a written  
13 summary of classified information under section  
14 504(c)(3), the Court of Appeals shall review  
15 questions of fact de novo”;

16 (C) by redesignating paragraphs (2) and  
17 (3) as paragraphs (3) and (4), respectively; and

18 (D) by inserting after paragraph (1) the  
19 following new paragraph:

20 “(2) AUTOMATIC APPEALS IN CASES OF PERMA-  
21 NENT RESIDENT ALIENS IN WHICH NO SUMMARY  
22 PROVIDED.—

23 “(A) IN GENERAL.—Unless the alien  
24 waives the right to a review under this para-  
25 graph, in any case involving an alien lawfully

1 admitted for permanent residence who is denied  
2 a written summary of classified information  
3 under section 504(e)(3) and with respect to  
4 which the procedures described in section  
5 504(e)(3)(F) apply, any order issued by the  
6 judge shall be reviewed by the Court of Appeals  
7 for the District of Columbia Circuit.

8 “(B) USE OF SPECIAL ATTORNEY.—With  
9 respect to any issue relating to classified infor-  
10 mation that arises in such review, the alien  
11 shall be represented only by the special attorney  
12 designated under section 504(e)(3)(F)(i) on be-  
13 half of the alien.”.

14 (4) ESTABLISHMENT OF PANEL OF SPECIAL AT-  
15 TORNEYS.—Section 502 (8 U.S.C. 1532) is amended  
16 by adding at the end the following new subsection:

17 “(e) ESTABLISHMENT OF PANEL OF SPECIAL AT-  
18 TORNEYS.—The removal court shall provide for the des-  
19 ignation of a panel of attorneys each of whom—

20 “(1) has a security clearance which affords the  
21 attorney access to classified information, and

22 “(2) has agreed to represent permanent resi-  
23 dent aliens with respect to classified information  
24 under section 504(e)(3) in accordance with (and  
25 subject to the penalties under) this title.”.

1           (5) DEFINITION OF SPECIAL ATTORNEY.—Sec-  
2           tion 501 (8 U.S.C. 1531) is amended—

3                   (A) by striking “and” at the end of para-  
4           graph (5),

5                   (B) by striking the period at the end of  
6           paragraph (6) and inserting “; and”, and

7                   (C) by adding at the end the following new  
8           paragraph:

9                   “(7) the term ‘special attorney’ means an attor-  
10          ney who is on the panel established under section  
11          502(e).”.

12          (b) OTHER PROVISIONS RELATING TO CLASSIFIED  
13          INFORMATION.—

14               (1) INTRODUCTION OF CLASSIFIED INFORMA-  
15          TION.—Section 504(e) (8 U.S.C. 1534(e)) is amend-  
16          ed—

17                   (A) in paragraph (1)—

18                           (i) by inserting after “(A)” the follow-  
19                   ing: “the Government is authorized to use  
20                   in a removal proceedings the fruits of elec-  
21                   tronic surveillance and unconsented phys-  
22                   ical searches authorized under the Foreign  
23                   Intelligence Surveillance Act of 1978 (50  
24                   U.S.C. 1801 et seq.) without regard to

1 subsections (c), (e), (f), (g), and (h) of sec-  
2 tion 106 of that Act and”, and

3 (ii) by striking “the Foreign Intel-  
4 ligence Surveillance Act of 1978 (50  
5 U.S.C. 1801 et seq.)” and inserting “such  
6 Act”; and

7 (B) by striking the period at the end of  
8 paragraph (3)(A) and inserting the following:  
9 “and neither the alien nor the public shall be  
10 informed of such evidence or its sources other  
11 than through reference to the summary pro-  
12 vided pursuant to this paragraph. Notwith-  
13 standing the previous sentence, the Department  
14 of Justice may, in its discretion and, in the case  
15 of classified information, after coordination with  
16 the originating agency, elect to introduce such  
17 evidence in open session.”.

18 (2) MAINTENANCE OF CONFIDENTIALITY OF  
19 CLASSIFIED INFORMATION IN ARGUMENTS.—Section  
20 504(f) (8 U.S.C. 1534(f)) is amended by adding at  
21 the end the following: “The judge may allow any  
22 part of the argument that refers to evidence received  
23 in camera and ex parte to be heard in camera and  
24 ex parte.”.

1           (3) MAINTENANCE OF CONFIDENTIALITY OF  
2       CLASSIFIED INFORMATION IN ORDERS.—Section  
3       504(j) (8 U.S.C. 1534(j)) is amended by adding at  
4       the end the following: “Any portion of the order that  
5       would reveal the substance or source of information  
6       received in camera and ex parte pursuant to sub-  
7       section (e) shall not be made available to the alien  
8       or the public.”.

9   **SEC. 355. EXCLUSION OF REPRESENTATIVES OF TERROR-**  
10                   **ISTS ORGANIZATIONS.**

11       Section     212(a)(3)(B)(i)(IV)     (8     U.S.C.  
12   1182(a)(3)(B)(i)(VI)), as inserted by section 411(1)(C) of  
13   Public Law 104–132, is amended by inserting “which the  
14   alien knows or should have known is a terrorist organiza-  
15   tion” after “219,”.

16   **SEC. 356. STANDARD FOR JUDICIAL REVIEW OF TERRORIST**  
17                   **ORGANIZATION DESIGNATIONS.**

18       Section 219(b)(3) (8 U.S.C. 1189(b)(3)), as added  
19   by section 302(a) of Public Law 104–132, is amended—

20           (1) by striking “or” at the end of subparagraph  
21       (B),

22           (2) by striking the period at the end of sub-  
23       paragraph (C) and inserting a semicolon, and

24           (3) by adding at the end the following:

1           “(D) lacking substantial support in the ad-  
 2           ministrative record taken as a whole or in clas-  
 3           sified information submitted to the court under  
 4           paragraph (2), or

5           “(E) not in accord with the procedures re-  
 6           quired by law.”.

7   **SEC. 357. REMOVAL OF ANCILLARY RELIEF FOR VOL-**  
 8           **UNTARY DEPARTURE.**

9           Section 504(k) (8 U.S.C. 1534(k)) is amended—

10           (1) by redesignating paragraphs (4) and (5) as  
 11           paragraphs (5) and (6), and

12           (2) by inserting after paragraph (3) the follow-  
 13           ing new paragraph:

14           “(4) voluntary departure under section  
 15           244(e);”.

16   **SEC. 358. EFFECTIVE DATE.**

17           The amendments made by this subtitle shall be effec-  
 18           tive as if included in the enactment of subtitle A of title  
 19           IV of the Antiterrorism and Effective Death Penalty Act  
 20           of 1996 (Public Law 104–132).

21           **Subtitle E—Transportation of**  
 22           **Aliens**

23   **SEC. 361. DEFINITION OF STOWAWAY.**

24           (a) STOWAWAY DEFINED.—Section 101(a) (8 U.S.C.  
 25           1101(a)), as amended by section 322(a)(1) of this divi-

1 sion, is amended by adding at the end the following new  
2 paragraph:

3 “(49) The term ‘stowaway’ means any alien who ob-  
4 tains transportation without the consent of the owner,  
5 charterer, master or person in command of any vessel or  
6 aircraft through concealment aboard such vessel or air-  
7 craft. A passenger who boards with a valid ticket is not  
8 to be considered a stowaway.”.

9 (b) EFFECTIVE DATE.—The amendment made by  
10 subsection (a) shall take effect on the date of the enact-  
11 ment of this Act.

12 **SEC. 362. TRANSPORTATION CONTRACTS.**

13 (a) COVERAGE OF NONCONTIGUOUS TERRITORY.—  
14 Section 238 (8 U.S.C. 1228), before redesignation as sec-  
15 tion 233 under section 308(b)(4) of this division, is  
16 amended—

17 (1) in the heading, by striking “CONTIGUOUS”,  
18 and

19 (2) by striking “contiguous” each place it ap-  
20 pears in subsections (a), (b), and (d).

21 (b) COVERAGE OF RAILROAD TRAIN.—Subsection (d)  
22 of such section is further amended by inserting “or rail-  
23 road train” after “aircraft”.



## 1     **Subtitle F—Additional Provisions**

### 2     **SEC. 371. IMMIGRATION JUDGES AND COMPENSATION.**

3           (a) DEFINITION OF TERM.—Paragraph (4) of section  
4     101(b) (8 U.S.C. 1101(b)) is amended to read as follows:

5           “(4) The term ‘immigration judge’ means an attorney  
6     whom the Attorney General appoints as an administrative  
7     judge within the Executive Office for Immigration Review,  
8     qualified to conduct specified classes of proceedings, in-  
9     cluding a hearing under section 240. An immigration  
10    judge shall be subject to such supervision and shall per-  
11    form such duties as the Attorney General shall prescribe,  
12    but shall not be employed by the Immigration and Natu-  
13    ralization Service.”.

14          (b) SUBSTITUTION FOR TERM “SPECIAL INQUIRY  
15    OFFICER”.—The Immigration and Nationality Act is  
16    amended by striking “a special inquiry officer”, “A special  
17    inquiry officer”, “special inquiry officer”, and “special in-  
18    quiry officers” and inserting “an immigration judge”, “An  
19    immigration judge”, “immigration judge”, and “immigra-  
20    tion judges”, respectively, each place it appears in the fol-  
21    lowing sections:

22               (1) Section 106(a)(2) (8 U.S.C. 1105a(a)(2)),  
23           before its repeal by section 306(c) of this division.

24               (2) Section 209(a)(2) (8 U.S.C. 1159(a)(2)).

1           (3) Section 234 (8 U.S.C. 1224), before redese-  
2           ignation by section 308(b) of this division.

3           (4) Section 235 (8 U.S.C. 1225), before amend-  
4           ment by section 302(a) of this division.

5           (5) Section 236 (8 U.S.C. 1226), before amend-  
6           ment by section 303 of this division.

7           (6) Section 242(b) (8 U.S.C. 1252(b)), before  
8           amendment by section 306(a)(2) of this division.

9           (7) Section 242B(d)(1) (8 U.S.C. 1252b(d)(1)),  
10          before repeal by section 306(b)(6) of this division.

11          (8) Section 273(d) (8 U.S.C. 1323(d)), before  
12          its repeal by section 308(e)(13) of this division.

13          (9) Section 292 (8 U.S.C. 1362).

14          (c) COMPENSATION FOR IMMIGRATION JUDGES.—

15           (1) IN GENERAL.—There shall be four levels of  
16           pay for immigration judges, under the Immigration  
17           Judge Schedule (designated as IJ–1, 2, 3, and 4, re-  
18           spectively), and each such judge shall be paid at one  
19           of those levels, in accordance with the provisions of  
20           this subsection.

21           (2) RATES OF PAY.—

22           (A) The rates of basic pay for the levels es-  
23           tablished under paragraph (1) shall be as fol-  
24           lows:

IJ–1 .....	70% of the next to highest rate of basic pay for the Senior Executive Service
------------	---

IJ-2 .....	80% of the next to highest rate of basic pay for the Senior Executive Service
IJ-3 .....	90% of the next to highest rate of basic pay for the Senior Executive Service
IJ-4 .....	92% of the next to highest rate of basic pay for the Senior Executive Service.

1 (B) Locality pay, where applicable, shall be  
2 calculated into the basic pay for immigration  
3 judges.

4 (3) APPOINTMENT.—

5 (A) Upon appointment, an immigration  
6 judge shall be paid at IJ-1, and shall be ad-  
7 vanced to IJ-2 upon completion of 104 weeks  
8 of service, to IJ-3 upon completion of 104  
9 weeks of service in the next lower rate, and to  
10 IJ-4 upon completion of 52 weeks of service in  
11 the next lower rate.

12 (B) Notwithstanding subparagraph (A),  
13 the Attorney General may provide for appoint-  
14 ment of an immigration judge at an advanced  
15 rate under such circumstances as the Attorney  
16 General may determine appropriate.

17 (4) TRANSITION.—Immigration judges serving  
18 as of the effective date shall be paid at the rate that  
19 corresponds to the amount of time, as provided  
20 under paragraph (3)(A), that they have served as an  
21 immigration judge, and in no case shall be paid less

1 after the effective date than the rate of pay prior to  
2 the effective date.

3 (d) EFFECTIVE DATES.—

4 (1) Subsections (a) and (b) shall take effect on  
5 the date of the enactment of this Act.

6 (2) Subsection (c) shall take effect 90 days  
7 after the date of the enactment of this Act.

8 **SEC. 372. DELEGATION OF IMMIGRATION ENFORCEMENT**  
9 **AUTHORITY.**

10 Section 103(a) (8 U.S.C. 1103(a)) is amended—

11 (1) inserting “(1)” after “(a)”,

12 (2) by designating each sentence (after the first  
13 sentence) as a separate paragraph with appropriate  
14 consecutive numbering and initial indentation,

15 (3) by adding at the end the following new  
16 paragraph:

17 “(8) In the event the Attorney General determines  
18 that an actual or imminent mass influx of aliens arriving  
19 off the coast of the United States, or near a land border,  
20 presents urgent circumstances requiring an immediate  
21 Federal response, the Attorney General may authorize any  
22 State or local law enforcement officer, with the consent  
23 of the head of the department, agency, or establishment  
24 under whose jurisdiction the individual is serving, to per-  
25 form or exercise any of the powers, privileges, or duties

1 conferred or imposed by this Act or regulations issued  
2 thereunder upon officers or employees of the Service.”.

3 **SEC. 373. POWERS AND DUTIES OF THE ATTORNEY GEN-**  
4 **ERAL AND THE COMMISSIONER.**

5 Section 103 (8 U.S.C. 1103) is amended—

6 (1) by adding at the end of subsection (a) the  
7 following new paragraph:

8 “(9) The Attorney General, in support of persons in  
9 administrative detention in non-Federal institutions, is au-  
10 thorized—

11 “(A) to make payments from funds appro-  
12 priated for the administration and enforcement of  
13 the laws relating to immigration, naturalization, and  
14 alien registration for necessary clothing, medical  
15 care, necessary guard hire, and the housing, care,  
16 and security of persons detained by the Service pur-  
17 suant to Federal law under an agreement with a  
18 State or political subdivision of a State; and

19 “(B) to enter into a cooperative agreement with  
20 any State, territory, or political subdivision thereof,  
21 for the necessary construction, physical renovation,  
22 acquisition of equipment, supplies or materials re-  
23 quired to establish acceptable conditions of confine-  
24 ment and detention services in any State or unit of

1 local government which agrees to provide guaranteed  
2 bed space for persons detained by the Service.”; and

3 (2) by adding at the end of subsection (c), as  
4 redesignated by section 102(d)(1) of this division,  
5 the following: “The Commissioner may enter into co-  
6 operative agreements with State and local law en-  
7 forcement agencies for the purpose of assisting in  
8 the enforcement of the immigration laws.”.

9 **SEC. 374. JUDICIAL DEPORTATION.**

10 (a) IN GENERAL.—Section 242A(d) (8 U.S.C.  
11 1252a(d)), as added by section 224(a) of Immigration and  
12 Nationality Technical Corrections Act of 1994 and before  
13 redesignation by section 308(b)(5) of this division, is  
14 amended—

15 (1) in paragraph (1), by striking “whose crimi-  
16 nal conviction causes such alien to be deportable  
17 under section 241(a)(2)(A)” and inserting “who is  
18 deportable”;

19 (2) in paragraph (4), by striking “without a de-  
20 cision on the merits”; and

21 (3) by adding at the end the following new  
22 paragraph:

23 “(5) STIPULATED JUDICIAL ORDER OF DEPOR-  
24 TATION.—The United States Attorney, with the con-  
25 currence of the Commissioner, may, pursuant to

1 Federal Rule of Criminal Procedure 11, enter into  
2 a plea agreement which calls for the alien, who is de-  
3 portable under this Act, to waive the right to notice  
4 and a hearing under this section, and stipulate to  
5 the entry of a judicial order of deportation from the  
6 United States as a condition of the plea agreement  
7 or as a condition of probation or supervised release,  
8 or both. The United States district court, in both  
9 felony and misdemeanor cases, and a United States  
10 magistrate judge in misdemeanor cases, may accept  
11 such a stipulation and shall have jurisdiction to  
12 enter a judicial order of deportation pursuant to the  
13 terms of such stipulation.”.

14 (b) DEPORTATION AS A CONDITION OF PROBA-  
15 TION.—Section 3563(b) of title 18, United States Code,  
16 is amended—

17 (1) by striking “or” at the end of paragraph  
18 (20);

19 (2) by redesignating paragraph (21) as para-  
20 graph (22); and

21 (3) by inserting after paragraph (20) the fol-  
22 lowing new paragraph:

23 “(21) be ordered deported by a United States  
24 district court, or United States magistrate judge,  
25 pursuant to a stipulation entered into by the defend-

1 ant and the United States under section 242A(d)(5)  
2 of the Immigration and Nationality Act, except that,  
3 in the absence of a stipulation, the United States  
4 district court or a United States magistrate judge,  
5 may order deportation as a condition of probation,  
6 if, after notice and hearing pursuant to such section,  
7 the Attorney General demonstrates by clear and con-  
8 vincing evidence that the alien is deportable; or”.

9 (c) EFFECTIVE DATE.—The amendment made by  
10 subsection (a)(2) shall be effective as if included in the  
11 enactment of section 224(a) of the Immigration and Na-  
12 tionality Technical Corrections Act of 1994.

13 **SEC. 375. LIMITATION ON ADJUSTMENT OF STATUS.**

14 Section 245(c) (8 U.S.C. 1255(c)) is amended—

15 (1) by striking “or (6)” and inserting “(6)”;

16 and

17 (2) by inserting before the period at the end the  
18 following: “; (7) any alien who seeks adjustment of  
19 status to that of an immigrant under section 203(b)  
20 and is not in a lawful nonimmigrant status; or (8)  
21 any alien who was employed while the alien was an  
22 unauthorized alien, as defined in section 274A(h)(3),  
23 or who has otherwise violated the terms of a non-  
24 immigrant visa”.



1 **SEC. 376. TREATMENT OF CERTAIN FEES.**

2 (a) INCREASE IN FEE.—Section 245(i) (8 U.S.C.  
3 1255(i)), as added by section 506(b) of Public Law 103–  
4 317, is amended—

5 (1) in paragraph (1), by striking “five times the  
6 fee required for the processing of applications under  
7 this section” and inserting “\$1,000”; and

8 (2) by amending paragraph (3) to read as fol-  
9 lows:

10 “(3)(A) The portion of each application fee (not to  
11 exceed \$200) that the Attorney General determines is re-  
12 quired to process an application under this section and  
13 is remitted to the Attorney General pursuant to para-  
14 graphs (1) and (2) of this subsection shall be disposed of  
15 by the Attorney General as provided in subsections (m),  
16 (n), and (o) of section 286.

17 “(B) Any remaining portion of such fees remitted  
18 under such paragraphs shall be deposited by the Attorney  
19 General into the Immigration Detention Account estab-  
20 lished under section 286(s).”.

21 (b) IMMIGRATION DETENTION ACCOUNT.—Section  
22 286 (8 U.S.C. 1356) is amended by adding at the end  
23 the following new subsection:

24 “(s) IMMIGRATION DETENTION ACCOUNT.—(1)  
25 There is established in the general fund of the Treasury  
26 a separate account which shall be known as the ‘Immigra-

1 tion Detention Account'. Notwithstanding any other sec-  
2 tion of this title, there shall be deposited as offsetting re-  
3 cepts into the Immigration Detention Account amounts  
4 described in section 245(i)(3)(B) to remain available until  
5 expended.

6       “(2)(A) The Secretary of the Treasury shall refund  
7 out of the Immigration Detention Account to any appro-  
8 priation the amount paid out of such appropriation for  
9 expenses incurred by the Attorney General for the deten-  
10 tion of aliens under sections 236(c) and 241(a).

11       “(B) The amounts which are required to be refunded  
12 under subparagraph (A) shall be refunded at least quar-  
13 terly on the basis of estimates made by the Attorney Gen-  
14 eral of the expenses referred to in subparagraph (A).  
15 Proper adjustments shall be made in the amounts subse-  
16 quently refunded under subparagraph (A) to the extent  
17 prior estimates were in excess of, or less than, the amount  
18 required to be refunded under subparagraph (A).

19       “(C) The amounts required to be refunded from the  
20 Immigration Detention Account for fiscal year 1997 and  
21 thereafter shall be refunded in accordance with estimates  
22 made in the budget request of the Attorney General for  
23 those fiscal years. Any proposed changes in the amounts  
24 designated in such budget requests shall only be made  
25 after notification to the Committees on Appropriations of

1 the House of Representatives and the Senate in accord-  
2 ance with section 605 of Public Law 104–134.

3 “(D) The Attorney General shall prepare and submit  
4 annually to the Congress statements of financial condition  
5 of the Immigration Detention Account, including begin-  
6 ning account balance, revenues, withdrawals, and ending  
7 account balance and projection for the ensuing fiscal  
8 year.”.

9 (c) EFFECTIVE DATE.—The amendments made by  
10 this section shall apply to applications made on or after  
11 the end of the 90-day period beginning on the date of the  
12 enactment of this Act.

13 **SEC. 377. LIMITATION ON LEGALIZATION LITIGATION.**

14 (a) LIMITATION ON COURT JURISDICTION.—Section  
15 245A(f)(4) (8 U.S.C. 1255a(f)(4)) is amended by adding  
16 at the end the following new subparagraph:

17 “(C) JURISDICTION OF COURTS.—Notwith-  
18 standing any other provision of law, no court  
19 shall have jurisdiction of any cause of action or  
20 claim by or on behalf of any person asserting  
21 an interest under this section unless such per-  
22 son in fact filed an application under this sec-  
23 tion within the period specified by subsection  
24 (a)(1), or attempted to file a complete applica-  
25 tion and application fee with an authorized le-

1 galization officer of the Service but had the ap-  
2 plication and fee refused by that officer.”.

3 (b) EFFECTIVE DATE.—The amendment made by  
4 subsection (a) shall be effective as if included in the enact-  
5 ment of the Immigration Reform and Control Act of 1986.

6 **SEC. 378. RESCISSION OF LAWFUL PERMANENT RESIDENT**  
7 **STATUS.**

8 (a) IN GENERAL.—Section 246(a) (8 U.S.C.  
9 1256(a)) is amended by adding at the end the following  
10 sentence: “Nothing in this subsection shall require the At-  
11 torney General to rescind the alien’s status prior to com-  
12 mencement of procedures to remove the alien under sec-  
13 tion 240, and an order of removal issued by an immigra-  
14 tion judge shall be sufficient to rescind the alien’s sta-  
15 tus.”.

16 (b) EFFECTIVE DATE.—The amendment made by  
17 subsection (a) shall take effect on the title III–A effective  
18 date (as defined in section 309(a) of this division).

19 **SEC. 379. ADMINISTRATIVE REVIEW OF ORDERS.**

20 (a) IN GENERAL.—Sections 274A(e)(7) and  
21 274C(d)(4) (8 U.S.C. 1324a(e)(7), 1324c(d)(4)) are each  
22 amended—

23 (1) by striking “unless, within 30 days, the At-  
24 torney General modifies or vacates the decision and  
25 order” and inserting “unless either (A) within 30

1 days, an official delegated by regulation to exercise  
 2 review authority over the decision and order modifies  
 3 or vacates the decision and order, or (B) within 30  
 4 days of the date of such a modification or vacation  
 5 (or within 60 days of the date of decision and order  
 6 of an administrative law judge if not so modified or  
 7 vacated) the decision and order is referred to the At-  
 8 torney General pursuant to regulations”; and

9 (2) by striking “a final order” and inserting  
 10 “the final agency decision and order”.

11 (b) EFFECTIVE DATE.—The amendments made by  
 12 subsection (a) shall apply to orders issued on or after the  
 13 date of the enactment of this Act.

14 **SEC. 380. CIVIL PENALTIES FOR FAILURE TO DEPART.**

15 (a) IN GENERAL.—The Immigration and Nationality  
 16 Act is amended by inserting after section 274C the follow-  
 17 ing new section:

18 “CIVIL PENALTIES FOR FAILURE TO DEPART

19 “SEC. 274D. (a) IN GENERAL.—Any alien subject to  
 20 a final order of removal who—

21 “(1) willfully fails or refuses to—

22 “(A) depart from the United States pursu-  
 23 ant to the order,

24 “(B) make timely application in good faith  
 25 for travel or other documents necessary for de-  
 26 parture, or

1           “(C) present for removal at the time and  
2           place required by the Attorney General; or

3           “(2) conspires to or takes any action designed  
4           to prevent or hamper the alien’s departure pursuant  
5           to the order,

6           shall pay a civil penalty of not more than \$500 to the  
7           Commissioner for each day the alien is in violation of this  
8           section.

9           “(b) CONSTRUCTION.—Nothing in this section shall  
10          be construed to diminish or qualify any penalties to which  
11          an alien may be subject for activities proscribed by section  
12          243(a) or any other section of this Act.”.

13          (b) CLERICAL AMENDMENT.—The table of contents  
14          is amended by inserting after the item relating to section  
15          274C the following new item:

          “Sec. 274D. Civil penalties for failure to depart.”.

16          (c) EFFECTIVE DATE.—The amendment made by  
17          subsection (a) shall apply to actions occurring on or after  
18          the title III–A effective date (as defined in section 309(a)  
19          of this division).

20       **SEC. 381. CLARIFICATION OF DISTRICT COURT JURISDIC-**  
21                               **TION.**

22          (a) IN GENERAL.—Section 279 (8 U.S.C. 1329) is  
23          amended—

24               (1) by amending the first sentence to read as  
25               follows: “The district courts of the United States

1 shall have jurisdiction of all causes, civil and crimi-  
2 nal, brought by the United States that arise under  
3 the provisions of this title.”, and

4 (2) by adding at the end the following new sen-  
5 tence: “Nothing in this section shall be construed as  
6 providing jurisdiction for suits against the United  
7 States or its agencies or officers.”.

8 (b) EFFECTIVE DATE.—The amendments made by  
9 subsection (a) shall apply to actions filed after the date  
10 of the enactment of this Act.

11 **SEC. 382. APPLICATION OF ADDITIONAL CIVIL PENALTIES**  
12 **TO ENFORCEMENT.**

13 (a) IN GENERAL.—Subsection (b) of section 280 (8  
14 U.S.C. 1330) is amended to read as follows:

15 “(b)(1) There is established in the general fund of  
16 the Treasury a separate account which shall be known as  
17 the ‘Immigration Enforcement Account’. Notwithstanding  
18 any other section of this title, there shall be deposited as  
19 offsetting receipts into the Immigration Enforcement Ac-  
20 count amounts described in paragraph (2) to remain avail-  
21 able until expended.

22 “(2) The amounts described in this paragraph are the  
23 following:

1           “(A) The increase in penalties collected result-  
2           ing from the amendments made by sections 203(b)  
3           and 543(a) of the Immigration Act of 1990.

4           “(B) Civil penalties collected under sections  
5           240B(d), 274C, 274D, and 275(b).

6           “(3)(A) The Secretary of the Treasury shall refund  
7           out of the Immigration Enforcement Account to any ap-  
8           propriation the amount paid out of such appropriation for  
9           expenses incurred by the Attorney General for activities  
10          that enhance enforcement of provisions of this title. Such  
11          activities include—

12           “(i) the identification, investigation, apprehen-  
13           sion, detention, and removal of criminal aliens;

14           “(ii) the maintenance and updating of a system  
15           to identify and track criminal aliens, deportable  
16           aliens, inadmissible aliens, and aliens illegally enter-  
17           ing the United States; and

18           “(iii) for the repair, maintenance, or construc-  
19           tion on the United States border, in areas experienc-  
20           ing high levels of apprehensions of illegal aliens, of  
21           structures to deter illegal entry into the United  
22           States.

23           “(B) The amounts which are required to be refunded  
24           under subparagraph (A) shall be refunded at least quar-  
25           terly on the basis of estimates made by the Attorney Gen-



1 eral of the expenses referred to in subparagraph (A).  
2 Proper adjustments shall be made in the amounts subse-  
3 quently refunded under subparagraph (A) to the extent  
4 prior estimates were in excess of, or less than, the amount  
5 required to be refunded under subparagraph (A).

6 “(C) The amounts required to be refunded from the  
7 Immigration Enforcement Account for fiscal year 1996  
8 and thereafter shall be refunded in accordance with esti-  
9 mates made in the budget request of the Attorney General  
10 for those fiscal years. Any proposed changes in the  
11 amounts designated in such budget requests shall only be  
12 made after notification to the Committees on Appropria-  
13 tions of the House of Representatives and the Senate in  
14 accordance with section 605 of Public Law 104–134.

15 “(D) The Attorney General shall prepare and submit  
16 annually to the Congress statements of financial condition  
17 of the Immigration Enforcement Account, including begin-  
18 ning account balance, revenues, withdrawals, and ending  
19 account balance and projection for the ensuing fiscal  
20 year.”.

21 (b) IMMIGRATION USER FEE ACCOUNT.—Section  
22 286(h)(1)(B) (8 U.S.C. 1356(h)(1)(B)) is amended by  
23 striking “271” and inserting “243(c), 271,”.

1       (c) EFFECTIVE DATE.—The amendments made by  
2 this section shall apply to fines and penalties collected on  
3 or after the date of the enactment of this Act.

4       **SEC. 383. EXCLUSION OF CERTAIN ALIENS FROM FAMILY**  
5                               **UNITY PROGRAM.**

6       (a) IN GENERAL.—Section 301(e) of the Immigration  
7 Act of 1990 (8 U.S.C. 1255a note) is amended—

8               (1) by striking “or” at the end of paragraph  
9       (1),

10              (2) by striking the period at the end of para-  
11 graph (2) and inserting “, or”, and

12              (3) by adding at the end the following new  
13 paragraph:

14              “(3) has committed an act of juvenile delin-  
15 quency which if committed by an adult would be  
16 classified as—

17                      “(A) a felony crime of violence that has an  
18 element the use or attempted use of physical  
19 force against another individual, or

20                      “(B) a felony offense that by its nature in-  
21 volves a substantial risk that physical force  
22 against another individual may be used in the  
23 course of committing the offense.”.

1 (b) EFFECTIVE DATE.—The amendments made by  
2 subsection (a) shall apply to benefits granted or extended  
3 after the date of the enactment of this Act.

4 **SEC. 384. PENALTIES FOR DISCLOSURE OF INFORMATION.**

5 (a) IN GENERAL.—Except as provided in subsection  
6 (b), in no case may the Attorney General, or any other  
7 official or employee of the Department of Justice (includ-  
8 ing any bureau or agency of such Department)—

9 (1) make an adverse determination of admissi-  
10 bility or deportability of an alien under the Immigra-  
11 tion and Nationality Act using information furnished  
12 solely by—

13 (A) a spouse or parent who has battered  
14 the alien or subjected the alien to extreme cru-  
15 elty,

16 (B) a member of the spouse's or parent's  
17 family residing in the same household as the  
18 alien who has battered the alien or subjected  
19 the alien to extreme cruelty when the spouse or  
20 parent consented to or acquiesced in such bat-  
21 tery or cruelty,

22 (C) a spouse or parent who has battered  
23 the alien's child or subjected the alien's child to  
24 extreme cruelty (without the active participation

1 of the alien in the battery or extreme cruelty),  
2 or

3 (D) a member of the spouse's or parent's  
4 family residing in the same household as the  
5 alien who has battered the alien's child or sub-  
6 jected the alien's child to extreme cruelty when  
7 the spouse or parent consented to or acquiesced  
8 in such battery or cruelty and the alien did not  
9 actively participate in such battery or cruelty,  
10 unless the alien has been convicted of a crime or  
11 crimes listed in section 241(a)(2) of the Immigration  
12 and Nationality Act; or

13 (2) permit use by or disclosure to anyone (other  
14 than a sworn officer or employee of the Department,  
15 or bureau or agency thereof, for legitimate Depart-  
16 ment, bureau, or agency purposes) of any informa-  
17 tion which relates to an alien who is the beneficiary  
18 of an application for relief under clause (iii) or (iv)  
19 of section 204(a)(1)(A), clause (ii) or (iii) of section  
20 204(a)(1)(B), section 216(c)(4)(C), or section  
21 244(a)(3) of such Act as an alien (or the parent of  
22 a child) who has been battered or subjected to ex-  
23 treme cruelty.

1 The limitation under paragraph (2) ends when the appli-  
2 cation for relief is denied and all opportunities for appeal  
3 of the denial have been exhausted.

4 (b) EXCEPTIONS.—

5 (1) The Attorney General may provide, in the  
6 Attorney General's discretion, for the disclosure of  
7 information in the same manner and circumstances  
8 as census information may be disclosed by the Sec-  
9 retary of Commerce under section 8 of title 13,  
10 United States Code.

11 (2) The Attorney General may provide in the  
12 discretion of the Attorney General for the disclosure  
13 of information to law enforcement officials to be  
14 used solely for a legitimate law enforcement purpose.

15 (3) Subsection (a) shall not be construed as  
16 preventing disclosure of information in connection  
17 with judicial review of a determination in a manner  
18 that protects the confidentiality of such information.

19 (4) Subsection (a)(2) shall not apply if all the  
20 battered individuals in the case are adults and they  
21 have all waived the restrictions of such subsection.

22 (c) PENALTIES FOR VIOLATIONS.—Anyone who will-  
23 fully uses, publishes, or permits information to be dis-  
24 closed in violation of this section shall be subject to appro-

1 piate disciplinary action and subject to a civil money pen-  
2 alty of not more than \$5,000 for each such violation.

3 (d) CONFORMING AMENDMENTS TO OTHER DISCLO-  
4 SURE RESTRICTIONS.—

5 (1) IN GENERAL.—The last sentence of section  
6 210(b)(6) and the second sentence of section  
7 245A(c)(5) (8 U.S.C. 1255a(c)(5)) are each amend-  
8 ed to read as follows: “Anyone who uses, publishes,  
9 or permits information to be examined in violation  
10 of this paragraph shall be subject to appropriate dis-  
11 ciplinary action and subject to a civil money penalty  
12 of not more than \$5,000 for each violation.”.

13 (2) EFFECTIVE DATE.—The amendments made  
14 by this subsection shall apply to offenses occurring  
15 on or after the date of the enactment of this Act.

16 **SEC. 385. AUTHORIZATION OF ADDITIONAL FUNDS FOR RE-**  
17 **MOVAL OF ALIENS.**

18 In addition to the amounts otherwise authorized to  
19 be appropriated for each fiscal year beginning with fiscal  
20 year 1996, there are authorized to be appropriated to the  
21 Attorney General \$150,000,000 for costs associated with  
22 the removal of inadmissible or deportable aliens, including  
23 costs of detention of such aliens pending their removal,  
24 the hiring of more investigators, and the hiring of more  
25 detention and deportation officers.

1 **SEC. 386. INCREASE IN INS DETENTION FACILITIES; RE-**  
2 **PORT ON DETENTION SPACE.**

3 (a) INCREASE IN DETENTION FACILITIES.—Subject  
4 to the availability of appropriations, the Attorney General  
5 shall provide for an increase in the detention facilities of  
6 the Immigration and Naturalization Service to at least  
7 9,000 beds before the end of fiscal year 1997.

8 (b) REPORT ON DETENTION SPACE.—

9 (1) IN GENERAL.—Not later than 6 months  
10 after the date of the enactment of this Act, and  
11 every 6 months thereafter, the Attorney General  
12 shall submit a report to the Committees on the Judi-  
13 ciary of the House of Representatives and of the  
14 Senate estimating the amount of detention space  
15 that will be required, during the fiscal year in which  
16 the report is submitted and the succeeding fiscal  
17 year, to detain—

18 (A) all aliens subject to detention under  
19 section 236(c) of the Immigration and Nation-  
20 ality Act (as amended by section 303 of this  
21 title) and section 241(a) of the Immigration  
22 and Nationality Act (as inserted by section  
23 305(a)(3) of this title);

24 (B) all excludable or deportable aliens sub-  
25 ject to proceedings under section 238 of the Im-  
26 migration and Nationality Act (as redesignated

1 by section 308(b)(5) of this title) or section  
2 235(b)(2)(A) or 240 of the Immigration and  
3 Nationality Act; and

4 (C) other excludable or deportable aliens in  
5 accordance with the priorities established by the  
6 Attorney General.

7 (2) ESTIMATE OF NUMBER OF ALIENS RE-  
8 LEASED INTO THE COMMUNITY.—

9 (A) CRIMINAL ALIENS.—

10 (i) IN GENERAL.—The first report  
11 submitted under paragraph (1) shall in-  
12 clude an estimate of the number of crimi-  
13 nal aliens who, in each of the 3 fiscal years  
14 concluded prior to the date of the report—

15 (I) were released from detention  
16 facilities of the Immigration and Nat-  
17 uralization Service (whether operated  
18 directly by the Service or through con-  
19 tract with other persons or agencies);  
20 or

21 (II) were not taken into custody  
22 or detention by the Service upon com-  
23 pletion of their incarceration.

24 (ii) ALIENS CONVICTED OF AGGRA-  
25 VATED FELONIES.—The estimate under



1 clause (i) shall estimate separately, with  
2 respect to each year described in such  
3 clause, the number of criminal aliens de-  
4 scribed in such clause who were convicted  
5 of an aggravated felony.

6 (B) ALL EXCLUDABLE OR DEPORTABLE  
7 ALIENS.—The first report submitted under  
8 paragraph (1) shall also estimate the number of  
9 excludable or deportable aliens who were re-  
10 leased into the community due to a lack of de-  
11 tention facilities in each of the 3 fiscal years  
12 concluded prior to the date of the report not-  
13 withstanding circumstances that the Attorney  
14 General believed justified detention (for exam-  
15 ple, a significant probability that the released  
16 alien would not appear, as agreed, at subse-  
17 quent exclusion or deportation proceedings).

18 (C) SUBSEQUENT REPORTS.—Each report  
19 under paragraph (1) following the first such re-  
20 port shall include the estimates under subpara-  
21 graphs (A) and (B), made with respect to the  
22 6-month period immediately preceding the date  
23 of the submission of the report.

1 **SEC. 387. PILOT PROGRAM ON USE OF CLOSED MILITARY**  
2 **BASES FOR THE DETENTION OF INADMIS-**  
3 **SIBLE OR DEPORTABLE ALIENS.**

4 (a) **ESTABLISHMENT.**—The Attorney General and  
5 the Secretary of Defense shall establish one or more pilot  
6 programs for up to 2 years each to determine the feasibil-  
7 ity of the use of military bases, available because of actions  
8 under a base closure law, as detention centers by the Im-  
9 migration and Naturalization Service. In selecting real  
10 property at a military base for use as a detention center  
11 under the pilot program, the Attorney General and the  
12 Secretary shall consult with the redevelopment authority  
13 established for the military base and give substantial def-  
14 erence to the redevelopment plan prepared for the military  
15 base.

16 (b) **REPORT.**—Not later than 30 months after the  
17 date of the enactment of this Act, the Attorney General,  
18 together with the Secretary of Defense, shall submit a re-  
19 port to the Committees on the Judiciary of the House of  
20 Representatives and of the Senate, and the Committees  
21 on Armed Services of the House of Representatives and  
22 of the Senate, on the feasibility of using military bases  
23 closed under a base closure law as detention centers by  
24 the Immigration and Naturalization Service.

25 (c) **DEFINITION.**—For purposes of this section, the  
26 term “base closure law” means each of the following:

1           (1) The Defense Base Closure and Realignment  
2       Act of 1990 (part A of title XXIX of Public Law  
3       101–510; 10 U.S.C. 2687 note).

4           (2) Title II of the Defense Authorization  
5       Amendments and Base Closure and Realignment  
6       Act (Public Law 100–526; 10 U.S.C. 2687 note).

7           (3) Section 2687 of title 10, United States  
8       Code.

9           (4) Any other similar law enacted after the date  
10      of the enactment of this Act.

11   **SEC. 388. REPORT ON INTERIOR REPATRIATION PROGRAM.**

12       Not later than 30 months after the date of the enact-  
13   ment of this Act, the Attorney General, in consultation  
14   with the Secretary of State, shall submit a report to the  
15   Committees on the Judiciary of the House of Representa-  
16   tives and of the Senate on the operation of the program  
17   of interior repatriation developed under section 437 of the  
18   Antiterrorism and Effective Death Penalty Act of 1996  
19   (Public Law 104–132).

1 **TITLE IV—ENFORCEMENT OF**  
2 **RESTRICTIONS AGAINST EM-**  
3 **PLOYMENT**

4 **Subtitle A—Pilot Programs for Em-**  
5 **ployment Eligibility Confirma-**  
6 **tion**

7 **SEC. 401. ESTABLISHMENT OF PROGRAMS.**

8 (a) IN GENERAL.—The Attorney General shall con-  
9 duct 3 pilot programs of employment eligibility confirma-  
10 tion under this subtitle.

11 (b) IMPLEMENTATION DEADLINE; TERMINATION.—  
12 The Attorney General shall implement the pilot programs  
13 in a manner that permits persons and other entities to  
14 have elections under section 402 of this division made and  
15 in effect no later than 1 year after the date of the enact-  
16 ment of this Act. Unless the Congress otherwise provides,  
17 the Attorney General shall terminate a pilot program at  
18 the end of the 4-year period beginning on the first day  
19 the pilot program is in effect.

20 (c) SCOPE OF OPERATION OF PILOT PROGRAMS.—  
21 The Attorney General shall provide for the operation—  
22 (1) of the basic pilot program (described in sec-  
23 tion 403(a) of this division) in, at a minimum, 5 of  
24 the 7 States with the highest estimated population

1 of aliens who are not lawfully present in the United  
2 States;

3 (2) of the citizen attestation pilot program (de-  
4 scribed in section 403(b) of this division) in at least  
5 5 States (or, if fewer, all of the States) that meet  
6 the condition described in section 403(b)(2)(A) of  
7 this division; and

8 (3) of the machine-readable-document pilot pro-  
9 gram (described in section 403(c) of this division) in  
10 at least 5 States (or, if fewer, all of the States) that  
11 meet the condition described in section 403(c)(2) of  
12 this division.

13 (d) REFERENCES IN SUBTITLE.—In this subtitle—

14 (1) PILOT PROGRAM REFERENCES.—The terms  
15 “program” or “pilot program” refer to any of the 3  
16 pilot programs provided for under this subtitle.

17 (2) CONFIRMATION SYSTEM.—The term “con-  
18 firmation system” means the confirmation system  
19 established under section 404 of this division.

20 (3) REFERENCES TO SECTION 274A.—Any ref-  
21 erence in this subtitle to section 274A (or a subdivi-  
22 sion of such section) is deemed a reference to such  
23 section (or subdivision thereof) of the Immigration  
24 and Nationality Act.

1           (4) I-9 OR SIMILAR FORM.—The term “I-9 or  
2       similar form” means the form used for purposes of  
3       section 274A(b)(1)(A) or such other form as the At-  
4       torney General determines to be appropriate.

5           (5) LIMITED APPLICATION TO RECRUITERS AND  
6       REFERRERS.—Any reference to recruitment or refer-  
7       ral (or a recruiter or referrer) in relation to employ-  
8       ment is deemed a reference only to such recruitment  
9       or referral (or recruiter or referrer) that is subject  
10      to section 274A(a)(1)(B)(ii).

11          (6) UNITED STATES CITIZENSHIP.—The term  
12      “United States citizenship” includes United States  
13      nationality.

14          (7) STATE.—The term “State” has the mean-  
15      ing given such term in section 101(a)(36) of the Im-  
16      migration and Nationality Act.

17   **SEC. 402. VOLUNTARY ELECTION TO PARTICIPATE IN A**  
18                           **PILOT PROGRAM.**

19      (a) VOLUNTARY ELECTION.—Subject to subsection  
20   (c)(3)(B), any person or other entity that conducts any  
21   hiring (or recruitment or referral) in a State in which a  
22   pilot program is operating may elect to participate in that  
23   pilot program. Except as specifically provided in sub-  
24   section (e), the Attorney General may not require any per-  
25   son or other entity to participate in a pilot program.

1 (b) BENEFIT OF REBUTTABLE PRESUMPTION.—

2 (1) IN GENERAL.—If a person or other entity  
3 is participating in a pilot program and obtains con-  
4 firmation of identity and employment eligibility in  
5 compliance with the terms and conditions of the pro-  
6 gram with respect to the hiring (or recruitment or  
7 referral) of an individual for employment in the  
8 United States, the person or entity has established  
9 a rebuttable presumption that the person or entity  
10 has not violated section 274A(a)(1)(A) with respect  
11 to such hiring (or such recruitment or referral).

12 (2) CONSTRUCTION.—Paragraph (1) shall not  
13 be construed as preventing a person or other entity  
14 that has an election in effect under subsection (a)  
15 from establishing an affirmative defense under sec-  
16 tion 274A(a)(3) if the person or entity complies with  
17 the requirements of section 274A(a)(1)(B) but fails  
18 to obtain confirmation under paragraph (1).

19 (c) GENERAL TERMS OF ELECTIONS.—

20 (1) IN GENERAL.—An election under subsection  
21 (a) shall be in such form and manner, under such  
22 terms and conditions, and shall take effect, as the  
23 Attorney General shall specify. The Attorney Gen-  
24 eral may not impose any fee as a condition of mak-  
25 ing an election or participating in a pilot program.

1 (2) SCOPE OF ELECTION.—

2 (A) IN GENERAL.—Subject to paragraph  
3 (3), any electing person or other entity may  
4 provide that the election under subsection (a)  
5 shall apply (during the period in which the elec-  
6 tion is in effect)—

7 (i) to all its hiring (and all recruit-  
8 ment or referral) in the State (or States)  
9 in which the pilot program is operating, or  
10 (ii) to its hiring (or recruitment or re-  
11 ferral) in one or more pilot program States  
12 or one or more places of hiring (or recruit-  
13 ment or referral, as the case may be) in  
14 the pilot program States.

15 (B) APPLICATION OF PROGRAMS IN NON-  
16 PILOT PROGRAM STATES.—In addition, the At-  
17 torney General may permit a person or entity  
18 electing—

19 (i) the basic pilot program (described  
20 in section 403(a) of this division) to pro-  
21 vide that the election applies to its hiring  
22 (or recruitment or referral) in one or more  
23 States or places of hiring (or recruitment  
24 or referral) in which the pilot program is  
25 not otherwise operating, or



1           (ii) the citizen attestation pilot pro-  
2           gram (described in 403(b) of this division)  
3           or the machine-readable-document pilot  
4           program (described in section 403(c) of  
5           this division) to provide that the election  
6           applies to its hiring (or recruitment or re-  
7           ferral) in one or more States or places of  
8           hiring (or recruitment or referral) in which  
9           the pilot program is not otherwise operat-  
10          ing but only if such States meet the re-  
11          quirements of 403(b)(2)(A) and 403(c)(2)  
12          of this division, respectively.

13           (3) ACCEPTANCE AND REJECTION OF ELEC-  
14          TIONS.—

15           (A) IN GENERAL.—Except as provided in  
16           subparagraph (B), the Attorney General shall  
17           accept all elections made under subsection (a).

18           (B) REJECTION OF ELECTIONS.—The At-  
19           torney General may reject an election by a per-  
20           son or other entity under this section or limit  
21           its applicability to certain States or places of  
22           hiring (or recruitment or referral) if the Attor-  
23           ney General has determined that there are in-  
24           sufficient resources to provide appropriate serv-  
25           ices under a pilot program for the person's or

1           entity's hiring (or recruitment or referral) in  
2           any or all States or places of hiring.

3           (4) TERMINATION OF ELECTIONS.—The Attor-  
4           ney General may terminate an election by a person  
5           or other entity under this section because the person  
6           or entity has substantially failed to comply with its  
7           obligations under the pilot program. A person or  
8           other entity may terminate an election in such form  
9           and manner as the Attorney General shall specify.

10          (d) CONSULTATION, EDUCATION, AND PUBLICITY.—

11           (1) CONSULTATION.—The Attorney General  
12           shall closely consult with representatives of employ-  
13           ers (and recruiters and referrers) in the development  
14           and implementation of the pilot programs, including  
15           the education of employers (and recruiters and refer-  
16           rers) about such programs.

17           (2) PUBLICITY.—The Attorney General shall  
18           widely publicize the election process and pilot pro-  
19           grams, including the voluntary nature of the pilot  
20           programs and the advantages to employers (and re-  
21           cruiters and referrers) of making an election under  
22           this section.

23           (3) ASSISTANCE THROUGH DISTRICT OF-  
24           FICES.—The Attorney General shall designate one or  
25           more individuals in each District office of the Immi-

1       gration and Naturalization Service for a Service Dis-  
2       trict in which a pilot program is being imple-  
3       mented—

4               (A) to inform persons and other entities  
5       that seek information about pilot programs of  
6       the voluntary nature of such programs, and

7               (B) to assist persons and other entities in  
8       electing and participating in any pilot programs  
9       in effect in the District, in complying with the  
10      requirements of section 274A, and in facilitat-  
11      ing confirmation of the identity and employ-  
12      ment eligibility of individuals consistent with  
13      such section.

14      (e) SELECT ENTITIES REQUIRED TO PARTICIPATE IN  
15      A PILOT PROGRAM.—

16              (1) FEDERAL GOVERNMENT.—

17                  (A) EXECUTIVE DEPARTMENTS.—

18                      (i) IN GENERAL.—Each Department  
19                      of the Federal Government shall elect to  
20                      participate in a pilot program and shall  
21                      comply with the terms and conditions of  
22                      such an election.

23                      (ii) ELECTION.—Subject to clause  
24                      (iii), the Secretary of each such Depart-  
25                      ment—

1 (I) shall elect the pilot program  
2 (or programs) in which the Depart-  
3 ment shall participate, and

4 (II) may limit the election to hir-  
5 ing occurring in certain States (or ge-  
6 ographic areas) covered by the pro-  
7 gram (or programs) and in specified  
8 divisions within the Department, so  
9 long as all hiring by such divisions  
10 and in such locations is covered.

11 (iii) ROLE OF ATTORNEY GENERAL.—  
12 The Attorney General shall assist and co-  
13 ordinate elections under this subparagraph  
14 in such manner as assures that—

15 (I) a significant portion of the  
16 total hiring within each Department  
17 within States covered by a pilot pro-  
18 gram is covered under such a pro-  
19 gram, and

20 (II) there is significant participa-  
21 tion by the Federal Executive branch  
22 in each of the pilot programs.

23 (B) LEGISLATIVE BRANCH.—Each Member  
24 of Congress, each officer of Congress, and the  
25 head of each agency of the legislative branch,

1           that conducts hiring in a State in which a pilot  
2           program is operating shall elect to participate  
3           in a pilot program, may specify which pilot pro-  
4           gram or programs (if there is more than one)  
5           in which the Member, officer, or agency will  
6           participate, and shall comply with the terms  
7           and conditions of such an election.

8           (2) APPLICATION TO CERTAIN VIOLATORS.—An  
9           order under section 274A(e)(4) or section 274B(g)  
10          of the Immigration and Nationality Act may require  
11          the subject of the order to participate in, and comply  
12          with the terms of, a pilot program with respect to  
13          the subject's hiring (or recruitment or referral) of  
14          individuals in a State covered by such a program.

15          (3) CONSEQUENCE OF FAILURE TO PARTICI-  
16          PATE.—If a person or other entity is required under  
17          this subsection to participate in a pilot program and  
18          fails to comply with the requirements of such pro-  
19          gram with respect to an individual—

20                 (A) such failure shall be treated as a viola-  
21                 tion of section 274A(a)(1)(B) with respect to  
22                 that individual, and

23                 (B) a rebuttable presumption is created  
24                 that the person or entity has violated section  
25                 274A(a)(1)(A).

1 Subparagraph (B) shall not apply in any prosecution  
2 under section 274A(f)(1).

3 (f) CONSTRUCTION.—This subtitle shall not affect  
4 the authority of the Attorney General under any other law  
5 (including section 274A(d)(4)) to conduct demonstration  
6 projects in relation to section 274A.

7 **SEC. 403. PROCEDURES FOR PARTICIPANTS IN PILOT PRO-**  
8 **GRAMS.**

9 (a) BASIC PILOT PROGRAM.—A person or other en-  
10 tity that elects to participate in the basic pilot program  
11 described in this subsection agrees to conform to the fol-  
12 lowing procedures in the case of the hiring (or recruitment  
13 or referral) for employment in the United States of each  
14 individual covered by the election:

15 (1) PROVISION OF ADDITIONAL INFORMA-  
16 TION.—The person or entity shall obtain from the  
17 individual (and the individual shall provide) and  
18 shall record on the I-9 or similar form—

19 (A) the individual's social security account  
20 number, if the individual has been issued such  
21 a number, and

22 (B) if the individual does not attest to  
23 United States citizenship under section  
24 274A(b)(2), such identification or authorization  
25 number established by the Immigration and

1 Naturalization Service for the alien as the At-  
2 torney General shall specify,  
3 and shall retain the original form and make it avail-  
4 able for inspection for the period and in the manner  
5 required of I-9 forms under section 274A(b)(3).

6 (2) PRESENTATION OF DOCUMENTATION.—

7 (A) IN GENERAL.—The person or other en-  
8 tity, and the individual whose identity and em-  
9 ployment eligibility are being confirmed, shall,  
10 subject to subparagraph (B), fulfill the require-  
11 ments of section 274A(b) with the following  
12 modifications:

13 (i) A document referred to in section  
14 274A(b)(1)(B)(ii) (as redesignated by sec-  
15 tion 412(a) of this division) must be des-  
16 ignated by the Attorney General as suit-  
17 able for the purpose of identification in a  
18 pilot program.

19 (ii) A document referred to in section  
20 274A(b)(1)(D) must contain a photograph  
21 of the individual.

22 (iii) The person or other entity has  
23 complied with the requirements of section  
24 274A(b)(1) with respect to examination of  
25 a document if the document reasonably ap-

1            appears on its face to be genuine and it rea-  
2            sonably appears to pertain to the individ-  
3            ual whose identity and work eligibility is  
4            being confirmed.

5            (B) LIMITATION OF REQUIREMENT TO EX-  
6            AMINE DOCUMENTATION.—If the Attorney Gen-  
7            eral finds that a pilot program would reliably  
8            determine with respect to an individual wheth-  
9            er—

10            (i) the person with the identity  
11            claimed by the individual is authorized to  
12            work in the United States, and

13            (ii) the individual is claiming the iden-  
14            tity of another person,

15            if a person or entity could fulfill the require-  
16            ment to examine documentation contained in  
17            subparagraph (A) of section 274A(b)(1) by ex-  
18            amining a document specified in either subpara-  
19            graph (B) or (D) of such section, the Attorney  
20            General may provide that, for purposes of such  
21            requirement, only such a document need be ex-  
22            amined. In such case, any reference in section  
23            274A(b)(1)(A) to a verification that an individ-  
24            ual is not an unauthorized alien shall be



1 deemed to be a verification of the individual's  
2 identity.

3 (3) SEEKING CONFIRMATION.—

4 (A) IN GENERAL.—The person or other en-  
5 tity shall make an inquiry, as provided in sec-  
6 tion 404(a)(1) of this division, using the con-  
7 firmation system to seek confirmation of the  
8 identity and employment eligibility of an indi-  
9 vidual, by not later than the end of 3 working  
10 days (as specified by the Attorney General)  
11 after the date of the hiring (or recruitment or  
12 referral, as the case may be).

13 (B) EXTENSION OF TIME PERIOD.—If the  
14 person or other entity in good faith attempts to  
15 make an inquiry during such 3 working days  
16 and the confirmation system has registered that  
17 not all inquiries were received during such time,  
18 the person or entity can make an inquiry in the  
19 first subsequent working day in which the con-  
20 firmation system registers that it has received  
21 all inquiries. If the confirmation system cannot  
22 receive inquiries at all times during a day, the  
23 person or entity merely has to assert that the  
24 entity attempted to make the inquiry on that  
25 day for the previous sentence to apply to such

1 an inquiry, and does not have to provide any  
2 additional proof concerning such inquiry.

3 (4) CONFIRMATION OR NONCONFIRMATION.—

4 (A) CONFIRMATION UPON INITIAL IN-  
5 QUIRY.—If the person or other entity receives  
6 an appropriate confirmation of an individual's  
7 identity and work eligibility under the confirma-  
8 tion system within the time period specified  
9 under section 404(b) of this division, the person  
10 or entity shall record on the I-9 or similar form  
11 an appropriate code that is provided under the  
12 system and that indicates a final confirmation  
13 of such identity and work eligibility of the indi-  
14 vidual.

15 (B) NONCONFIRMATION UPON INITIAL IN-  
16 QUIRY AND SECONDARY VERIFICATION.—

17 (i) NONCONFIRMATION.—If the per-  
18 son or other entity receives a tentative  
19 nonconfirmation of an individual's identity  
20 or work eligibility under the confirmation  
21 system within the time period specified  
22 under 404(b) of this division, the person or  
23 entity shall so inform the individual for  
24 whom the confirmation is sought.

1           (ii) NO CONTEST.—If the individual  
2           does not contest the nonconfirmation with-  
3           in the time period specified in section  
4           404(c) of this division, the nonconfirmation  
5           shall be considered final. The person or en-  
6           tity shall then record on the I-9 or similar  
7           form an appropriate code which has been  
8           provided under the system to indicate a  
9           tentative nonconfirmation.

10          (iii) CONTEST.—If the individual does  
11          contest the nonconfirmation, the individual  
12          shall utilize the process for secondary ver-  
13          ification provided under section 404(c) of  
14          this division. The nonconfirmation will re-  
15          main tentative until a final confirmation or  
16          nonconfirmation is provided by the con-  
17          firmation system within the time period  
18          specified in such section. In no case shall  
19          an employer terminate employment of an  
20          individual because of a failure of the indi-  
21          vidual to have identity and work eligibility  
22          confirmed under this section until a non-  
23          confirmation becomes final. Nothing in this  
24          clause shall apply to a termination of em-

1           employment for any reason other than be-  
2           cause of such a failure.

3                   (iv) RECORDING OF CONCLUSION ON  
4           FORM.—If a final confirmation or noncon-  
5           firmation is provided by the confirmation  
6           system under section 404(c) of this divi-  
7           sion regarding an individual, the person or  
8           entity shall record on the I–9 or similar  
9           form an appropriate code that is provided  
10          under the system and that indicates a con-  
11          firmation or nonconfirmation of identity  
12          and work eligibility of the individual.

13                   (C) CONSEQUENCES OF NONCONFIRMA-  
14          TION.—

15                   (i) TERMINATION OR NOTIFICATION  
16          OF CONTINUED EMPLOYMENT.—If the per-  
17          son or other entity has received a final  
18          nonconfirmation regarding an individual  
19          under subparagraph (B), the person or en-  
20          tity may terminate employment (or recruit-  
21          ment or referral) of the individual. If the  
22          person or entity does not terminate em-  
23          ployment (or recruitment or referral) of  
24          the individual, the person or entity shall  
25          notify the Attorney General of such fact

1 through the confirmation system or in such  
2 other manner as the Attorney General may  
3 specify.

4 (ii) FAILURE TO NOTIFY.—If the per-  
5 son or entity fails to provide notice with  
6 respect to an individual as required under  
7 clause (i), the failure is deemed to con-  
8 stitute a violation of section 274A(a)(1)(B)  
9 with respect to that individual and the ap-  
10 plicable civil monetary penalty under sec-  
11 tion 274A(e)(5) shall be (notwithstanding  
12 the amounts specified in such section) no  
13 less than \$500 and no more than \$1,000  
14 for each individual with respect to whom  
15 such violation occurred.

16 (iii) CONTINUED EMPLOYMENT AFTER  
17 FINAL NONCONFIRMATION.—If the person  
18 or other entity continues to employ (or to  
19 recruit or refer) an individual after receiv-  
20 ing final nonconfirmation, a rebuttable  
21 presumption is created that the person or  
22 entity has violated section 274A(a)(1)(A).  
23 The previous sentence shall not apply in  
24 any prosecution under section 274A(f)(1).

25 (b) CITIZEN ATTESTATION PILOT PROGRAM.—

1           (1) IN GENERAL.—Except as provided in para-  
2           graphs (3) through (5), the procedures applicable  
3           under the citizen attestation pilot program under  
4           this subsection shall be the same procedures as those  
5           under the basic pilot program under subsection (a).

6           (2) RESTRICTIONS.—

7                   (A) STATE DOCUMENT REQUIREMENT TO  
8                   PARTICIPATE IN PILOT PROGRAM.—The Attor-  
9                   ney General may not provide for the operation  
10                  of the citizen attestation pilot program in a  
11                  State unless each driver’s license or similar  
12                  identification document described in section  
13                  274A(b)(1)(D)(i) issued by the State—

14                       (i) contains a photograph of the indi-  
15                       vidual involved, and

16                       (ii) has been determined by the Attor-  
17                       ney General to have security features, and  
18                       to have been issued through application  
19                       and issuance procedures, which make such  
20                       document sufficiently resistant to counter-  
21                       feiting, tampering, and fraudulent use that  
22                       it is a reliable means of identification for  
23                       purposes of this section.

24                   (B) AUTHORIZATION TO LIMIT EMPLOYER  
25                   PARTICIPATION.—The Attorney General may

1 restrict the number of persons or other entities  
2 that may elect to participate in the citizen at-  
3 testation pilot program under this subsection as  
4 the Attorney General determines to be nec-  
5 essary to produce a representative sample of  
6 employers and to reduce the potential impact of  
7 fraud.

8 (3) NO CONFIRMATION REQUIRED FOR CERTAIN  
9 INDIVIDUALS ATTESTING TO U.S. CITIZENSHIP.—In  
10 the case of a person or other entity hiring (or re-  
11 cruiting or referring) an individual under the citizen  
12 attestation pilot program, if the individual attests to  
13 United States citizenship (under penalty of perjury  
14 on an I-9 or similar form which form states on its  
15 face the criminal and other penalties provided under  
16 law for a false representation of United States citi-  
17 zenship)—

18 (A) the person or entity may fulfill the re-  
19 quirement to examine documentation contained  
20 in subparagraph (A) of section 274A(b)(1) by  
21 examining a document specified in either sub-  
22 paragraph (B)(i) or (D) of such section; and

23 (B) the person or other entity is not re-  
24 quired to comply with respect to such individual  
25 with the procedures described in paragraphs (3)

1 and (4) of subsection (a), but only if the person  
2 or entity retains the form and makes it avail-  
3 able for inspection in the same manner as in  
4 the case of an I-9 form under section  
5 274A(b)(3).

6 (4) WAIVER OF DOCUMENT PRESENTATION RE-  
7 QUIREMENT IN CERTAIN CASES.—

8 (A) IN GENERAL.—In the case of a person  
9 or entity that elects, in a manner specified by  
10 the Attorney General consistent with subpara-  
11 graph (B), to participate in the pilot program  
12 under this paragraph, if an individual being  
13 hired (or recruited or referred) attests (in the  
14 manner described in paragraph (3)) to United  
15 States citizenship and the person or entity re-  
16 tains the form on which the attestation is made  
17 and makes it available for inspection in the  
18 same manner as in the case of an I-9 form  
19 under section 274A(b)(3), the person or entity  
20 is not required to comply with the procedures  
21 described in section 274A(b).

22 (B) RESTRICTION.—The Attorney General  
23 shall restrict the election under this paragraph  
24 to no more than 1,000 employers and, to the  
25 extent practicable, shall select among employers



1 seeking to make such election in a manner that  
2 provides for such an election by a representative  
3 sample of employers.

4 (5) NONREVIEWABLE DETERMINATIONS.—The  
5 determinations of the Attorney General under para-  
6 graphs (2) and (4) are within the discretion of the  
7 Attorney General and are not subject to judicial or  
8 administrative review.

9 (c) MACHINE-READABLE-DOCUMENT PILOT PRO-  
10 GRAM.—

11 (1) IN GENERAL.—Except as provided in para-  
12 graph (3), the procedures applicable under the ma-  
13 chine-readable-document pilot program under this  
14 subsection shall be the same procedures as those  
15 under the basic pilot program under subsection (a).

16 (2) STATE DOCUMENT REQUIREMENT TO PAR-  
17 TICIPATE IN PILOT PROGRAM.—The Attorney Gen-  
18 eral may not provide for the operation of the ma-  
19 chine-readable-document pilot program in a State  
20 unless driver's licenses and similar identification  
21 documents described in section 274A(b)(1)(D)(i) is-  
22 sued by the State include a machine-readable social  
23 security account number.

24 (3) USE OF MACHINE-READABLE DOCU-  
25 MENTS.—If the individual whose identity and em-

(d) PROTECTION FROM LIABILITY FOR ACTIONS  
TAKEN ON THE BASIS OF INFORMATION PROVIDED BY  
THE CONFIRMATION SYSTEM.—No person or entity par-  
ticipating in a pilot program shall be civilly or criminally  
liable under any law for any action taken in good faith  
reliance on information provided through the confirmation  
system.

(a) IN GENERAL.—The Attorney General shall establish a pilot program confirmation system through which the Attorney General (or a designee of the Attorney General, which may be a nongovernmental entity)—

1           (1) responds to inquiries made by electing per-  
2       sons and other entities (including those made by the  
3       transmittal of data from machine-readable docu-  
4       ments under the machine-readable pilot program) at  
5       any time through a toll-free telephone line or other  
6       toll-free electronic media concerning an individual's  
7       identity and whether the individual is authorized to  
8       be employed, and

9           (2) maintains records of the inquiries that were  
10      made, of confirmations provided (or not provided),  
11      and of the codes provided to inquirers as evidence of  
12      their compliance with their obligations under the  
13      pilot programs.

14   To the extent practicable, the Attorney General shall seek  
15   to establish such a system using one or more nongovern-  
16   mental entities.

17       (b) INITIAL RESPONSE.—The confirmation system  
18   shall provide confirmation or a tentative nonconfirmation  
19   of an individual's identity and employment eligibility with-  
20   in 3 working days of the initial inquiry. If providing con-  
21   firmation or tentative nonconfirmation, the confirmation  
22   system shall provide an appropriate code indicating such  
23   confirmation or such nonconfirmation.

24       (c) SECONDARY VERIFICATION PROCESS IN CASE OF  
25   TENTATIVE NONCONFIRMATION.—In cases of tentative

1 nonconfirmation, the Attorney General shall specify, in  
2 consultation with the Commissioner of Social Security and  
3 the Commissioner of the Immigration and Naturalization  
4 Service, an available secondary verification process to con-  
5 firm the validity of information provided and to provide  
6 a final confirmation or nonconfirmation within 10 working  
7 days after the date of the tentative nonconfirmation. When  
8 final confirmation or nonconfirmation is provided, the con-  
9 firmation system shall provide an appropriate code indi-  
10 cating such confirmation or nonconfirmation.

11 (d) DESIGN AND OPERATION OF SYSTEM.—The con-  
12 firmation system shall be designed and operated—

13 (1) to maximize its reliability and ease of use  
14 by persons and other entities making elections under  
15 section 402(a) of this division consistent with insu-  
16 lating and protecting the privacy and security of the  
17 underlying information;

18 (2) to respond to all inquiries made by such  
19 persons and entities on whether individuals are au-  
20 thorized to be employed and to register all times  
21 when such inquiries are not received;

22 (3) with appropriate administrative, technical,  
23 and physical safeguards to prevent unauthorized dis-  
24 closure of personal information; and

1           (4) to have reasonable safeguards against the  
2           system's resulting in unlawful discriminatory prac-  
3           tices based on national origin or citizenship status,  
4           including—

5                   (A) the selective or unauthorized use of the  
6           system to verify eligibility;

7                   (B) the use of the system prior to an offer  
8           of employment; or

9                   (C) the exclusion of certain individuals  
10          from consideration for employment as a result  
11          of a perceived likelihood that additional verifica-  
12          tion will be required, beyond what is required  
13          for most job applicants.

14          (e) RESPONSIBILITIES OF THE COMMISSIONER OF  
15          SOCIAL SECURITY.—As part of the confirmation system,  
16          the Commissioner of Social Security, in consultation with  
17          the entity responsible for administration of the system,  
18          shall establish a reliable, secure method, which, within the  
19          time periods specified under subsections (b) and (c), com-  
20          pares the name and social security account number pro-  
21          vided in an inquiry against such information maintained  
22          by the Commissioner in order to confirm (or not confirm)  
23          the validity of the information provided regarding an indi-  
24          vidual whose identity and employment eligibility must be  
25          confirmed, the correspondence of the name and number,

1 and whether the individual has presented a social security  
2 account number that is not valid for employment. The  
3 Commissioner shall not disclose or release social security  
4 information (other than such confirmation or noncon-  
5 firmation).

6 (f) RESPONSIBILITIES OF THE COMMISSIONER OF  
7 THE IMMIGRATION AND NATURALIZATION SERVICE.—As  
8 part of the confirmation system, the Commissioner of the  
9 Immigration and Naturalization Service, in consultation  
10 with the entity responsible for administration of the sys-  
11 tem, shall establish a reliable, secure method, which, with-  
12 in the time periods specified under subsections (b) and (c),  
13 compares the name and alien identification or authoriza-  
14 tion number described in section 403(a)(1)(B) of this divi-  
15 sion which are provided in an inquiry against such infor-  
16 mation maintained by the Commissioner in order to con-  
17 firm (or not confirm) the validity of the information pro-  
18 vided, the correspondence of the name and number, and  
19 whether the alien is authorized to be employed in the Unit-  
20 ed States.

21 (g) UPDATING INFORMATION.—The Commissioners  
22 of Social Security and the Immigration and Naturalization  
23 Service shall update their information in a manner that  
24 promotes the maximum accuracy and shall provide a proc-  
25 ess for the prompt correction of erroneous information, in-

cluding instances in which it is brought to their attention in the secondary verification process described in subsection (c).

(h) LIMITATION ON USE OF THE CONFIRMATION SYSTEM AND ANY RELATED SYSTEMS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, nothing in this subtitle shall be construed to permit or allow any department, bureau, or other agency of the United States Government to utilize any information, data base, or other records assembled under this subtitle for any other purpose other than as provided for under a pilot program.

(2) NO NATIONAL IDENTIFICATION CARD.—Nothing in this subtitle shall be construed to authorize, directly or indirectly, the issuance or use of national identification cards or the establishment of a national identification card.

**SEC. 405. REPORTS.**

The Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and of the Senate reports on the pilot programs within 3 months after the end of the third and fourth years in which the programs are in effect. Such reports shall—

1           (1) assess the degree of fraudulent attesting of  
2       United States citizenship,

3           (2) include recommendations on whether or not  
4       the pilot programs should be continued or modified,  
5       and

6           (3) assess the benefits of the pilot programs to  
7       employers and the degree to which they assist in the  
8       enforcement of section 274A.

9           **Subtitle B—Other Provisions**  
10          **Relating to Employer Sanctions**

11       **SEC. 411. LIMITING LIABILITY FOR CERTAIN TECHNICAL**  
12                       **VIOLATIONS OF PAPERWORK REQUIRE-**  
13                       **MENTS.**

14       (a) IN GENERAL.—Section 274A(b) (8 U.S.C.  
15       1324a(b)) is amended by adding at the end the following  
16       new paragraph:

17               “(6) GOOD FAITH COMPLIANCE.—

18                       “(A) IN GENERAL.—Except as provided in  
19               subparagraphs (B) and (C), a person or entity  
20               is considered to have complied with a require-  
21               ment of this subsection notwithstanding a tech-  
22               nical or procedural failure to meet such require-  
23               ment if there was a good faith attempt to com-  
24               ply with the requirement.



1           “(B) EXCEPTION IF FAILURE TO CORRECT  
2 AFTER NOTICE.—Subparagraph (A) shall not  
3 apply if—

4           “(i) the Service (or another enforce-  
5 ment agency) has explained to the person  
6 or entity the basis for the failure,

7           “(ii) the person or entity has been  
8 provided a period of not less than 10 busi-  
9 ness days (beginning after the date of the  
10 explanation) within which to correct the  
11 failure, and

12           “(iii) the person or entity has not cor-  
13 rected the failure voluntarily within such  
14 period.

15           “(C) EXCEPTION FOR PATTERN OR PRAC-  
16 TICE VIOLATORS.—Subparagraph (A) shall not  
17 apply to a person or entity that has or is engag-  
18 ing in a pattern or practice of violations of sub-  
19 section (a)(1)(A) or (a)(2).”.

20       (b) EFFECTIVE DATE.—The amendment made by  
21 subsection (a) shall apply to failures occurring on or after  
22 the date of the enactment of this Act.

1 **SEC. 412. PAPERWORK AND OTHER CHANGES IN THE EM-**  
2 **PLOYER SANCTIONS PROGRAM.**

3 (a) REDUCING THE NUMBER OF DOCUMENTS AC-  
4 CEPTED FOR EMPLOYMENT VERIFICATION.—Section  
5 274A(b)(1) (8 U.S.C. 1324a(b)(1)) is amended—

6 (1) in subparagraph (B)—

7 (A) by striking clauses (ii) through (iv),

8 (B) in clause (v), by striking “or other  
9 alien registration card, if the card” and insert-  
10 ing “, alien registration card, or other docu-  
11 ment designated by the Attorney General, if the  
12 document” and redesignating such clause as  
13 clause (ii), and

14 (C) in clause (ii), as so redesignated—

15 (i) in subclause (I), by striking “or”  
16 before “such other personal identifying in-  
17 formation” and inserting “and”,

18 (ii) by striking “and” at the end of  
19 subclause (I),

20 (iii) by striking the period at the end  
21 of subclause (II) and inserting “, and”,  
22 and

23 (iv) by adding at the end the following  
24 new subclause:

1 “(III) contains security features  
2 to make it resistant to tampering,  
3 counterfeiting, and fraudulent use.”;

4 (2) in subparagraph (C)—

5 (A) by adding “or” at the end of clause (i),

6 (B) by striking clause (ii), and

7 (C) by redesignating clause (iii) as clause  
8 (ii); and

9 (3) by adding at the end the following new sub-  
10 paragraph:

11 “(E) AUTHORITY TO PROHIBIT USE OF  
12 CERTAIN DOCUMENTS.—If the Attorney Gen-  
13 eral finds, by regulation, that any document de-  
14 scribed in subparagraph (B), (C), or (D) as es-  
15 tablishing employment authorization or identity  
16 does not reliably establish such authorization or  
17 identity or is being used fraudulently to an un-  
18 acceptable degree, the Attorney General may  
19 prohibit or place conditions on its use for pur-  
20 poses of this subsection.”.

21 (b) REDUCTION OF PAPERWORK FOR CERTAIN EM-  
22 PLOYEES.—Section 274A(a) (8 U.S.C. 1324a(a)) is  
23 amended by adding at the end the following new para-  
24 graph:

1           “(6) TREATMENT OF DOCUMENTATION FOR  
2 CERTAIN EMPLOYEES.—

3           “(A) IN GENERAL.—For purposes of this  
4 section, if—

5           “(i) an individual is a member of a  
6 collective-bargaining unit and is employed,  
7 under a collective bargaining agreement  
8 entered into between one or more employee  
9 organizations and an association of two or  
10 more employers, by an employer that is a  
11 member of such association, and

12           “(ii) within the period specified in  
13 subparagraph (B), another employer that  
14 is a member of the association (or an  
15 agent of such association on behalf of the  
16 employer) has complied with the require-  
17 ments of subsection (b) with respect to the  
18 employment of the individual,

19 the subsequent employer shall be deemed to  
20 have complied with the requirements of sub-  
21 section (b) with respect to the hiring of the em-  
22 ployee and shall not be liable for civil penalties  
23 described in subsection (e)(5).

24           “(B) PERIOD.—The period described in  
25 this subparagraph is 3 years, or, if less, the pe-

1           riod of time that the individual is authorized to  
2           be employed in the United States.

3           “(C) LIABILITY.—

4                   “(i) IN GENERAL.—If any employer  
5           that is a member of an association hires  
6           for employment in the United States an in-  
7           dividual and relies upon the provisions of  
8           subparagraph (A) to comply with the re-  
9           quirements of subsection (b) and the indi-  
10          vidual is an alien not authorized to work in  
11          the United States, then for the purposes of  
12          paragraph (1)(A), subject to clause (ii),  
13          the employer shall be presumed to have  
14          known at the time of hiring or afterward  
15          that the individual was an alien not au-  
16          thorized to work in the United States.

17                   “(ii) REBUTTAL OF PRESUMPTION.—

18          The presumption established by clause (i)  
19          may be rebutted by the employer only  
20          through the presentation of clear and con-  
21          vincing evidence that the employer did not  
22          know (and could not reasonably have  
23          known) that the individual at the time of  
24          hiring or afterward was an alien not au-  
25          thorized to work in the United States.

1                   “(iii) EXCEPTION.—Clause (i) shall  
2                   not apply in any prosecution under sub-  
3                   section (f)(1).”.

4           (c) ELIMINATION OF DATED PROVISIONS.—Section  
5 274A (8 U.S.C. 1324a) is amended by striking subsections  
6 (i) through (n).

7           (d) CLARIFICATION OF APPLICATION TO FEDERAL  
8 GOVERNMENT.—Section 274A(a) (8 U.S.C. 1324a(a)), as  
9 amended by subsection (b), is amended by adding at the  
10 end the following new paragraph:

11                   “(7) APPLICATION TO FEDERAL GOVERN-  
12                   MENT.—For purposes of this section, the term ‘en-  
13                   tity’ includes an entity in any branch of the Federal  
14                   Government.”.

15           (e) EFFECTIVE DATES.—

16                   (1) The amendments made by subsection (a)  
17                   shall apply with respect to hiring (or recruitment or  
18                   referral) occurring on or after such date (not later  
19                   than 12 months after the date of the enactment of  
20                   this Act) as the Attorney General shall designate.

21                   (2) The amendment made by subsection (b)  
22                   shall apply to individuals hired on or after 60 days  
23                   after the date of the enactment of this Act.

1           (3) The amendment made by subsection (c)  
2       shall take effect on the date of the enactment of this  
3       Act.

4           (4) The amendment made by subsection (d) ap-  
5       plies to hiring occurring before, on, or after the date  
6       of the enactment of this Act, but no penalty shall be  
7       imposed under subsection (e) or (f) of section 274A  
8       of the Immigration and Nationality Act for such hir-  
9       ing occurring before such date.

10 **SEC. 413. REPORT ON ADDITIONAL AUTHORITY OR RE-**  
11 **SOURCES NEEDED FOR ENFORCEMENT OF**  
12 **EMPLOYER SANCTIONS PROVISIONS.**

13       (a) IN GENERAL.—Not later than 1 year after the  
14 date of the enactment of this Act, the Attorney General  
15 shall submit to the Committees on the Judiciary of the  
16 House of Representatives and of the Senate a report on  
17 any additional authority or resources needed—

18           (1) by the Immigration and Naturalization  
19 Service in order to enforce section 274A of the Im-  
20 migration and Nationality Act, or

21           (2) by Federal agencies in order to carry out  
22 the Executive Order of February 13, 1996 (entitled  
23 “Economy and Efficiency in Government Procure-  
24 ment Through Compliance with Certain Immigration  
25 and Naturalization Act Provisions”) and to expand

1 the restrictions in such order to cover agricultural  
2 subsidies, grants, job training programs, and other  
3 Federally subsidized assistance programs.

4 (b) REFERENCE TO INCREASED AUTHORIZATION OF  
5 APPROPRIATIONS.—For provision increasing the author-  
6 ization of appropriations for investigators for violations of  
7 sections 274 and 274A of the Immigration and National-  
8 ity Act, see section 131 of this division.

9 **SEC. 414. REPORTS ON EARNINGS OF ALIENS NOT AUTHOR-**  
10 **IZED TO WORK.**

11 (a) IN GENERAL.—Subsection (c) of section 290 (8  
12 U.S.C. 1360) is amended to read as follows:

13 “(c)(1) Not later than 3 months after the end of each  
14 fiscal year (beginning with fiscal year 1996), the Commis-  
15 sioner of Social Security shall report to the Committees  
16 on the Judiciary of the House of Representatives and the  
17 Senate on the aggregate quantity of social security ac-  
18 count numbers issued to aliens not authorized to be em-  
19 ployed, with respect to which, in such fiscal year, earnings  
20 were reported to the Social Security Administration.

21 “(2) If earnings are reported on or after January 1,  
22 1997, to the Social Security Administration on a social  
23 security account number issued to an alien not authorized  
24 to work in the United States, the Commissioner of Social  
25 Security shall provide the Attorney General with informa-



1 tion regarding the name and address of the alien, the  
2 name and address of the person reporting the earnings,  
3 and the amount of the earnings. The information shall be  
4 provided in an electronic form agreed upon by the Com-  
5 missioner and the Attorney General.”.

6 (b) REPORT ON FRAUDULENT USE OF SOCIAL SECU-  
7 RITY ACCOUNT NUMBERS.—The Commissioner of Social  
8 Security shall transmit to the Attorney General, by not  
9 later than 1 year after the date of the enactment of this  
10 Act, a report on the extent to which social security account  
11 numbers and cards are used by aliens for fraudulent pur-  
12 poses.

13 **SEC. 415. AUTHORIZING MAINTENANCE OF CERTAIN IN-**  
14 **FORMATION ON ALIENS.**

15 Section 264 (8 U.S.C. 1304) is amended by adding  
16 at the end the following new subsection:

17 “(f) Notwithstanding any other provision of law, the  
18 Attorney General is authorized to require any alien to pro-  
19 vide the alien’s social security account number for pur-  
20 poses of inclusion in any record of the alien maintained  
21 by the Attorney General or the Service.”.

22 **SEC. 416. SUBPOENA AUTHORITY.**

23 Section 274A(e)(2) (8 U.S.C. 1324a(e)(2)) is amend-  
24 ed—

1 (1) by striking “and” at the end of subpara-  
 2 graph (A);

3 (2) by striking the period at the end of sub-  
 4 paragraph (B) and inserting “, and”; and

5 (3) by inserting after subparagraph (B) the fol-  
 6 lowing:

7 “(C) immigration officers designated by  
 8 the Commissioner may compel by subpoena the  
 9 attendance of witnesses and the production of  
 10 evidence at any designated place prior to the fil-  
 11 ing of a complaint in a case under paragraph  
 12 (2).”.

## 13 **Subtitle C—Unfair Immigration-** 14 **Related Employment Practices**

### 15 **SEC. 421. TREATMENT OF CERTAIN DOCUMENTARY PRAC-** 16 **TICES AS UNFAIR IMMIGRATION-RELATED** 17 **EMPLOYMENT PRACTICES.**

18 (a) IN GENERAL.—Section 274B(a)(6) (8 U.S.C.  
 19 1324b(a)(6)) is amended—

20 (1) by striking “For purposes of paragraph (1),  
 21 a” and inserting “A”; and

22 (2) by striking “relating to the hiring of indi-  
 23 viduals” and inserting the following: “if made for  
 24 the purpose or with the intent of discriminating  
 25 against an individual in violation of paragraph (1)”.

1 (b) EFFECTIVE DATE.—The amendments made by  
 2 subsection (a) shall apply to requests made on or after  
 3 the date of the enactment of this Act.

4 **TITLE V—RESTRICTIONS ON**  
 5 **BENEFITS FOR ALIENS**

6 **Subtitle A—Eligibility of Aliens for**  
 7 **Public Assistance and Benefits**

8 **SEC. 501. EXCEPTION TO INELIGIBILITY FOR PUBLIC BENE-**  
 9 **FITS FOR CERTAIN BATTERED ALIENS.**

10 Section 431 of the Personal Responsibility and Work  
 11 Opportunity Reconciliation Act of 1996 (8 U.S.C. 1641)  
 12 is amended by adding at the end the following new sub-  
 13 section:

14 “(c) TREATMENT OF CERTAIN BATTERED ALIENS AS  
 15 QUALIFIED ALIENS.—For purposes of this title, the term  
 16 ‘qualified alien’ includes—

17 “(1) an alien who—

18 “(A) has been battered or subjected to ex-  
 19 treme cruelty in the United States by a spouse  
 20 or a parent, or by a member of the spouse or  
 21 parent’s family residing in the same household  
 22 as the alien and the spouse or parent consented  
 23 to, or acquiesced in, such battery or cruelty, but  
 24 only if (in the opinion of the Attorney General,  
 25 which opinion is not subject to review by any

1 court) there is a substantial connection between  
2 such battery or cruelty and the need for the  
3 benefits to be provided; and

4 “(B) has been approved or has a petition  
5 pending which sets forth a prima facie case  
6 for—

7 “(i) status as a spouse or a child of  
8 a United States citizen pursuant to clause  
9 (ii), (iii), or (iv) of section 204(a)(1)(A) of  
10 the Immigration and Nationality Act,

11 “(ii) classification pursuant to clause  
12 (ii) or (iii) of section 204(a)(1)(B) of the  
13 Act,

14 “(iii) suspension of deportation and  
15 adjustment of status pursuant to section  
16 244(a)(3) of such Act, or

17 “(iv) status as a spouse or child of a  
18 United States citizen pursuant to clause (i)  
19 of section 204(a)(1)(A) of such Act, or  
20 classification pursuant to clause (i) of sec-  
21 tion 204(a)(1)(B) of such Act; or

22 “(2) an alien—

23 “(A) whose child has been battered or sub-  
24 jected to extreme cruelty in the United States  
25 by a spouse or a parent of the alien (without

1 the active participation of the alien in the bat-  
2 tery or cruelty), or by a member of the spouse  
3 or parent's family residing in the same house-  
4 hold as the alien and the spouse or parent con-  
5 sented or acquiesced to such battery or cruelty,  
6 and the alien did not actively participate in  
7 such battery or cruelty, but only if (in the opin-  
8 ion of the Attorney General, which opinion is  
9 not subject to review by any court) there is a  
10 substantial connection between such battery or  
11 cruelty and the need for the benefits to be pro-  
12 vided; and

13 “(B) who meets the requirement of clause  
14 (ii) of subparagraph (A).

15 This subsection shall not apply to an alien during any pe-  
16 riod in which the individual responsible for such battery  
17 or cruelty resides in the same household or family eligi-  
18 bility unit as the individual subjected to such battery or  
19 cruelty.”.

20 **SEC. 502. PILOT PROGRAMS ON LIMITING ISSUANCE OF**  
21 **DRIVER'S LICENSES TO ILLEGAL ALIENS.**

22 (a) IN GENERAL.—Pursuant to guidelines prescribed  
23 by the Attorney General not later than 6 months after  
24 the date of the enactment of this Act, all States may con-  
25 duct pilot programs within their State to determine the

1 viability, advisability, and cost-effectiveness of the State's  
2 denying driver's licenses to aliens who are not lawfully  
3 present in the United States. Under a pilot program a  
4 State may deny a driver's license to aliens who are not  
5 lawfully present in the United States. Such program shall  
6 be conducted in cooperation with relevant State and local  
7 authorities.

8 (b) REPORT.—Not later than 3 years after the date  
9 of the enactment of this Act, the Attorney General shall  
10 submit a report to the Judiciary Committees of the House  
11 of Representatives and of the Senate on the results of the  
12 pilot programs conducted under subsection (a).

13 **SEC. 503. INELIGIBILITY OF ALIENS NOT LAWFULLY**  
14 **PRESENT FOR SOCIAL SECURITY BENEFITS.**

15 (a) IN GENERAL.—Section 202 of the Social Security  
16 Act (42 U.S.C. 402) is amended by adding at the end the  
17 following new subsection:

18 “Limitation on Payments to Aliens

19 “(y) Notwithstanding any other provision of law, no  
20 monthly benefit under this title shall be payable to any  
21 alien in the United States for any month during which  
22 such alien is not lawfully present in the United States as  
23 determined by the Attorney General.”.

24 (b) EFFECTIVE DATE.—The amendment made by  
25 subsection (a) shall apply with respect to benefits for

1 which applications are filed on or after the first day of  
2 the first month that begins at least 60 days after the date  
3 of the enactment of this Act.

4 **SEC. 504. PROCEDURES FOR REQUIRING PROOF OF CITI-**  
5 **ZENSHIP FOR FEDERAL PUBLIC BENEFITS.**

6 Section 432(a) of the Personal Responsibility and  
7 Work Opportunity Reconciliation Act of 1996 (8 U.S.C.  
8 1642) is amended—

9 (1) by inserting “(1)” after the dash, and

10 (2) by adding at the end the following:

11 “(2) Not later than 18 months after the date of the  
12 enactment of this Act, the Attorney General, in consulta-  
13 tion with the Secretary of Health and Human Services,  
14 shall also establish procedures for a person applying for  
15 a Federal public benefit (as defined in section 401(c)) to  
16 provide proof of citizenship in a fair and nondiscrim-  
17 inatory manner.”.

18 **SEC. 505. LIMITATION ON ELIGIBILITY FOR PREFERENTIAL**  
19 **TREATMENT OF ALIENS NOT LAWFULLY**  
20 **PRESENT ON BASIS OF RESIDENCE FOR**  
21 **HIGHER EDUCATION BENEFITS.**

22 (a) IN GENERAL.—Notwithstanding any other provi-  
23 sion of law, an alien who is not lawfully present in the  
24 United States shall not be eligible on the basis of residence  
25 within a State (or a political subdivision) for any post-

1 secondary education benefit unless a citizen or national  
2 of the United States is eligible for such a benefit (in no  
3 less an amount, duration, and scope) without regard to  
4 whether the citizen or national is such a resident.

5 (b) EFFECTIVE DATE.—This section shall apply to  
6 benefits provided on or after July 1, 1998.

7 **SEC. 506. STUDY AND REPORT ON ALIEN STUDENT ELIGI-**  
8 **BILITY FOR POSTSECONDARY FEDERAL STU-**  
9 **DENT FINANCIAL ASSISTANCE.**

10 (a) GAO STUDY AND REPORT.—

11 (1) STUDY.—The Comptroller General shall  
12 conduct a study to determine the extent to which  
13 aliens who are not lawfully admitted for permanent  
14 residence are receiving postsecondary Federal stu-  
15 dent financial assistance.

16 (2) REPORT.—Not later than 1 year after the  
17 date of the enactment of this Act, the Comptroller  
18 General shall submit a report to the appropriate  
19 committees of the Congress on the study conducted  
20 under paragraph (1).

21 (b) REPORT ON COMPUTER MATCHING PROGRAM.—

22 (1) IN GENERAL.—Not later than one year  
23 after the date of the enactment of this Act, the Sec-  
24 retary of Education and the Commissioner of Social  
25 Security shall jointly submit to the appropriate com-



1        mittees of the Congress a report on the computer  
2        matching program of the Department of Education  
3        under section 484(p) of the Higher Education Act of  
4        1965.

5            (2) REPORT ELEMENTS.—The report under  
6        paragraph (1) shall include the following:

7            (A) An assessment by the Secretary and  
8        the Commissioner of the effectiveness of the  
9        computer matching program, and a justification  
10       for such assessment.

11          (B) The ratio of successful matches under  
12       the program to inaccurate matches.

13          (C) Such other information as the Sec-  
14       retary and the Commissioner jointly consider  
15       appropriate.

16        (c) APPROPRIATE COMMITTEES OF THE CON-  
17       GRESS.—For purposes of this section the term “appro-  
18       priate committees of the Congress” means the Committee  
19       on Economic and Educational Opportunities and the Com-  
20       mittee on the Judiciary of the House of Representatives  
21       and the Committee on Labor and Human Resources and  
22       the Committee on the Judiciary of the Senate.

1 **SEC. 507. VERIFICATION OF IMMIGRATION STATUS FOR**  
2 **PURPOSES OF SOCIAL SECURITY AND HIGH-**  
3 **ER EDUCATIONAL ASSISTANCE.**

4 (a) SOCIAL SECURITY ACT STATE INCOME AND ELI-  
5 GIBILITY VERIFICATION SYSTEMS.—Section  
6 1137(d)(4)(B)(i) of the Social Security Act (42 U.S.C.  
7 1320b–7(d)(4)(B)(i)) is amended to read as follows:

8 “(i) the State shall transmit to the  
9 Immigration and Naturalization Service ei-  
10 ther photostatic or other similar copies of  
11 such documents, or information from such  
12 documents, as specified by the Immigra-  
13 tion and Naturalization Service, for official  
14 verification,”.

15 (b) ELIGIBILITY FOR ASSISTANCE UNDER HIGHER  
16 EDUCATION ACT OF 1965.—Section 484(g)(4)(B)(i) of  
17 the Higher Education Act of 1965 (20 U.S.C.  
18 1091(g)(4)(B)(i)) is amended to read as follows:

19 “(i) the institution shall transmit to  
20 the Immigration and Naturalization Serv-  
21 ice either photostatic or other similar cop-  
22 ies of such documents, or information from  
23 such documents, as specified by the Immi-  
24 gration and Naturalization Service, for of-  
25 ficial verification,”.

1 **SEC. 508. NO VERIFICATION REQUIREMENT FOR NON-**  
2 **PROFIT CHARITABLE ORGANIZATIONS.**

3 Section 432 of the Personal Responsibility and Work  
4 Opportunity Reconciliation Act of 1996 (8 U.S.C. 1642)  
5 is amended by adding at the end the following new sub-  
6 section:

7 “(d) NO VERIFICATION REQUIREMENT FOR NON-  
8 PROFIT CHARITABLE ORGANIZATIONS.—Subject to sub-  
9 section (a), a nonprofit charitable organization, in provid-  
10 ing any Federal public benefit (as defined in section  
11 401(c)) or any State or local public benefit (as defined  
12 in section 411(c)), is not required under this title to deter-  
13 mine, verify, or otherwise require proof of eligibility of any  
14 applicant for such benefits.”.

15 **SEC. 509. GAO STUDY OF PROVISION OF MEANS-TESTED**  
16 **PUBLIC BENEFITS TO ALIENS WHO ARE NOT**  
17 **QUALIFIED ALIENS ON BEHALF OF ELIGIBLE**  
18 **INDIVIDUALS.**

19 Not later than 180 days after the date of the enact-  
20 ment of this Act, the Comptroller General shall submit  
21 to the Committees on the Judiciary of the House of Rep-  
22 resentatives and of the Senate and to the Inspector Gen-  
23 eral of the Department of Justice a report on the extent  
24 to which means-tested public benefits are being paid or  
25 provided to aliens who are not qualified aliens (as defined  
26 in section 431(b) of the Personal Responsibility and Work

1 Opportunity Reconciliation Act of 1996) in order to pro-  
2 vide such benefits to individuals who are United States  
3 citizens or qualified aliens (as so defined). Such report  
4 shall address the locations in which such benefits are pro-  
5 vided and the incidence of fraud or misrepresentation in  
6 connection with the provision of such benefits.

7 **SEC. 510. TRANSITION FOR ALIENS CURRENTLY RECEIVING**  
8 **BENEFITS UNDER THE FOOD STAMP PRO-**  
9 **GRAM.**

10 Effective as if included in the enactment of the Per-  
11 sonal Responsibility and Work Opportunity Reconciliation  
12 Act of 1996, subclause (I) of section 402(a)(2)(D)(ii) (8  
13 U.S.C. 1612(a)(2)(D)(ii)) is amended to read as follows:

14 “(I) IN GENERAL.—With respect  
15 to the specified Federal program de-  
16 scribed in paragraph (3)(B), ineligibil-  
17 ity under paragraph (1) shall not  
18 apply until April 1, 1997, to an alien  
19 who received benefits under such pro-  
20 gram on the date of enactment of this  
21 Act, unless such alien is determined to  
22 be ineligible to receive such benefits  
23 under the Food Stamp Act of 1977.  
24 The State agency shall recertify the  
25 eligibility of all such aliens during the

period beginning April 1, 1997, and  
ending August 22, 1997.”.

## **Subtitle B—Public Charge Exclusion**

### **SEC. 531. GROUND FOR EXCLUSION.**

(a) IN GENERAL.—Paragraph (4) of section 212(a)  
(8 U.S.C. 1182(a)) is amended to read as follows:

“(4) PUBLIC CHARGE.—

“(A) IN GENERAL.—Any alien who, in the  
opinion of the consular officer at the time of  
application for a visa, or in the opinion of the  
Attorney General at the time of application for  
admission or adjustment of status, is likely at  
any time to become a public charge is exclud-  
able.

“(B) FACTORS TO BE TAKEN INTO AC-  
COUNT.—(i) In determining whether an alien is  
excludable under this paragraph, the consular  
officer or the Attorney General shall at a mini-  
mum consider the alien’s—

“(I) age;

“(II) health;

“(III) family status;

“(IV) assets, resources, and financial  
status; and

1 “(V) education and skills.

2 “(ii) In addition to the factors under  
3 clause (i), the consular officer or the Attorney  
4 General may also consider any affidavit of sup-  
5 port under section 213A for purposes of exclu-  
6 sion under this paragraph.

7 “(C) FAMILY-SPONSORED IMMIGRANTS.—  
8 Any alien who seeks admission or adjustment of  
9 status under a visa number issued under sec-  
10 tion 201(b)(2) or 203(a) is excludable under  
11 this paragraph unless—

12 “(i) the alien has obtained—

13 “(I) status as a spouse or a child  
14 of a United States citizen pursuant to  
15 clause (ii), (iii), or (iv) of section  
16 204(a)(1)(A), or

17 “(II) classification pursuant to  
18 clause (ii) or (iii) of section  
19 204(a)(1)(B); or

20 “(ii) the person petitioning for the  
21 alien’s admission (including any additional  
22 sponsor required under section 213A(f))  
23 has executed an affidavit of support de-  
24 scribed in section 213A with respect to  
25 such alien.

1           “(D) CERTAIN EMPLOYMENT-BASED IMMI-  
2           GRANTS.—Any alien who seeks admission or ad-  
3           justment of status under a visa number issued  
4           under section 203(b) by virtue of a classifica-  
5           tion petition filed by a relative of the alien (or  
6           by an entity in which such relative has a signifi-  
7           cant ownership interest) is excludable under  
8           this paragraph unless such relative has exe-  
9           cuted an affidavit of support described in sec-  
10          tion 213A with respect to such alien.”.

11          (b) EFFECTIVE DATE.—The amendment made by  
12          subsection (a) shall apply to applications submitted on or  
13          after such date, not earlier than 30 days and not later  
14          than 60 days after the date the Attorney General promul-  
15          gates under section 551(c)(2) of this division a standard  
16          form for an affidavit of support, as the Attorney General  
17          shall specify, but subparagraphs (C) and (D) of section  
18          212(a)(4) of the Immigration and Nationality Act, as so  
19          amended, shall not apply to applications with respect to  
20          which an official interview with an immigration officer was  
21          conducted before such effective date.

1     **Subtitle C—Affidavits of Support**

2     **SEC. 551. REQUIREMENTS FOR SPONSOR'S AFFIDAVIT OF**  
3                   **SUPPORT.**

4           (a) IN GENERAL.—Section 213A (8 U.S.C. 1183a),  
5 as inserted by section 423(a) of the Personal Responsibil-  
6 ity and Work Opportunity Reconciliation Act of 1996, is  
7 amended to read as follows:

8     “REQUIREMENTS FOR SPONSOR’S AFFIDAVIT OF SUPPORT  
9       “SEC. 213A. (a) ENFORCEABILITY.—

10           “(1) TERMS OF AFFIDAVIT.—No affidavit of  
11 support may be accepted by the Attorney General or  
12 by any consular officer to establish that an alien is  
13 not excludable as a public charge under section  
14 212(a)(4) unless such affidavit is executed by a  
15 sponsor of the alien as a contract—

16           “(A) in which the sponsor agrees to pro-  
17 vide support to maintain the sponsored alien at  
18 an annual income that is not less than 125 per-  
19 cent of the Federal poverty line during the pe-  
20 riod in which the affidavit is enforceable;

21           “(B) that is legally enforceable against the  
22 sponsor by the sponsored alien, the Federal  
23 Government, any State (or any political subdivi-  
24 sion of such State), or by any other entity that  
25 provides any means-tested public benefit (as de-



1           fined in subsection (e)), consistent with the pro-  
2           visions of this section; and

3           “(C) in which the sponsor agrees to submit  
4           to the jurisdiction of any Federal or State court  
5           for the purpose of actions brought under sub-  
6           section (b)(2).

7           “(2) PERIOD OF ENFORCEABILITY.—An affida-  
8           vit of support shall be enforceable with respect to  
9           benefits provided for an alien before the date the  
10          alien is naturalized as a citizen of the United States,  
11          or, if earlier, the termination date provided under  
12          paragraph (3).

13          “(3) TERMINATION OF PERIOD OF ENFORCE-  
14          ABILITY UPON COMPLETION OF REQUIRED PERIOD  
15          OF EMPLOYMENT, ETC.—

16          “(A) IN GENERAL.—An affidavit of sup-  
17          port is not enforceable after such time as the  
18          alien (i) has worked 40 qualifying quarters of  
19          coverage as defined under title II of the Social  
20          Security Act or can be credited with such quali-  
21          fying quarters as provided under subparagraph  
22          (B), and (ii) in the case of any such qualifying  
23          quarter creditable for any period beginning  
24          after December 31, 1996, did not receive any  
25          Federal means-tested public benefit (as pro-

1 vided under section 403 of the Personal Re-  
2 sponsibility and Work Opportunity Reconcili-  
3 ation Act of 1996) during any such period.

4 “(B) QUALIFYING QUARTERS.—For pur-  
5 poses of this section, in determining the number  
6 of qualifying quarters of coverage under title II  
7 of the Social Security Act an alien shall be  
8 credited with—

9 “(i) all of the qualifying quarters of  
10 coverage as defined under title II of the  
11 Social Security Act worked by a parent of  
12 such alien while the alien was under age  
13 18, and

14 “(ii) all of the qualifying quarters  
15 worked by a spouse of such alien during  
16 their marriage and the alien remains mar-  
17 ried to such spouse or such spouse is de-  
18 ceased.

19 No such qualifying quarter of coverage that is  
20 creditable under title II of the Social Security  
21 Act for any period beginning after December  
22 31, 1996, may be credited to an alien under  
23 clause (i) or (ii) if the parent or spouse (as the  
24 case may be) of such alien received any Federal  
25 means-tested public benefit (as provided under

1 section 403 of the Personal Responsibility and  
2 Work Opportunity Reconciliation Act of 1996)  
3 during the period for which such qualifying  
4 quarter of coverage is so credited.

5 “(C) PROVISION OF INFORMATION TO  
6 SAVE SYSTEM.—The Attorney General shall en-  
7 sure that appropriate information regarding the  
8 application of this paragraph is provided to the  
9 system for alien verification of eligibility  
10 (SAVE) described in section 1137(d)(3) of the  
11 Social Security Act.

12 “(b) REIMBURSEMENT OF GOVERNMENT EX-  
13 PENSES.—

14 “(1) REQUEST FOR REIMBURSEMENT.—

15 “(A) REQUIREMENT.—Upon notification  
16 that a sponsored alien has received any means-  
17 tested public benefit, the appropriate non-  
18 governmental entity which provided such benefit  
19 or the appropriate entity of the Federal Govern-  
20 ment, a State, or any political subdivision of a  
21 State shall request reimbursement by the spon-  
22 sor in an amount which is equal to the unreim-  
23 bursed costs of such benefit.

24 “(B) REGULATIONS.—The Attorney Gen-  
25 eral, in consultation with the heads of other ap-

1           appropriate Federal agencies, shall prescribe such  
2           regulations as may be necessary to carry out  
3           subparagraph (A).

4           “(2) ACTIONS TO COMPEL REIMBURSEMENT.—

5                   “(A) IN CASE OF NONRESPONSE.—If with-  
6           in 45 days after a request for reimbursement  
7           under paragraph (1)(A), the appropriate entity  
8           has not received a response from the sponsor  
9           indicating a willingness to commence payment  
10          an action may be brought against the sponsor  
11          pursuant to the affidavit of support.

12                   “(B) IN CASE OF FAILURE TO PAY.—If the  
13          sponsor fails to abide by the repayment terms  
14          established by the appropriate entity, the entity  
15          may bring an action against the sponsor pursu-  
16          ant to the affidavit of support.

17                   “(C) LIMITATION ON ACTIONS.—No cause  
18          of action may be brought under this paragraph  
19          later than 10 years after the date on which the  
20          sponsored alien last received any means-tested  
21          public benefit to which the affidavit of support  
22          applies.

23           “(3) USE OF COLLECTION AGENCIES.—If the  
24          appropriate entity under paragraph (1)(A) requests  
25          reimbursement from the sponsor or brings an action

1       against the sponsor pursuant to the affidavit of sup-  
2       port, the appropriate entity may appoint or hire an  
3       individual or other person to act on behalf of such  
4       entity acting under the authority of law for purposes  
5       of collecting any amounts owed.

6       “(c) REMEDIES.—Remedies available to enforce an  
7       affidavit of support under this section include any or all  
8       of the remedies described in section 3201, 3203, 3204,  
9       or 3205 of title 28, United States Code, as well as an  
10      order for specific performance and payment of legal fees  
11      and other costs of collection, and include corresponding  
12      remedies available under State law. A Federal agency may  
13      seek to collect amounts owed under this section in accord-  
14      ance with the provisions of subchapter II of chapter 37  
15      of title 31, United States Code.

16      “(d) NOTIFICATION OF CHANGE OF ADDRESS.—

17           “(1) GENERAL REQUIREMENT.—The sponsor  
18      shall notify the Attorney General and the State in  
19      which the sponsored alien is currently a resident  
20      within 30 days of any change of address of the spon-  
21      sor during the period in which an affidavit of sup-  
22      port is enforceable.

23           “(2) PENALTY.—Any person subject to the re-  
24      quirement of paragraph (1) who fails to satisfy such

1 requirement shall, after notice and opportunity to be  
2 heard, be subject to a civil penalty of—

3 “(A) not less than \$250 or more than  
4 \$2,000, or

5 “(B) if such failure occurs with knowledge  
6 that the sponsored alien has received any  
7 means-tested public benefits (other than bene-  
8 fits described in section 401(b), 403(c)(2), or  
9 411(b) of the Personal Responsibility and Work  
10 Opportunity Reconciliation Act of 1996) not  
11 less than \$2,000 or more than \$5,000.

12 The Attorney General shall enforce this paragraph  
13 under appropriate regulations.

14 “(e) JURISDICTION.—An action to enforce an affida-  
15 vit of support executed under subsection (a) may be  
16 brought against the sponsor in any appropriate court—

17 “(1) by a sponsored alien, with respect to finan-  
18 cial support; or

19 “(2) by the appropriate entity of the Federal  
20 Government, a State or any political subdivision of  
21 a State, or by any other nongovernmental entity  
22 under subsection (b)(2), with respect to reimburse-  
23 ment.

24 “(f) SPONSOR DEFINED.—

1           “(1) IN GENERAL.—For purposes of this sec-  
2           tion the term ‘sponsor’ in relation to a sponsored  
3           alien means an individual who executes an affidavit  
4           of support with respect to the sponsored alien and  
5           who—

6                   “(A) is a citizen or national of the United  
7           States or an alien who is lawfully admitted to  
8           the United States for permanent residence;

9                   “(B) is at least 18 years of age;

10                  “(C) is domiciled in any of the several  
11           States of the United States, the District of Co-  
12           lumbia, or any territory or possession of the  
13           United States;

14                  “(D) is petitioning for the admission of the  
15           alien under section 204; and

16                  “(E) demonstrates (as provided in para-  
17           graph (6)) the means to maintain an annual in-  
18           come equal to at least 125 percent of the Fed-  
19           eral poverty line.

20           “(2) INCOME REQUIREMENT CASE.—Such term  
21           also includes an individual who does not meet the re-  
22           quirement of paragraph (1)(E) but accepts joint and  
23           several liability together with an individual under  
24           paragraph (5).

1           “(3) ACTIVE DUTY ARMED SERVICES CASE.—

2           Such term also includes an individual who does not  
3           meet the requirement of paragraph (1)(E) but is on  
4           active duty (other than active duty for training) in  
5           the Armed Forces of the United States, is petition-  
6           ing for the admission of the alien under section 204  
7           as the spouse or child of the individual, and dem-  
8           onstrates (as provided in paragraph (6)) the means  
9           to maintain an annual income equal to at least 100  
10          percent of the Federal poverty line.

11          “(4) CERTAIN EMPLOYMENT-BASED IMMI-  
12          GRANTS CASE.—Such term also includes an individ-  
13          ual—

14                 “(A) who does not meet the requirement of  
15                 paragraph (1)(D), but is the relative of the  
16                 sponsored alien who filed a classification peti-  
17                 tion for the sponsored alien as an employment-  
18                 based immigrant under section 203(b) or who  
19                 has a significant ownership interest in the en-  
20                 tity that filed such a petition; and

21                 “(B)(i) who demonstrates (as provided  
22                 under paragraph (6)) the means to maintain an  
23                 annual income equal to at least 125 percent of  
24                 the Federal poverty line, or



1           “(ii) does not meet the requirement of  
2           paragraph (1)(E) but accepts joint and several  
3           liability together with an individual under para-  
4           graph (5).

5           “(5) NON-PETITIONING CASE.—Such term also  
6           includes an individual who does not meet the re-  
7           quirement of paragraph (1)(D) but who accepts joint  
8           and several liability with a petitioning sponsor under  
9           paragraph (2) or relative of an employment-based  
10          immigrant under paragraph (4) and who dem-  
11          onstrates (as provided under paragraph (6)) the  
12          means to maintain an annual income equal to at  
13          least 125 percent of the Federal poverty line.

14          “(6) DEMONSTRATION OF MEANS TO MAINTAIN  
15          INCOME.—

16                 “(A) IN GENERAL.—

17                         “(i) METHOD OF DEMONSTRATION.—

18                         For purposes of this section, a demonstra-  
19                         tion of the means to maintain income shall  
20                         include provision of a certified copy of the  
21                         individual’s Federal income tax return for  
22                         the individual’s 3 most recent taxable years  
23                         and a written statement, executed under  
24                         oath or as permitted under penalty of per-  
25                         jury under section 1746 of title 28, United

1 States Code, that the copies are certified  
2 copies of such returns.

3 “(ii) FLEXIBILITY.—For purposes of  
4 this section, aliens may demonstrate the  
5 means to maintain income through dem-  
6 onstration of significant assets of the spon-  
7 sored alien or of the sponsor, if such assets  
8 are available for the support of the spon-  
9 sored alien.

10 “(iii) PERCENT OF POVERTY.—For  
11 purposes of this section, a reference to an  
12 annual income equal to at least a particu-  
13 lar percentage of the Federal poverty line  
14 means an annual income equal to at least  
15 such percentage of the Federal poverty line  
16 for a family unit of a size equal to the  
17 number of members of the sponsor’s  
18 household (including family and non-family  
19 dependents) plus the total number of other  
20 dependents and aliens sponsored by that  
21 sponsor.

22 “(B) LIMITATION.—The Secretary of  
23 State, or the Attorney General in the case of  
24 adjustment of status, may provide that the

1 demonstration under subparagraph (A) applies  
2 only to the most recent taxable year.

3 “(h) FEDERAL POVERTY LINE DEFINED.—For pur-  
4 poses of this section, the term ‘Federal poverty line’ means  
5 the level of income equal to the official poverty line (as  
6 defined by the Director of the Office of Management and  
7 Budget, as revised annually by the Secretary of Health  
8 and Human Services, in accordance with section 673(2)  
9 of the Omnibus Budget Reconciliation Act of 1981 (42  
10 U.S.C. 9902)) that is applicable to a family of the size  
11 involved.

12 “(i) SPONSOR’S SOCIAL SECURITY ACCOUNT NUM-  
13 BER REQUIRED TO BE PROVIDED.—(1) An affidavit of  
14 support shall include the social security account number  
15 of each sponsor.

16 “(2) The Attorney General shall develop an auto-  
17 mated system to maintain the social security account num-  
18 ber data provided under paragraph (1).

19 “(3) The Attorney General shall submit an annual  
20 report to the Committees on the Judiciary of the House  
21 of Representatives and the Senate setting forth—

22 “(A) for the most recent fiscal year for which  
23 data are available the number of sponsors under this  
24 section and the number of sponsors in compliance  
25 with the financial obligations of this section; and

1 “(B) a comparison of such numbers with the  
2 numbers of such sponsors for the preceding fiscal  
3 year.”.

4 (b) CONFORMING AMENDMENTS.—

5 (1) Section 421(a)(1) and section 422(a)(1) of  
6 the Personal Responsibility and Work Opportunity  
7 Reconciliation Act of 1996 (8 U.S.C. 1631(a)(1),  
8 1632(a)(1)) are each amended by inserting “and as  
9 amended by section 551(a) of the Illegal Immigra-  
10 tion Reform and Immigrant Responsibility Act of  
11 1996” after “section 423”.

12 (2) Section 423 of such Act (8 U.S.C. 1138a  
13 note) is amended by striking subsection (c).

14 (c) EFFECTIVE DATE; PROMULGATION OF FORM.—

15 (1) IN GENERAL.—The amendments made by  
16 this section shall apply to affidavits of support exe-  
17 cuted on or after a date specified by the Attorney  
18 General, which date shall be not earlier than 60 days  
19 (and not later than 90 days) after the date the At-  
20 torney General formulates the form for such affida-  
21 vits under paragraph (2).

22 (2) PROMULGATION OF FORM.—Not later than  
23 90 days after the date of the enactment of this Act,  
24 the Attorney General, in consultation with the heads  
25 of other appropriate agencies, shall promulgate a

1 standard form for an affidavit of support consistent  
2 with the provisions of section 213A of the Immigra-  
3 tion and Nationality Act, as amended by subsection  
4 (a).

5 **SEC. 552. INDIGENCE AND BATTERED SPOUSE AND CHILD**  
6 **EXCEPTIONS TO FEDERAL ATTRIBUTION OF**  
7 **INCOME RULE.**

8 Section 421 of the Personal Responsibility and Work  
9 Opportunity Reconciliation Act of 1996 (8 U.S.C. 1631)  
10 is amended by adding at the end the following new sub-  
11 section:

12 “(e) INDIGENCE EXCEPTION.—

13 “(1) IN GENERAL.—For an alien for whom an  
14 affidavit of support under section 213A of the Immi-  
15 gration and Nationality Act has been executed, if a  
16 determination described in paragraph (2) is made,  
17 the amount of income and resources of the sponsor  
18 or the sponsor’s spouse which shall be attributed to  
19 the sponsored alien shall not exceed the amount ac-  
20 tually provided for a period beginning on the date of  
21 such determination and ending 12 months after such  
22 date.

23 “(2) DETERMINATION DESCRIBED.—A deter-  
24 mination described in this paragraph is a determina-  
25 tion by an agency that a sponsored alien would, in

1 the absence of the assistance provided by the agency,  
2 be unable to obtain food and shelter, taking into ac-  
3 count the alien's own income, plus any cash, food,  
4 housing, or other assistance provided by other indi-  
5 viduals, including the sponsor. The agency shall no-  
6 tify the Attorney General of each such determina-  
7 tion, including the names of the sponsor and the  
8 sponsored alien involved.

9 “(f) SPECIAL RULE FOR BATTERED SPOUSE AND  
10 CHILD.—

11 “(1) IN GENERAL.—Subject to paragraph (2)  
12 and notwithstanding any other provision of this sec-  
13 tion, subsection (a) shall not apply to benefits—

14 “(A) during a 12 month period if the alien  
15 demonstrates that (i) the alien has been bat-  
16 tered or subjected to extreme cruelty in the  
17 United States by a spouse or a parent, or by a  
18 member of the spouse or parent's family resid-  
19 ing in the same household as the alien and the  
20 spouse or parent consented to or acquiesced to  
21 such battery or cruelty, or (ii) the alien's child  
22 has been battered or subjected to extreme cru-  
23 elty in the United States by the spouse or par-  
24 ent of the alien (without the active participation  
25 of the alien in the battery or cruelty), or by a

1 member of the spouse's or parent's family resid-  
2 ing in the same household as the alien when the  
3 spouse or parent consented or acquiesced to  
4 and the alien did not actively participate in  
5 such battery or cruelty, and the battery or cru-  
6 elty described in clause (i) or (ii) (in the opin-  
7 ion of the agency providing such public benefits,  
8 which opinion is not subject to review by any  
9 court) has a substantial connection to the need  
10 for the public benefits applied for; and

11 “(B) after a 12 month period (regarding  
12 the batterer's income and resources only) if the  
13 alien demonstrates that such battery or cruelty  
14 under subparagraph (A) has been recognized in  
15 an order of a judge or administrative law judge  
16 or a prior determination of the Immigration  
17 and Naturalization Service, and that such bat-  
18 tery or cruelty (in the opinion of the agency  
19 providing such public benefits, which opinion is  
20 not subject to review by any court) has a sub-  
21 stantial connection to the need for the benefits.

22 “(2) LIMITATION.—The exception under para-  
23 graph (1) shall not apply to benefits for an alien  
24 during any period in which the individual responsible  
25 for such battery or cruelty resides in the same

1 household or family eligibility unit as the individual  
2 who was subjected to such battery or cruelty.”.

3 **SEC. 553. AUTHORITY OF STATES AND POLITICAL SUBDIVI-**  
4 **SIONS OF STATES TO LIMIT ASSISTANCE TO**  
5 **ALIENS AND TO DISTINGUISH AMONG CLASS-**  
6 **ES OF ALIENS IN PROVIDING GENERAL CASH**  
7 **PUBLIC ASSISTANCE.**

8 (a) IN GENERAL.—Subject to subsection (b) and not-  
9 withstanding any other provision of law, a State or politi-  
10 cal subdivision of a State is authorized to prohibit or oth-  
11 erwise limit or restrict the eligibility of aliens or classes  
12 of aliens for programs of general cash public assistance  
13 furnished under the law of the State or a political subdivi-  
14 sion of a State.

15 (b) LIMITATION.—The authority provided for under  
16 subsection (a) may be exercised only to the extent that  
17 any prohibitions, limitations, or restrictions imposed by a  
18 State or political subdivision of a State are not more re-  
19 strictive than the prohibitions, limitations, or restrictions  
20 imposed under comparable Federal programs. For pur-  
21 poses of this section, attribution to an alien of a sponsor’s  
22 income and resources (as described in section 421 of the  
23 Personal Responsibility and Work Opportunity Reconcili-  
24 ation Act of 1996 (8 U.S.C. 1631)) for purposes of deter-  
25 mining eligibility for, and the amount of, benefits shall be



1 considered less restrictive than a prohibition of eligibility  
2 for such benefits.

## 3                   **Subtitle D—Miscellaneous** 4                   **Provisions**

5 **SEC. 561. INCREASED MAXIMUM CRIMINAL PENALTIES FOR**  
6                   **FORGING OR COUNTERFEITING SEAL OF A**  
7                   **FEDERAL DEPARTMENT OR AGENCY TO FA-**  
8                   **CILITATE BENEFIT FRAUD BY AN UNLAWFUL**  
9                   **ALIEN.**

10           Section 506 of title 18, United States Code, is  
11 amended to read as follows:

### 12 **“§ 506. Seals of departments or agencies**

13           “(a) Whoever—

14                   “(1) falsely makes, forges, counterfeits, muti-  
15                   lates, or alters the seal of any department or agency  
16                   of the United States, or any facsimile thereof;

17                   “(2) knowingly uses, affixes, or impresses any  
18                   such fraudulently made, forged, counterfeited, muti-  
19                   lated, or altered seal or facsimile thereof to or upon  
20                   any certificate, instrument, commission, document,  
21                   or paper of any description; or

22                   “(3) with fraudulent intent, possesses, sells, of-  
23                   fers for sale, furnishes, offers to furnish, gives away,  
24                   offers to give away, transports, offers to transport,  
25                   imports, or offers to import any such seal or fac-

1       simile thereof, knowing the same to have been so  
2       falsely made, forged, counterfeited, mutilated, or al-  
3       tered,

4 shall be fined under this title, or imprisoned not more than  
5 5 years, or both.

6       “(b) Notwithstanding subsection (a) or any other  
7 provision of law, if a forged, counterfeited, mutilated, or  
8 altered seal of a department or agency of the United  
9 States, or any facsimile thereof, is—

10           “(1) so forged, counterfeited, mutilated, or al-  
11       tered;

12           “(2) used, affixed, or impressed to or upon any  
13 certificate, instrument, commission, document, or  
14 paper of any description; or

15           “(3) with fraudulent intent, possessed, sold, of-  
16 fered for sale, furnished, offered to furnish, given  
17 away, offered to give away, transported, offered to  
18 transport, imported, or offered to import,

19 with the intent or effect of facilitating an alien’s applica-  
20 tion for, or receipt of, a Federal benefit to which the alien  
21 is not entitled, the penalties which may be imposed for  
22 each offense under subsection (a) shall be two times the  
23 maximum fine, and 3 times the maximum term of impris-  
24 onment, or both, that would otherwise be imposed for an  
25 offense under subsection (a).

1 “(c) For purposes of this section—

2 “(1) the term ‘Federal benefit’ means—

3 “(A) the issuance of any grant, contract,  
4 loan, professional license, or commercial license  
5 provided by any agency of the United States or  
6 by appropriated funds of the United States; and

7 “(B) any retirement, welfare, Social Secu-  
8 rity, health (including treatment of an emer-  
9 gency medical condition in accordance with sec-  
10 tion 1903(v) of the Social Security Act (19  
11 U.S.C. 1396b(v))), disability, veterans, public  
12 housing, education, food stamps, or unemploy-  
13 ment benefit, or any similar benefit for which  
14 payments or assistance are provided by an  
15 agency of the United States or by appropriated  
16 funds of the United States; and

17 “(2) each instance of forgery, counterfeiting,  
18 mutilation, or alteration shall constitute a separate  
19 offense under this section.”.

20 **SEC. 562. TREATMENT OF EXPENSES SUBJECT TO EMER-**  
21 **GENCY MEDICAL SERVICES EXCEPTION.**

22 (a) IN GENERAL.—Subject to such amounts as are  
23 provided in advance in appropriation Acts, each State or  
24 political subdivision of a State that provides medical as-  
25 sistance for care and treatment of an emergency medical

1 condition (as defined in subsection (d)) through a public  
2 hospital or other public facility (including a nonprofit hos-  
3 pital that is eligible for an additional payment adjustment  
4 under section 1886 of the Social Security Act) or through  
5 contract with another hospital or facility to an individual  
6 who is an alien not lawfully present in the United States  
7 is eligible for payment from the Federal Government of  
8 its costs of providing such services, but only to the extent  
9 that such costs are not otherwise reimbursed through any  
10 other Federal program and cannot be recovered from the  
11 alien or another person.

12 (b) CONFIRMATION OF IMMIGRATION STATUS RE-  
13 QUIRED.—No payment shall be made under this section  
14 with respect to services furnished to an individual unless  
15 the immigration status of the individual has been verified  
16 through appropriate procedures established by the Sec-  
17 retary of Health and Human Services and the Attorney  
18 General.

19 (c) ADMINISTRATION.—This section shall be adminis-  
20 tered by the Attorney General, in consultation with the  
21 Secretary of Health and Human Services.

22 (d) EMERGENCY MEDICAL CONDITION DEFINED.—  
23 For purposes of this section, the term “emergency medical  
24 condition” means a medical condition (including emer-  
25 gency labor and delivery) manifesting itself by acute symp-

1 toms of sufficient severity (including severe pain) such  
2 that the absence of immediate medical attention could rea-  
3 sonably be expected to result in—

4 (1) placing the patient's health in serious jeop-  
5 ardy,

6 (2) serious impairment to bodily functions, or

7 (3) serious dysfunction of any bodily organ or  
8 part.

9 (e) EFFECTIVE DATE.—Subsection (a) shall apply to  
10 medical assistance for care and treatment of an emergency  
11 medical condition furnished on or after January 1, 1997.

12 **SEC. 563. REIMBURSEMENT OF STATES AND LOCALITIES**  
13 **FOR EMERGENCY AMBULANCE SERVICES.**

14 Subject to the availability of appropriations, the At-  
15 torney General shall fully reimburse States and political  
16 subdivisions of States for costs incurred by such a State  
17 or subdivision for emergency ambulance services provided  
18 to any alien who—

19 (1) is injured while crossing a land or sea bor-  
20 der of the United States without inspection or at  
21 any time or place other than as designated by the  
22 Attorney General; and

23 (2) is under the custody of the State or subdivi-  
24 sion pursuant to a transfer, request, or other action  
25 by a Federal authority.

1 **SEC. 564. PILOT PROGRAMS TO REQUIRE BONDING.**

2 (a) IN GENERAL.—

3 (1) The Attorney General of the United States  
4 shall establish a pilot program in 5 district offices  
5 of the Immigration and Naturalization Service to re-  
6 quire aliens to post a bond in addition to the affida-  
7 vit requirements under section 213A of the Immi-  
8 gration and Nationality Act and the deeming re-  
9 quirements under section 421 of the Personal Re-  
10 sponsibility and Work Opportunity Reconciliation  
11 Act of 1996 (8 U.S.C. 1631). Any pilot program es-  
12 tablished pursuant to this subsection shall require  
13 an alien to post a bond in an amount sufficient to  
14 cover the cost of benefits described in section  
15 213A(d)(2)(B) of the Immigration and Nationality  
16 Act (as amended by section 551(a) of this division)  
17 for the alien and the alien's dependents and shall re-  
18 main in effect until the departure, naturalization, or  
19 death of the alien.

20 (2) Suit on any such bonds may be brought  
21 under the terms and conditions set forth in section  
22 213A of the Immigration and Nationality Act.

23 (b) REGULATIONS.—Not later than 180 days after  
24 the date of the enactment of this Act, the Attorney Gen-  
25 eral shall issue regulations for establishing the pilot pro-  
26 grams, including—

1 (1) criteria and procedures for—

2 (A) certifying bonding companies for par-  
3 ticipation in the program, and

4 (B) debarment of any such company that  
5 fails to pay a bond, and

6 (2) criteria for setting the amount of the bond  
7 to assure that the bond is in an amount that is not  
8 less than the cost of providing benefits under the  
9 programs described in subsection (a)(1) for the alien  
10 and the alien's dependents for 6 months.

11 (c) AUTHORIZATION OF APPROPRIATIONS.—There  
12 are authorized to be appropriated such sums as may be  
13 necessary to carry out this section.

14 (d) ANNUAL REPORTING REQUIREMENT.—Begin-  
15 ning 9 months after the date of implementation of the  
16 pilot program, the Attorney General shall submit annually  
17 to the Committees on the Judiciary of the House of Rep-  
18 resentatives and the Senate a report on the effectiveness  
19 of the program. The Attorney General shall submit a final  
20 evaluation of the program not later than 1 year after ter-  
21 mination.

22 (e) SUNSET.—The pilot program under this section  
23 shall terminate after 3 years of operation.

24 (f) BONDS IN ADDITION TO SPONSORSHIP AND  
25 DEEMING REQUIREMENTS.—Section 213 (8 U.S.C. 1183)

1 is amended by inserting “(subject to the affidavit of sup-  
2 port requirement and attribution of sponsor’s income and  
3 resources under section 213A)” after “in the discretion  
4 of the Attorney General”.

5 **SEC. 565. REPORTS.**

6 Not later than 180 days after the end of each fiscal  
7 year, the Attorney General shall submit a report to the  
8 Inspector General of the Department of Justice and the  
9 Committees on the Judiciary of the House of Representa-  
10 tives and of the Senate describing the following:

11 (1) PUBLIC CHARGE DEPORTATIONS.—The  
12 number of aliens deported on public charge grounds  
13 under section 241(a)(5) of the Immigration and Na-  
14 tionality Act during the previous fiscal year.

15 (2) INDIGENT SPONSORS.—The number of de-  
16 terminations made under section 421(e) of the Per-  
17 sonal Responsibility and Work Opportunity Rec-  
18 onciliation Act of 1996 (as added by section 552 of  
19 this division) during the previous fiscal year.

20 (3) REIMBURSEMENT ACTIONS.—The number  
21 of actions brought, and the amount of each action,  
22 for reimbursement under section 213A of the Immi-  
23 gration and Nationality Act (including private collec-  
24 tions) for the costs of providing public benefits.



## 1       **Subtitle E—Housing Assistance**

### 2       **SEC. 571. SHORT TITLE.**

3           This subtitle may be cited as the “Use of Assisted  
4   Housing by Aliens Act of 1996”.

### 5       **SEC. 572. PRORATING OF FINANCIAL ASSISTANCE.**

6           Section 214(b) of the Housing and Community De-  
7   velopment Act of 1980 (42 U.S.C. 1436a(b)) is amend-  
8   ed—

9                   (1) by inserting “(1)” after “(b)”; and

10                   (2) by adding at the end the following new  
11   paragraph:

12           “(2) If the eligibility for financial assistance of at  
13   least one member of a family has been affirmatively estab-  
14   lished under the program of financial assistance and under  
15   this section, and the ineligibility of one or more family  
16   members has not been affirmatively established under this  
17   section, any financial assistance made available to that  
18   family by the Secretary of Housing and Urban Develop-  
19   ment shall be prorated, based on the number of individuals  
20   in the family for whom eligibility has been affirmatively  
21   established under the program of financial assistance and  
22   under this section, as compared with the total number of  
23   individuals who are members of the family.”.

1 **SEC. 573. ACTIONS IN CASES OF TERMINATION OF FINAN-**  
2 **CIAL ASSISTANCE.**

3 Section 214(c)(1) of the Housing and Community  
4 Development Act of 1980 (42 U.S.C. 1436a(c)(1)) is  
5 amended—

6 (1) in the matter preceding subparagraph (A),  
7 by striking “may, in its discretion,” and inserting  
8 “shall”;

9 (2) in subparagraph (A), by adding at the end  
10 the following: “Financial assistance continued under  
11 this subparagraph for a family may be provided only  
12 on a prorated basis, under which the amount of fi-  
13 nancial assistance is based on the percentage of the  
14 total number of members of the family that are eligi-  
15 ble for that assistance under the program of finan-  
16 cial assistance and under this section.”; and

17 (3) in subparagraph (B)—

18 (A) by striking “3 years” and inserting  
19 “18-months”;

20 (B) by inserting “(i)” after “(B)”;

21 (C) by striking “Any deferral” and insert-  
22 ing the following:

23 “(ii) Except as provided in clause (iii), any  
24 deferral”; and

25 (D) by adding at the end the following new  
26 clauses:

1           “(iii) The time period described in clause  
2           (ii) shall not apply in the case of a refugee  
3           under section 207 of the Immigration and Na-  
4           tionality Act or an individual seeking asylum  
5           under section 208 of that Act.”.

6 **SEC. 574. VERIFICATION OF IMMIGRATION STATUS AND**  
7 **ELIGIBILITY FOR FINANCIAL ASSISTANCE.**

8           Section 214(d) of the Housing and Community De-  
9           velopment Act of 1980 (42 U.S.C. 1436a(d)) is amend-  
10          ed—

11           (1) in the matter preceding paragraph (1), by  
12          inserting “or to be” after “being”;

13           (2) in paragraph (1)(A), by adding at the end  
14          the following: “If the declaration states that the in-  
15          dividual is not a citizen or national of the United  
16          States and that the individual is younger than 62  
17          years of age, the declaration shall be verified by the  
18          Immigration and Naturalization Service. If the dec-  
19          laration states that the individual is a citizen or na-  
20          tional of the United States, the Secretary of Hous-  
21          ing and Urban Development, or the agency admin-  
22          istering assistance covered by this section, may re-  
23          quest verification of the declaration by requiring  
24          presentation of documentation that the Secretary  
25          considers appropriate, including a United States

1 passport, resident alien card, alien registration card,  
2 social security card, or other documentation.”;

3 (3) in paragraph (2)—

4 (A) in the matter preceding subparagraph  
5 (A), by striking “on the date of the enactment  
6 of the Housing and Community Development  
7 Act of 1987” and inserting “on the date of en-  
8 actment of the Use of Assisted Housing by  
9 Aliens Act of 1996 or applying for financial as-  
10 sistance on or after that date”; and

11 (B) by adding at the end the following:

12 “In the case of an individual applying for financial assist-  
13 ance on or after the date of enactment of the Use of As-  
14 sisted Housing by Aliens Act of 1996, the Secretary may  
15 not provide any such assistance for the benefit of that in-  
16 dividual before documentation is presented and verified  
17 under paragraph (3) or (4).”;

18 (4) in paragraph (4)—

19 (A) in the matter preceding subparagraph  
20 (A), by striking “on the date of the enactment  
21 of the Housing and Community Development  
22 Act of 1987” and inserting “on the date of en-  
23 actment of the Use of Assisted Housing by  
24 Aliens Act of 1996 or applying for financial as-  
25 sistance on or after that date”;

1 (B) in subparagraph (A)—

2 (i) in clause (i)—

3 (I) by inserting “, not to exceed  
4 30 days,” after “reasonable oppor-  
5 tunity”; and

6 (II) by striking “and” at the end;  
7 and

8 (ii) by striking clause (ii) and insert-  
9 ing the following:

10 “(ii) in the case of any individual re-  
11 ceiving assistance on the date of enactment  
12 of the Use of Assisted Housing by Aliens  
13 Act of 1996, may not delay, deny, reduce,  
14 or terminate the eligibility of that individ-  
15 ual for financial assistance on the basis of  
16 the immigration status of that individual  
17 until the expiration of that 30-day period;  
18 and

19 “(iii) in the case of any individual ap-  
20 plying for financial assistance on or after  
21 the date of enactment of the Use of As-  
22 sisted Housing by Aliens Act of 1996, may  
23 not deny the application for such assist-  
24 ance on the basis of the immigration status

1 of that individual until the expiration of  
2 that 30-day period; and”;

3 (C) in subparagraph (B), by striking  
4 clause (ii) and inserting the following:

5 “(ii) pending such verification or ap-  
6 peal, the Secretary may not—

7 “(I) in the case of any individual  
8 receiving assistance on the date of en-  
9 actment of the Use of Assisted Hous-  
10 ing by Aliens Act of 1996, delay,  
11 deny, reduce, or terminate the eligi-  
12 bility of that individual for financial  
13 assistance on the basis of the immi-  
14 gration status of that individual; and

15 “(II) in the case of any individ-  
16 ual applying for financial assistance  
17 on or after the date of enactment of  
18 the Use of Assisted Housing by Aliens  
19 Act of 1996, deny the application for  
20 such assistance on the basis of the im-  
21 migration status of that individual;  
22 and”;

23 (5) in paragraph (5), by striking “status—”  
24 and all that follows through the end of the para-

1 graph and inserting the following: “status, the Sec-  
2 retary shall—

3 “(A) deny the application of that individ-  
4 ual for financial assistance or terminate the eli-  
5 gibility of that individual for financial assist-  
6 ance, as applicable;

7 “(B) provide that the individual may re-  
8 quest a fair hearing during the 30-day period  
9 beginning upon receipt of the notice under sub-  
10 paragraph (C); and

11 “(C) provide to the individual written no-  
12 tice of the determination under this paragraph,  
13 the right to a fair hearing process, and the time  
14 limitation for requesting a hearing under sub-  
15 paragraph (C).”; and

16 (6) by striking paragraph (6) and inserting the  
17 following:

18 “(6) The Secretary shall terminate the eligi-  
19 bility for financial assistance of an individual and  
20 the members of the household of the individual, for  
21 a period of not less than 24 months, upon determin-  
22 ing that such individual has knowingly permitted an-  
23 other individual who is not eligible for such assist-  
24 ance to reside in the public or assisted housing unit  
25 of the individual. This provision shall not apply to

1 a family if the ineligibility of the ineligible individual  
 2 at issue was considered in calculating any proration  
 3 of assistance provided for the family.”.

4 **SEC. 575. PROHIBITION OF SANCTIONS AGAINST ENTITIES**  
 5 **MAKING FINANCIAL ASSISTANCE ELIGI-**  
 6 **BILITY DETERMINATIONS.**

7 Section 214(e) of the Housing and Community Devel-  
 8 opment Act of 1980 (42 U.S.C. 1436a(e)) is amended—

9 (1) in paragraph (2), by adding “or” at the  
 10 end;

11 (2) in paragraph (3), by adding at the end the  
 12 following: “the response from the Immigration and  
 13 Naturalization Service to the appeal of that individ-  
 14 ual.”; and

15 (3) by striking paragraph (4).

16 **SEC. 576. ELIGIBILITY FOR PUBLIC AND ASSISTED HOUS-**  
 17 **ING.**

18 Section 214 of the Housing and Community Develop-  
 19 ment Act of 1980 (42 U.S.C. 1436a) is amended by add-  
 20 ing at the end the following new subsection:

21 “(h) VERIFICATION OF ELIGIBILITY.—

22 “(1) IN GENERAL.—Except in the case of an  
 23 election under paragraph (2)(A), no individual or  
 24 family applying for financial assistance may receive  
 25 such financial assistance prior to the affirmative es-



1       tablishment and verification of eligibility of at least  
2       the individual or one family member under this sec-  
3       tion by the Secretary or other appropriate entity.

4               “(2) RULES APPLICABLE TO PUBLIC HOUSING  
5       AGENCIES.—A public housing agency (as that term  
6       is defined in section 3 of the United States Housing  
7       Act of 1937)—

8               “(A) may elect not to comply with this sec-  
9       tion; and

10              “(B) in complying with this section—

11              “(i) may initiate procedures to affirm-  
12              atively establish or verify the eligibility of  
13              an individual or family under this section  
14              at any time at which the public housing  
15              agency determines that such eligibility is in  
16              question, regardless of whether or not that  
17              individual or family is at or near the top  
18              of the waiting list of the public housing  
19              agency;

20              “(ii) may affirmatively establish or  
21              verify the eligibility of an individual or  
22              family under this section in accordance  
23              with the procedures set forth in section  
24              274A(b)(1) of the Immigration and Na-  
25              tionality Act; and

1                   “(iii) shall have access to any relevant  
2                   information contained in the SAVE system  
3                   (or any successor thereto) that relates to  
4                   any individual or family applying for finan-  
5                   cial assistance.

6                   “(3) ELIGIBILITY OF FAMILIES.—For purposes  
7                   of this subsection, with respect to a family, the term  
8                   ‘eligibility’ means the eligibility of each family mem-  
9                   ber.”.

10 **SEC. 577. REGULATIONS.**

11           (a) ISSUANCE.—Not later than the 60 days after the  
12           date of enactment of this Act, the Secretary of Housing  
13           and Urban Development shall issue any regulations nec-  
14           essary to implement the amendments made by this part.  
15           Such regulations shall be issued in the form of an interim  
16           final rule, which shall take effect upon issuance and shall  
17           not be subject to the provisions of section 533 of title 5,  
18           United States Code, regarding notice or opportunity for  
19           comment.

20           (b) FAILURE TO ISSUE.—If the Secretary fails to  
21           issue the regulations required under subsection (a) before  
22           the date specified in that subsection, the regulations relat-  
23           ing to restrictions on assistance to noncitizens, contained  
24           in the final rule issued by the Secretary of Housing and  
25           Urban Development in RIN–2501–AA63 (Docket No. R–

1 95–1409; FR–2383–F–050), published in the Federal  
2 Register on March 20, 1995 (Vol. 60, No. 53; pp. 14824–  
3 14861), shall not apply after that date.

## 4 **Subtitle F—General Provisions**

### 5 **SEC. 591. EFFECTIVE DATES.**

6 Except as provided in this title, this title and the  
7 amendments made by this title shall take effect on the  
8 date of the enactment of this Act.

### 9 **SEC. 592. NOT APPLICABLE TO FOREIGN ASSISTANCE.**

10 This title does not apply to any Federal, State, or  
11 local governmental program, assistance, or benefits pro-  
12 vided to an alien under any program of foreign assistance  
13 as determined by the Secretary of State in consultation  
14 with the Attorney General.

### 15 **SEC. 593. NOTIFICATION.**

16 (a) IN GENERAL.—Each agency of the Federal Gov-  
17 ernment or a State or political subdivision that admin-  
18 isters a program affected by the provisions of this title,  
19 shall, directly or through the States, provide general noti-  
20 fication to the public and to program recipients of the  
21 changes regarding eligibility for any such program pursu-  
22 ant to this title.

23 (b) FAILURE TO GIVE NOTICE.—Nothing in this sec-  
24 tion shall be construed to require or authorize continu-

1 ation of eligibility if the notice under this section is not  
2 provided.

3 **SEC. 594. DEFINITIONS.**

4 Except as otherwise provided in this title, for pur-  
5 poses of this title—

6 (1) the terms “alien”, “Attorney General”, “na-  
7 tional”, “naturalization”, “State”, and “United  
8 States” shall have the meaning given such terms in  
9 section 101(a) of the Immigration and Nationality  
10 Act; and

11 (2) the term “child” shall have the meaning  
12 given such term in section 101(c) of the Immigra-  
13 tion and Nationality Act.

14 **TITLE VI—MISCELLANEOUS**  
15 **PROVISIONS**

16 **Subtitle A—Refugees, Parole, and**  
17 **Asylum**

18 **SEC. 601. PERSECUTION FOR RESISTANCE TO COERCIVE**  
19 **POPULATION CONTROL METHODS.**

20 (a) DEFINITION OF REFUGEE.—

21 (1) Section 101(a)(42) (8 U.S.C. 1101(a)(42))  
22 is amended by adding at the end the following: “For  
23 purposes of determinations under this Act, a person  
24 who has been forced to abort a pregnancy or to un-  
25 dergo involuntary sterilization, or who has been per-

1       secuted for failure or refusal to undergo such a pro-  
2       cedure or for other resistance to a coercive popu-  
3       lation control program, shall be deemed to have been  
4       persecuted on account of political opinion, and a per-  
5       son who has a well founded fear that he or she will  
6       be forced to undergo such a procedure or subject to  
7       persecution for such failure, refusal, or resistance  
8       shall be deemed to have a well founded fear of perse-  
9       cution on account of political opinion.”.

10           (2) Not later than 90 days after the end of  
11       each fiscal year, the Attorney General shall submit  
12       a report to the Committee on the Judiciary of the  
13       House of Representatives and the Committee on the  
14       Judiciary of the Senate describing the number and  
15       countries of origin of aliens granted refugee status  
16       or asylum under determinations pursuant to the  
17       amendment made by paragraph (1). Each such re-  
18       port shall also contain projections regarding the  
19       number and countries of origin of aliens that are  
20       likely to be granted refugee status or asylum for the  
21       subsequent 2 fiscal years.

22       (b) NUMERICAL LIMITATION.—Section 207(a) (8  
23       U.S.C. 1157(a)) is amended by adding at the end the fol-  
24       lowing new paragraph:

1       “(5) For any fiscal year, not more than a total of  
2 1,000 refugees may be admitted under this subsection or  
3 granted asylum under section 208 pursuant to a deter-  
4 mination under the third sentence of section 101(a)(42)  
5 (relating to persecution for resistance to coercive popu-  
6 lation control methods).”.

7 **SEC. 602. LIMITATION ON USE OF PAROLE.**

8       (a) PAROLE AUTHORITY.—Section 212(d)(5)(A) (8  
9 U.S.C. 1182(d)(5)) is amended by striking “for emergent  
10 reasons or for reasons deemed strictly in the public inter-  
11 est” and inserting “only on a case-by-case basis for urgent  
12 humanitarian reasons or significant public benefit”.

13       (b) REPORT TO CONGRESS.—Not later than 90 days  
14 after the end of each fiscal year, the Attorney General  
15 shall submit a report to the Committee on the Judiciary  
16 of the House of Representatives and the Committee on  
17 the Judiciary of the Senate describing the number and  
18 categories of aliens paroled into the United States under  
19 section 212(d)(5) of the Immigration and Nationality Act.  
20 Each such report shall provide the total number of aliens  
21 paroled into and residing in the United States and shall  
22 contain information and data for each country of origin  
23 concerning the number and categories of aliens paroled,  
24 the duration of parole, the current status of aliens paroled,  
25 and the number and categories of aliens returned to the

1 custody from which they were paroled during the preced-  
2 ing fiscal year.

3 **SEC. 603. TREATMENT OF LONG-TERM PAROLEES IN AP-**  
4 **PLYING WORLDWIDE NUMERICAL LIMITA-**  
5 **TIONS.**

6 Section 201(c) (8 U.S.C. 1151(c)) is amended—

7 (1) by amending paragraph (1)(A)(ii) to read  
8 as follows:

9 “(ii) the sum of the number computed under  
10 paragraph (2) and the number computed under  
11 paragraph (4), plus”; and

12 (2) by adding at the end the following new  
13 paragraphs:

14 “(4) The number computed under this paragraph for  
15 a fiscal year (beginning with fiscal year 1999) is the num-  
16 ber of aliens who were paroled into the United States  
17 under section 212(d)(5) in the second preceding fiscal  
18 year—

19 “(A) who did not depart from the United States  
20 (without advance parole) within 365 days; and

21 “(B) who (i) did not acquire the status of aliens  
22 lawfully admitted to the United States for perma-  
23 nent residence in the two preceding fiscal years, or  
24 (ii) acquired such status in such years under a pro-  
25 vision of law (other than section 201(b)) which ex-

4       “(5) If any alien described in paragraph (4) (other  
5   than an alien described in paragraph (4)(B)(ii)) is subse-  
6   quently admitted as an alien lawfully admitted for perma-  
7   nent residence, such alien shall not again be considered  
8   for purposes of paragraph (1).”.

10 (a) ASYLUM REFORM.—Section 208 (8 U.S.C. 1158)  
11 is amended to read as follows:

13       “SEC. 208. (a) AUTHORITY TO APPLY FOR ASY-  
14 LUM.—

“(1) IN GENERAL.—Any alien who is physically present in the United States or who arrives in the United States (whether or not at a designated port of arrival and including an alien who is brought to the United States after having been interdicted in international or United States waters), irrespective of such alien’s status, may apply for asylum in accordance with this section or, where applicable, section 235(b).

25 “(A) SAFE THIRD COUNTRY.—Paragraph

26 (1) shall not apply to an alien if the Attorney



1 General determines that the alien may be re-  
2 moved, pursuant to a bilateral or multilateral  
3 agreement, to a country (other than the country  
4 of the alien's nationality or, in the case of an  
5 alien having no nationality, the country of the  
6 alien's last habitual residence) in which the  
7 alien's life or freedom would not be threatened  
8 on account of race, religion, nationality, mem-  
9 bership in a particular social group, or political  
10 opinion, and where the alien would have access  
11 to a full and fair procedure for determining a  
12 claim to asylum or equivalent temporary protec-  
13 tion, unless the Attorney General finds that it  
14 is in the public interest for the alien to receive  
15 asylum in the United States.

16 “(B) TIME LIMIT.—Subject to subpara-  
17 graph (D), paragraph (1) shall not apply to an  
18 alien unless the alien demonstrates by clear and  
19 convincing evidence that the application has  
20 been filed within 1 year after the date of the  
21 alien's arrival in the United States.

22 “(C) PREVIOUS ASYLUM APPLICATIONS.—  
23 Subject to subparagraph (D), paragraph (1)  
24 shall not apply to an alien if the alien has pre-

1           viously applied for asylum and had such appli-  
2           cation denied.

3           “(D) CHANGED CIRCUMSTANCES.—An ap-  
4           plication for asylum of an alien may be consid-  
5           ered, notwithstanding subparagraphs (B) and  
6           (C), if the alien demonstrates to the satisfaction  
7           of the Attorney General either the existence of  
8           changed circumstances which materially affect  
9           the applicant’s eligibility for asylum or extraor-  
10          dinary circumstances relating to the delay in fil-  
11          ing an application within the period specified in  
12          subparagraph (B).

13          “(3) LIMITATION ON JUDICIAL REVIEW.—No  
14          court shall have jurisdiction to review any deter-  
15          mination of the Attorney General under paragraph  
16          (2).

17          “(b) CONDITIONS FOR GRANTING ASYLUM.—

18                 “(1) IN GENERAL.—The Attorney General may  
19                 grant asylum to an alien who has applied for asylum  
20                 in accordance with the requirements and procedures  
21                 established by the Attorney General under this sec-  
22                 tion if the Attorney General determines that such  
23                 alien is a refugee within the meaning of section  
24                 101(a)(42)(A).

25          “(2) EXCEPTIONS.—

1           “(A) IN GENERAL.—Paragraph (1) shall  
2           not apply to an alien if the Attorney General  
3           determines that—

4                   “(i) the alien ordered, incited, as-  
5                   sisted, or otherwise participated in the per-  
6                   secution of any person on account of race,  
7                   religion, nationality, membership in a par-  
8                   ticular social group, or political opinion;

9                   “(ii) the alien, having been convicted  
10                  by a final judgment of a particularly seri-  
11                  ous crime, constitutes a danger to the com-  
12                  munity of the United States;

13                  “(iii) there are serious reasons for be-  
14                  lieving that the alien has committed a seri-  
15                  ous nonpolitical crime outside the United  
16                  States prior to the arrival of the alien in  
17                  the United States;

18                  “(iv) there are reasonable grounds for  
19                  regarding the alien as a danger to the se-  
20                  curity of the United States;

21                  “(v) the alien is inadmissible under  
22                  subclause (I), (II), (III), or (IV) of section  
23                  212(a)(3)(B)(i) or removable under section  
24                  237(a)(4)(B) (relating to terrorist activ-  
25                  ity), unless, in the case only of an alien in-

1           admissible under subclause (IV) of section  
2           212(a)(3)(B)(i), the Attorney General de-  
3           termines, in the Attorney General’s discre-  
4           tion, that there are not reasonable grounds  
5           for regarding the alien as a danger to the  
6           security of the United States; or

7           “(vi) the alien was firmly resettled in  
8           another country prior to arriving in the  
9           United States.

10          “(B) SPECIAL RULES.—

11               “(i) CONVICTION OF AGGRAVATED  
12               FELONY.—For purposes of clause (ii) of  
13               subparagraph (A), an alien who has been  
14               convicted of an aggravated felony shall be  
15               considered to have been convicted of a par-  
16               ticularly serious crime.

17               “(ii) OFFENSES.—The Attorney Gen-  
18               eral may designate by regulation offenses  
19               that will be considered to be a crime de-  
20               scribed in clause (ii) or (iii) of subpara-  
21               graph (A).

22               “(C) ADDITIONAL LIMITATIONS.—The At-  
23               torney General may by regulation establish ad-  
24               ditional limitations and conditions, consistent

1 with this section, under which an alien shall be  
2 ineligible for asylum under paragraph (1).

3 “(D) NO JUDICIAL REVIEW.—There shall  
4 be no judicial review of a determination of the  
5 Attorney General under subparagraph (A)(v).

6 “(3) TREATMENT OF SPOUSE AND CHILD-  
7 DREN.—A spouse or child (as defined in section  
8 101(b)(1)(A), (B), (C), (D), or (E)) of an alien who  
9 is granted asylum under this subsection may, if not  
10 otherwise eligible for asylum under this section, be  
11 granted the same status as the alien if accompany-  
12 ing, or following to join, such alien.

13 “(c) ASYLUM STATUS.—

14 “(1) IN GENERAL.—In the case of an alien  
15 granted asylum under subsection (b), the Attorney  
16 General—

17 “(A) shall not remove or return the alien  
18 to the alien’s country of nationality or, in the  
19 case of a person having no nationality, the  
20 country of the alien’s last habitual residence;

21 “(B) shall authorize the alien to engage in  
22 employment in the United States and provide  
23 the alien with appropriate endorsement of that  
24 authorization; and

1           “(C) may allow the alien to travel abroad  
2           with the prior consent of the Attorney General.

3           “(2) TERMINATION OF ASYLUM.—Asylum granted  
4           under subsection (b) does not convey a right to re-  
5           main permanently in the United States, and may be  
6           terminated if the Attorney General determines  
7           that—

8           “(A) the alien no longer meets the conditions  
9           described in subsection (b)(1) owing to a fun-  
10          damental change in circumstances;

11          “(B) the alien meets a condition described in  
12          subsection (b)(2);

13          “(C) the alien may be removed, pursuant to  
14          a bilateral or multilateral agreement, to a coun-  
15          try (other than the country of the alien’s na-  
16          tionality or, in the case of an alien having no  
17          nationality, the country of the alien’s last habit-  
18          ual residence) in which the alien’s life or free-  
19          dom would not be threatened on account of  
20          race, religion, nationality, membership in a par-  
21          ticular social group, or political opinion, and  
22          where the alien is eligible to receive asylum or  
23          equivalent temporary protection;

24          “(D) the alien has voluntarily availed himself  
25          or herself of the protection of the alien’s coun-

1 try of nationality or, in the case of an alien  
2 having no nationality, the alien's country of last  
3 habitual residence, by returning to such country  
4 with permanent resident status or the reason-  
5 able possibility of obtaining such status with  
6 the same rights and obligations pertaining to  
7 other permanent residents of that country; or

8 “(E) the alien has acquired a new nationality  
9 and enjoys the protection of the country of his  
10 or her new nationality.

11 “(3) REMOVAL WHEN ASYLUM IS TERMINATED.—

12 An alien described in paragraph (2) is subject to any  
13 applicable grounds of inadmissibility or deportability  
14 under section 212(a) and 237(a), and the alien's re-  
15 moval or return shall be directed by the Attorney  
16 General in accordance with sections 240 and 241.

17 “(d) ASYLUM PROCEDURE.—

18 “(1) APPLICATIONS.—The Attorney General shall  
19 establish a procedure for the consideration of asylum  
20 applications filed under subsection (a). The Attorney  
21 General may require applicants to submit finger-  
22 prints and a photograph at such time and in such  
23 manner to be determined by regulation by the Attor-  
24 ney General.

1       “(2) EMPLOYMENT.—An applicant for asylum is  
2       not entitled to employment authorization, but such  
3       authorization may be provided under regulation by  
4       the Attorney General. An applicant who is not other-  
5       wise eligible for employment authorization shall not  
6       be granted such authorization prior to 180 days  
7       after the date of filing of the application for asylum.

8       “(3) FEES.—The Attorney General may impose  
9       fees for the consideration of an application for asy-  
10      lum, for employment authorization under this sec-  
11      tion, and for adjustment of status under section  
12      209(b). Such fees shall not exceed the Attorney Gen-  
13      eral’s costs in adjudicating the applications. The At-  
14      torney General may provide for the assessment and  
15      payment of such fees over a period of time or by in-  
16      stallments. Nothing in this paragraph shall be con-  
17      strued to require the Attorney General to charge  
18      fees for adjudication services provided to asylum ap-  
19      plicants, or to limit the authority of the Attorney  
20      General to set adjudication and naturalization fees  
21      in accordance with section 286(m).

22      “(4) NOTICE OF PRIVILEGE OF COUNSEL AND  
23      CONSEQUENCES OF FRIVOLOUS APPLICATION.—At  
24      the time of filing an application for asylum, the At-  
25      torney General shall—



1           “(A) advise the alien of the privilege of being  
2           represented by counsel and of the consequences,  
3           under paragraph (6), of knowingly filing a frivolous  
4           application for asylum; and

5           “(B) provide the alien a list of persons (updated  
6           not less often than quarterly) who have  
7           indicated their availability to represent aliens in  
8           asylum proceedings on a pro bono basis.

9           “(5) CONSIDERATION OF ASYLUM APPLICATIONS.—  
10          TIONS.—

11           “(A) PROCEDURES.—The procedure established  
12           under paragraph (1) shall provide that—

13                   “(i) asylum cannot be granted until  
14                   the identity of the applicant has been  
15                   checked against all appropriate records or  
16                   databases maintained by the Attorney General  
17                   and by the Secretary of State, including  
18                   the Automated Visa Lookout System,  
19                   to determine any grounds on which the  
20                   alien may be inadmissible to or deportable  
21                   from the United States, or ineligible to  
22                   apply for or be granted asylum;

23                   “(ii) in the absence of exceptional circumstances,  
24                   the initial interview or hearing  
25                   on the asylum application shall commence

1 not later than 45 days after the date an  
2 application is filed;

3 “(iii) in the absence of exceptional cir-  
4 cumstances, final administrative adjudica-  
5 tion of the asylum application, not includ-  
6 ing administrative appeal, shall be com-  
7 pleted within 180 days after the date an  
8 application is filed;

9 “(iv) any administrative appeal shall be  
10 filed within 30 days of a decision granting  
11 or denying asylum, or within 30 days of  
12 the completion of removal proceedings be-  
13 fore an immigration judge under section  
14 240, whichever is later; and

15 “(v) in the case of an applicant for asy-  
16 lum who fails without prior authorization  
17 or in the absence of exceptional cir-  
18 cumstances to appear for an interview or  
19 hearing, including a hearing under section  
20 240, the application may be dismissed or  
21 the applicant may be otherwise sanctioned  
22 for such failure.

23 “(B) ADDITIONAL REGULATORY CONDI-  
24 TIONS.—The Attorney General may provide by  
25 regulation for any other conditions or limita-

1           tions on the consideration of an application for  
2           asylum not inconsistent with this Act.

3           “(6) FRIVOLOUS APPLICATIONS.—If the Attorney  
4           General determines that an alien has knowingly  
5           made a frivolous application for asylum and the  
6           alien has received the notice under paragraph  
7           (4)(A), the alien shall be permanently ineligible for  
8           any benefits under this Act, effective as of the date  
9           of a final determination on such application.

10          “(7) NO PRIVATE RIGHT OF ACTION.—Nothing in  
11          this subsection shall be construed to create any sub-  
12          stantive or procedural right or benefit that is legally  
13          enforceable by any party against the United States  
14          or its agencies or officers or any other person.”.

15          (b) CONFORMING AND CLERICAL AMEND-  
16          MENTS.—

17          (1) The item in the table of contents relating to  
18          section 208 is amended to read as follows:

“Sec. 208. Asylum.”.

19          (2) Section 104(d)(1)(A) of the Immigration Act  
20          of 1990 (Public Law 101–649) is amended by strik-  
21          ing “208(b)” and inserting “208”.

22          (c) EFFECTIVE DATE.—The amendment made by  
23          subsection (a) shall apply to applications for asylum filed  
24          on or after the first day of the first month beginning

1 more than 180 days after the date of the enactment of  
2 this Act.

3 **SEC. 605. INCREASE IN ASYLUM OFFICERS.**

4 Subject to the availability of appropriations, the  
5 Attorney General shall provide for an increase in the  
6 number of asylum officers to at least 600 asylum officers  
7 by fiscal year 1997.

8 **SEC. 606. CONDITIONAL REPEAL OF CUBAN ADJUSTMENT**  
9 **ACT.**

10 (a) IN GENERAL.—Public Law 89–732 is repealed  
11 effective only upon a determination by the President  
12 under section 203(c)(3) of the Cuban Liberty and Demo-  
13 cratic Solidarity (LIBERTAD) Act of 1996 (Public Law  
14 104–114) that a democratically elected government in  
15 Cuba is in power.

16 (b) LIMITATION.—Subsection (a) shall not apply  
17 to aliens for whom an application for adjustment of sta-  
18 tus is pending on such effective date.

19 **Subtitle B—Miscellaneous Amend-**  
20 **ments to the Immigration and**  
21 **Nationality Act**

22 **SEC. 621. ALIEN WITNESS COOPERATION.**

23 Section 214(j)(1) (8 U.S.C. 1184(j)(1)) (as added  
24 by section 130003(b)(2) of the Violent Crime Control and  
25 Law Enforcement Act of 1994 (Public Law 103–322;

1 108 Stat. 2025)) (relating to numerical limitations on the  
 2 number of aliens who may be provided a visa as non-  
 3 immigrants under section 101(a)(15)(S) of the Immigra-  
 4 tion and Nationality Act) is amended—

5 (1) by striking “100.” and inserting “200.”; and

6 (2) by striking “25.” and inserting “50.”.

7 **SEC. 622. WAIVER OF FOREIGN COUNTRY RESIDENCE RE-**  
 8 **QUIREMENT WITH RESPECT TO INTER-**  
 9 **NATIONAL MEDICAL GRADUATES.**

10 (a) **EXTENSION OF WAIVER PROGRAM.**—Section  
 11 220(c) of the Immigration and Nationality Technical  
 12 Corrections Act of 1994 (8 U.S.C. 1182 note) is amend-  
 13 ed by striking “1996.” and inserting “2002.”.

14 (b) **CONDITIONS ON FEDERALLY REQUESTED**  
 15 **WAIVERS.**—Section 212(e) (8 U.S.C. 1182(e)) is amend-  
 16 ed by inserting after “except that in the case of a waiver  
 17 requested by a State Department of Public Health, or its  
 18 equivalent” the following: “, or in the case of a waiver  
 19 requested by an interested United States Government  
 20 agency on behalf of an alien described in clause (iii),”.

21 (c) **RESTRICTIONS ON FEDERALLY REQUESTED**  
 22 **WAIVERS.**—Section 214(k) (8 U.S.C. 1184(k)) (as added  
 23 by section 220(b) of the Immigration and Nationality  
 24 Technical Corrections Act of 1994 (Public Law 103–416;  
 25 108 Stat. 4319)) is amended to read as follows:

1           “(k)(1) In the case of a request by an interested  
2 State agency, or by an interested Federal agency, for a  
3 waiver of the 2-year foreign residence requirement under  
4 section 212(e) on behalf of an alien described in clause  
5 (iii) of such section, the Attorney General shall not grant  
6 such waiver unless—

7           “(A) in the case of an alien who is otherwise con-  
8 tractually obligated to return to a foreign country,  
9 the government of such country furnishes the Direc-  
10 tor of the United States Information Agency with a  
11 statement in writing that it has no objection to such  
12 waiver;

13           “(B) in the case of a request by an interested  
14 State agency, the grant of such waiver would not  
15 cause the number of waivers allotted for that State  
16 for that fiscal year to exceed 20;

17           “(C) in the case of a request by an interested  
18 Federal agency or by an interested State agency—

19               “(i) the alien demonstrates a bona fide offer  
20 of full-time employment at a health facility or  
21 health care organization, which employment has  
22 been determined by the Attorney General to be  
23 in the public interest; and

24               “(ii) the alien agrees to begin employment  
25 with the health facility or health care organiza-

1           tion within 90 days of receiving such waiver,  
2           and agrees to continue to work for a total of  
3           not less than 3 years (unless the Attorney Gen-  
4           eral determines that extenuating circumstances  
5           exist, such as closure of the facility or hardship  
6           to the alien, which would justify a lesser period  
7           of employment at such health facility or health  
8           care organization, in which case the alien must  
9           demonstrate another bona fide offer of employ-  
10          ment at a health facility or health care organi-  
11          zation for the remainder of such 3-year period);  
12          and

13          “(D) in the case of a request by an interested  
14          Federal agency (other than a request by an inter-  
15          ested Federal agency to employ the alien full-time in  
16          medical research or training) or by an interested  
17          State agency, the alien agrees to practice medicine  
18          in accordance with paragraph (2) for a total of not  
19          less than 3 years only in the geographic area or  
20          areas which are designated by the Secretary of  
21          Health and Human Services as having a shortage of  
22          health care professionals.

23          “(2)(A) Notwithstanding section 248(2), the At-  
24          torney General may change the status of an alien  
25          who qualifies under this subsection and section

1       212(e) to that of an alien described in section  
2       101(a)(15)(H)(i)(b).

3       “(B) No person who has obtained a change of sta-  
4       tus under subparagraph (A) and who has failed to  
5       fulfill the terms of the contract with the health facil-  
6       ity or health care organization named in the waiver  
7       application shall be eligible to apply for an immi-  
8       grant visa, for permanent residence, or for any other  
9       change of nonimmigrant status, until it is estab-  
10      lished that such person has resided and been phys-  
11      ically present in the country of his nationality or his  
12      last residence for an aggregate of at least 2 years  
13      following departure from the United States.

14      “(3) Notwithstanding any other provision of this  
15      subsection, the 2-year foreign residence requirement  
16      under section 212(e) shall apply with respect to an  
17      alien described in clause (iii) of such section, who  
18      has not otherwise been accorded status under section  
19      101(a)(27)(H), if—

20              “(A) at any time the alien ceases to com-  
21              ply with any agreement entered into under sub-  
22              paragraph (C) or (D) of paragraph (1); or

23              “(B) the alien’s employment ceases to ben-  
24              efit the public interest at any time during the  
25              3-year period described in paragraph (1)(C).”.



1 **SEC. 623. USE OF LEGALIZATION AND SPECIAL AGRICUL-**  
2 **TURAL WORKER INFORMATION.**

3 (a) CONFIDENTIALITY OF INFORMATION.—Section  
4 245A(c)(5) (8 U.S.C. 1255a(c)(5)) is amended to read as  
5 follows:

6 “(5) CONFIDENTIALITY OF INFORMATION.—

7 “(A) IN GENERAL.—Except as provided in  
8 this paragraph, neither the Attorney General,  
9 nor any other official or employee of the De-  
10 partment of Justice, or bureau or agency there-  
11 of, may—

12 “(i) use the information furnished by  
13 the applicant pursuant to an application  
14 filed under this section for any purpose  
15 other than to make a determination on the  
16 application, for enforcement of paragraph  
17 (6), or for the preparation of reports to  
18 Congress under section 404 of the Immi-  
19 gration Reform and Control Act of 1986;

20 “(ii) make any publication whereby  
21 the information furnished by any particu-  
22 lar applicant can be identified; or

23 “(iii) permit anyone other than the  
24 sworn officers and employees of the De-  
25 partment or bureau or agency or, with re-  
26 spect to applications filed with a des-

1           ignated entity, that designated entity, to  
2           examine individual applications.

3           “(B) REQUIRED DISCLOSURES.—The At-  
4           torney General shall provide the information  
5           furnished under this section, and any other in-  
6           formation derived from such furnished informa-  
7           tion, to a duly recognized law enforcement en-  
8           tity in connection with a criminal investigation  
9           or prosecution, when such information is re-  
10          quested in writing by such entity, or to an offi-  
11          cial coroner for purposes of affirmatively identi-  
12          fying a deceased individual (whether or not  
13          such individual is deceased as a result of a  
14          crime).

15          “(C) AUTHORIZED DISCLOSURES.—The  
16          Attorney General may provide, in the Attorney  
17          General’s discretion, for the furnishing of infor-  
18          mation furnished under this section in the same  
19          manner and circumstances as census informa-  
20          tion may be disclosed by the Secretary of Com-  
21          merce under section 8 of title 13, United States  
22          Code.

23          “(D) CONSTRUCTION.—

24                 “(i) IN GENERAL.—Nothing in this  
25                 paragraph shall be construed to limit the

1 use, or release, for immigration enforce-  
2 ment purposes or law enforcement pur-  
3 poses of information contained in files or  
4 records of the Service pertaining to an ap-  
5 plication filed under this section, other  
6 than information furnished by an applicant  
7 pursuant to the application, or any other  
8 information derived from the application,  
9 that is not available from any other source.

10 “(ii) CRIMINAL CONVICTIONS.—Informa-  
11 tion concerning whether the applicant has  
12 at any time been convicted of a crime may  
13 be used or released for immigration en-  
14 forcement or law enforcement purposes.

15 “(E) CRIME.—Whoever knowingly uses,  
16 publishes, or permits information to be exam-  
17 ined in violation of this paragraph shall be fined  
18 not more than \$10,000.”.

19 (b) SPECIAL AGRICULTURAL WORKERS.—Sec-  
20 tion 210(b)(6) (8 U.S.C. 1160(b)(6)) is amended to read  
21 as follows:

22 “(6) CONFIDENTIALITY OF INFORMATION.—

23 “(A) IN GENERAL.—Except as provided in  
24 this paragraph, neither the Attorney General,  
25 nor any other official or employee of the De-

1           partment of Justice, or bureau or agency there-  
2           of, may—

3                   “(i) use the information furnished by  
4                   the applicant pursuant to an application  
5                   filed under this section for any purpose  
6                   other than to make a determination on the  
7                   application, including a determination  
8                   under subsection (a)(3)(B), or for enforce-  
9                   ment of paragraph (7);

10                   “(ii) make any publication whereby  
11                   the information furnished by any particu-  
12                   lar individual can be identified; or

13                   “(iii) permit anyone other than the  
14                   sworn officers and employees of the De-  
15                   partment or bureau or agency or, with re-  
16                   spect to applications filed with a des-  
17                   ignated entity, that designated entity, to  
18                   examine individual applications.

19                   “(B) REQUIRED DISCLOSURES.—The At-  
20                   torney General shall provide information fur-  
21                   nished under this section, and any other infor-  
22                   mation derived from such furnished informa-  
23                   tion, to a duly recognized law enforcement en-  
24                   tity in connection with a criminal investigation  
25                   or prosecution, when such information is re-

1        requested in writing by such entity, or to an offi-  
2        cial coroner for purposes of affirmatively identi-  
3        fying a deceased individual (whether or not  
4        such individual is deceased as a result of a  
5        crime).

6                “(C) CONSTRUCTION.—

7                “(i) IN GENERAL.—Nothing in this  
8                paragraph shall be construed to limit the  
9                use, or release, for immigration enforce-  
10              ment purposes or law enforcement pur-  
11              poses of information contained in files or  
12              records of the Service pertaining to an ap-  
13              plication filed under this section, other  
14              than information furnished by an applicant  
15              pursuant to the application, or any other  
16              information derived from the application,  
17              that is not available from any other source.

18              “(ii) CRIMINAL CONVICTIONS.—Infor-  
19              mation concerning whether the applicant  
20              has at any time been convicted of a crime  
21              may be used or released for immigration  
22              enforcement or law enforcement purposes.

23              “(D) CRIME.—Whoever knowingly uses,  
24              publishes, or permits information to be exam-

1           ined in violation of this paragraph shall be fined  
2           not more than \$10,000.”.

3 **SEC. 624. CONTINUED VALIDITY OF LABOR CERTIFI-**  
4 **CATIONS AND CLASSIFICATION PETITIONS**  
5 **FOR PROFESSIONAL ATHLETES.**

6       (a) LABOR CERTIFICATION.—Section 212(a)(5)(A)  
7 (8 U.S.C. 1182(a)(5)(A)) is amended by adding at the end  
8 the following:

9                   “(iii) PROFESSIONAL ATHLETES.—

10                       “(I) IN GENERAL.—A certifi-  
11 cation made under clause (i) with re-  
12 spect to a professional athlete shall  
13 remain valid with respect to the ath-  
14 lete after the athlete changes em-  
15 ployer, if the new employer is a team  
16 in the same sport as the team which  
17 employed the athlete when the athlete  
18 first applied for the certification.

19                       “(II) DEFINITION.—For pur-  
20 poses of subclause (I), the term ‘pro-  
21 fessional athlete’ means an individual  
22 who is employed as an athlete by—

23                           “(aa) a team that is a mem-  
24 ber of an association of 6 or  
25 more professional sports teams

1 whose total combined revenues  
2 exceed \$10,000,000 per year, if  
3 the association governs the con-  
4 duct of its members and regu-  
5 lates the contests and exhibitions  
6 in which its member teams regu-  
7 larly engage; or

8 “(bb) any minor league  
9 team that is affiliated with such  
10 an association.”.

11 (b) CLASSIFICATION PETITIONS.—Section 204 (8  
12 U.S.C. 1154) is amended by adding at the end the follow-  
13 ing:

14 “(i) PROFESSIONAL ATHLETES.—

15 “(1) IN GENERAL.—A petition under subsection  
16 (a)(4)(D) for classification of a professional athlete  
17 shall remain valid for the athlete after the athlete  
18 changes employers, if the new employer is a team in  
19 the same sport as the team which was the employer  
20 who filed the petition.

21 “(2) DEFINITION.—For purposes of paragraph  
22 (1), the term ‘professional athlete’ means an individ-  
23 ual who is employed as an athlete by—

24 “(A) a team that is a member of an asso-  
25 ciation of 6 or more professional sports teams

1           whose total combined revenues exceed  
2           \$10,000,000 per year, if the association governs  
3           the conduct of its members and regulates the  
4           contests and exhibitions in which its member  
5           teams regularly engage; or

6                   “(B) any minor league team that is affili-  
7           ated with such an association.”.

8   **SEC. 625. FOREIGN STUDENTS.**

9           (a) LIMITATIONS.—

10                   (1) IN GENERAL.—Section 214 (8 U.S.C. 1184)  
11           is amended by adding at the end the following new  
12           subsection:

13                   “(l)(1) An alien may not be accorded status as a non-  
14           immigrant under section 101(a)(15)(F)(i) in order to pur-  
15           sue a course of study—

16                           “(A) at a public elementary school or in a pub-  
17           licly funded adult education program; or

18                           “(B) at a public secondary school unless—

19                                   “(i) the aggregate period of such status at  
20                           such a school does not exceed 12 months with  
21                           respect to any alien, and (ii) the alien dem-  
22                           onstrates that the alien has reimbursed the  
23                           local educational agency that administers the  
24                           school for the full, unsubsidized per capita cost



1 of providing education at such school for the  
2 period of the alien's attendance.

3 “(2) An alien who obtains the status of a non-  
4 immigrant under section 101(a)(15)(F)(i) in order to pur-  
5 sue a course of study at a private elementary or secondary  
6 school or in a language training program that is not pub-  
7 licly funded shall be considered to have violated such sta-  
8 tus, and the alien's visa under section 101(a)(15)(F) shall  
9 be void, if the alien terminates or abandons such course  
10 of study at such a school and undertakes a course of study  
11 at a public elementary school, in a publicly funded adult  
12 education program, in a publicly funded adult education  
13 language training program, or at a public secondary school  
14 (unless the requirements of paragraph (1)(B) are met).”.

15 (2) CONFORMING AMENDMENT.—Section  
16 101(a)(15)(F) (8 U.S.C. 1101(a)(15)(F)) is amend-  
17 ed by inserting “consistent with section 214(l)” after  
18 “such a course of study”.

19 (b) REFERENCE TO NEW GROUND OF EXCLUSION  
20 FOR STUDENT VISA ABUSERS.—For addition of ground  
21 of inadmissibility for certain nonimmigrant student abus-  
22 ers, see section 347 of this division.

23 (c) EFFECTIVE DATE.—The amendments made by  
24 subsection (a) shall apply to individuals who obtain the  
25 status of a nonimmigrant under section 101(a)(15)(F) of

1 the Immigration and Nationality Act after the end of the  
2 60-day period beginning on the date of the enactment of  
3 this Act, including aliens whose status as such a non-  
4 immigrant is extended after the end of such period.

5 **SEC. 626. SERVICES TO FAMILY MEMBERS OF CERTAIN OF-**  
6 **FICERS AND AGENTS KILLED IN THE LINE OF**  
7 **DUTY.**

8 (a) IN GENERAL.—Title II, as amended by section  
9 205(a) of this division, is amended by adding at the end  
10 the following new section:

11 “TRANSPORTATION OF REMAINS OF IMMIGRATION OFFI-  
12 CERS AND BORDER PATROL AGENTS KILLED IN THE  
13 LINE OF DUTY

14 “SEC. 295. (a) IN GENERAL.—To the extent pro-  
15 vided in appropriation Acts, when an immigration officer  
16 or border patrol agent is killed in the line of duty, the  
17 Attorney General may pay from appropriations available  
18 for the activity in which the officer or agent was en-  
19 gaged—

20 “(1) the actual and necessary expenses of  
21 transportation of the remains of the officer or agent  
22 to a place of burial located in any State, American  
23 Samoa, the Commonwealth of the Northern Mariana  
24 Islands, the Republic of the Marshall Islands, the  
25 Federated States of Micronesia, or the Republic of  
26 Palau;

1 “(2) travel expenses, including per diem in lieu  
 2 of subsistence, of the decedent’s spouse and minor  
 3 children to and from such site at rates not greater  
 4 than those established for official government travel  
 5 under subchapter I of chapter 57 of title 5, United  
 6 States Code; and

7 “(3) any other memorial service authorized by  
 8 the Attorney General.

9 “(b) PREPAYMENT.—The Attorney General may pre-  
 10 pay any expense authorized to be paid under this sec-  
 11 tion.”.

12 (b) CLERICAL AMENDMENT.—The table of contents,  
 13 as amended by section 205(b) of this division, is amended  
 14 by inserting after the item relating to section 294 the fol-  
 15 lowing new item:

“Sec. 295. Transportation of remains of immigration officers and border pa-  
 trol agents killed in the line of duty.”.

## 16 **Subtitle C—Provisions Relating to** 17 **Visa Processing and Consular** 18 **Efficiency**

### 19 **SEC. 631. VALIDITY OF PERIOD OF VISAS.**

20 (a) EXTENSION OF VALIDITY OF IMMIGRANT VISAS  
 21 TO 6 MONTHS.—Section 221(c) (8 U.S.C. 1201(c)) is  
 22 amended by striking “four months” and inserting “six  
 23 months”.

1       (b) AUTHORIZING APPLICATION OF RECIPROCITY  
2 RULE FOR NONIMMIGRANT VISA IN CASE OF REFUGEES  
3 AND PERMANENT RESIDENTS.—Such section is further  
4 amended by inserting before the period at the end of the  
5 third sentence the following: “; except that in the case of  
6 aliens who are nationals of a foreign country and who ei-  
7 ther are granted refugee status and firmly resettled in an-  
8 other foreign country or are granted permanent residence  
9 and residing in another foreign country, the Secretary of  
10 State may prescribe the period of validity of such a visa  
11 based upon the treatment granted by that other foreign  
12 country to alien refugees and permanent residents, respec-  
13 tively, in the United States”.

14 **SEC. 632. ELIMINATION OF CONSULATE SHOPPING FOR**  
15 **VISA OVERSTAYS.**

16       (a) IN GENERAL.—Section 222 (8 U.S.C. 1202) is  
17 amended by adding at the end the following:

18       “(g)(1) In the case of an alien who has been admitted  
19 on the basis of a nonimmigrant visa and remained in the  
20 United States beyond the period of stay authorized by the  
21 Attorney General, such visa shall be void beginning after  
22 the conclusion of such period of stay.

23       “(2) An alien described in paragraph (1) shall be in-  
24 eligible to be readmitted to the United States as a non-  
25 immigrant, except—

1           “(A) on the basis of a visa (other than the visa  
2       described in paragraph (1)) issued in a consular of-  
3       fice located in the country of the alien’s nationality  
4       (or, if there is no office in such country, in such  
5       other consular office as the Secretary of State shall  
6       specify); or

7           “(B) where extraordinary circumstances are  
8       found by the Secretary of State to exist.”.

9       (b) APPLICABILITY.—

10           (1) VISAS.—Section 222(g)(1) of the Immigra-  
11       tion and Nationality Act, as added by subsection (a),  
12       shall apply to a visa issued before, on, or after the  
13       date of the enactment of this Act.

14           (2) ALIENS SEEKING READMISSION.—Section  
15       222(g)(2) of the Immigration and Nationality Act,  
16       as added by subsection (a), shall apply to any alien  
17       applying for readmission to the United States after  
18       the date of the enactment of this Act, except an  
19       alien applying for readmission on the basis of a visa  
20       that—

21           (A) was issued before such date; and

22           (B) is not void through the application of  
23       section 222(g)(1) of the Immigration and Na-  
24       tionality Act, as added by subsection (a).

1 **SEC. 633. AUTHORITY TO DETERMINE VISA PROCESSING**  
2 **PROCEDURES.**

3 Section 202(a)(1) (8 U.S.C. 1152(a)(1)) is amend-  
4 ed—

5 (1) by inserting “(A)” after “NONDISCRIMINA-  
6 TION.—”; and

7 (2) by adding at the end the following:

8 “(B) Nothing in this paragraph shall be con-  
9 strued to limit the authority of the Secretary of  
10 State to determine the procedures for the processing  
11 of immigrant visa applications or the locations where  
12 such applications will be processed.”.

13 **SEC. 634. CHANGES REGARDING VISA APPLICATION PROC-**  
14 **ESS.**

15 (a) NONIMMIGRANT APPLICATIONS.—Section 222(c)  
16 (8 U.S.C. 1202(c)) is amended—

17 (1) by striking “personal description” through  
18 “marks of identification);”;

19 (2) by striking “applicant” and inserting “ap-  
20 plicant, the determination of his eligibility for a non-  
21 immigrant visa,”; and

22 (3) by adding at the end the following: “At the  
23 discretion of the Secretary of State, application  
24 forms for the various classes of nonimmigrant ad-  
25 missions described in section 101(a)(15) may vary  
26 according to the class of visa being requested.”.

1 (b) DISPOSITION OF APPLICATIONS.—Section 222(e)  
2 (8 U.S.C. 1202(e)) is amended—

3 (1) in the first sentence, by striking “required  
4 by this section” and inserting “for an immigrant  
5 visa”; and

6 (2) in the fourth sentence—

7 (A) by striking “stamp” and inserting  
8 “stamp, or other

9 (B) by striking “by the consular officer”.

10 **SEC. 635. VISA WAIVER PROGRAM.**

11 (a) ELIMINATION OF JOINT ACTION REQUIRE-  
12 MENT.—Section 217 (8 U.S.C. 1187) is amended—

13 (1) in subsection (a), by striking “Attorney  
14 General and the Secretary of State, acting jointly”  
15 and inserting “Attorney General, in consultation  
16 with the Secretary of State”;

17 (2) in subsection (c)(1), by striking “Attorney  
18 General and the Secretary of State acting jointly”  
19 and inserting “Attorney General, in consultation  
20 with the Secretary of State,”; and

21 (3) in subsection (d), by striking “Attorney  
22 General and the Secretary of State, acting jointly,”  
23 and inserting “Attorney General, in consultation  
24 with the Secretary of State,”.

1 (b) EXTENSION OF PROGRAM.—Section 217(f) (8  
2 U.S.C. 1187(f)) is amended by striking “1996” and in-  
3 serting “1997.”.

4 (c) DURATION AND TERMINATION OF DESIGNATION  
5 OF PILOT PROGRAM COUNTRIES.—

6 (1) IN GENERAL.—Section 217(g) (8 U.S.C.  
7 1187(g)) is amended to read as follows:

8 “(g) DURATION AND TERMINATION OF DESIGNA-  
9 TION.—

10 “(1) IN GENERAL.—

11 “(A) DETERMINATION AND NOTIFICATION  
12 OF DISQUALIFICATION RATE.—Upon determina-  
13 tion by the Attorney General that a pilot pro-  
14 gram country’s disqualification rate is 2 percent  
15 or more, the Attorney General shall notify the  
16 Secretary of State.

17 “(B) PROBATIONARY STATUS.—If the pro-  
18 gram country’s disqualification rate is greater  
19 than 2 percent but less than 3.5 percent, the  
20 Attorney General shall place the program coun-  
21 try in probationary status for a period not to  
22 exceed 2 full fiscal years following the year in  
23 which the determination under subparagraph  
24 (A) is made.



1           “(C) TERMINATION OF DESIGNATION.—

2           Subject to paragraph (3), if the program coun-  
3           try’s disqualification rate is 3.5 percent or  
4           more, the Attorney General shall terminate the  
5           country’s designation as a pilot program coun-  
6           try effective at the beginning of the second fis-  
7           cal year following the fiscal year in which the  
8           determination under subparagraph (A) is made.

9           “(2) TERMINATION OF PROBATIONARY STA-  
10          TUS.—

11           “(A) IN GENERAL.—If the Attorney Gen-  
12           eral determines at the end of the probationary  
13           period described in paragraph (1)(B) that the  
14           program country placed in probationary status  
15           under such paragraph has failed to develop a  
16           machine-readable passport program as required  
17           by section (c)(2)(C), or has a disqualification  
18           rate of 2 percent or more, the Attorney General  
19           shall terminate the designation of the country  
20           as a pilot program country. If the Attorney  
21           General determines that the program country  
22           has developed a machine-readable passport pro-  
23           gram and has a disqualification rate of less  
24           than 2 percent, the Attorney General shall re-

1 designate the country as a pilot program coun-  
2 try.

3 “(B) EFFECTIVE DATE.—A termination of  
4 the designation of a country under subpara-  
5 graph (A) shall take effect on the first day of  
6 the first fiscal year following the fiscal year in  
7 which the determination under such subpara-  
8 graph is made. Until such date, nationals of the  
9 country shall remain eligible for a waiver under  
10 subsection (a).

11 “(3) NONAPPLICABILITY OF CERTAIN PROVI-  
12 SIONS.—Paragraph (1)(C) shall not apply unless the  
13 total number of nationals of a pilot program country  
14 described in paragraph (4)(A) exceeds 100.

15 “(4) DEFINITION.—For purposes of this sub-  
16 section, the term ‘disqualification rate’ means the  
17 percentage which—

18 “(A) the total number of nationals of the  
19 pilot program country who were—

20 “(i) excluded from admission or with-  
21 drew their application for admission during  
22 the most recent fiscal year for which data  
23 are available; and

1                   “(ii) admitted as nonimmigrant visi-  
2                   tors during such fiscal year and who vio-  
3                   lated the terms of such admission; bears to  
4                   “(B) the total number of nationals of such  
5                   country who applied for admission as non-  
6                   immigrant visitors during such fiscal year.”.

7                   (2) TRANSITION.—A country designated as a  
8                   pilot program country with probationary status  
9                   under section 217(g) of the Immigration and Na-  
10                  tionality Act (as in effect on the day before the date  
11                  of the enactment of this Act) shall be considered to  
12                  be designated as a pilot program country on and  
13                  after such date, subject to placement in probationary  
14                  status or termination of such designation under such  
15                  section (as amended by paragraph (1)).

16                  (3) CONFORMING AMENDMENT.—Section  
17                  217(a)(2)(B) (8 U.S.C. 1187(a)(2)(B)) is amended  
18                  by striking “or is” through “subsection (g).” and in-  
19                  serting a period.

20   **SEC. 636. FEE FOR DIVERSITY IMMIGRANT LOTTERY.**

21                  The Secretary of State may establish a fee to be paid  
22                  by each applicant for an immigrant visa described in sec-  
23                  tion 203(c) of the Immigration and Nationality Act. Such  
24                  fee may be set at a level that will ensure recovery of the  
25                  cost to the Department of State of allocating visas under

1 such section, including the cost of processing all applica-  
2 tions thereunder. All fees collected under this section shall  
3 be used for providing consular services. All fees collected  
4 under this section shall be deposited as an offsetting col-  
5 lection to any Department of State appropriation and shall  
6 remain available for obligations until expended. The provi-  
7 sions of the Act of August 18, 1856 (11 Stat. 58; 22  
8 U.S.C. 4212–4214), concerning accounting for consular  
9 fees, shall not apply to fees collected under this section.

10 **SEC. 637. ELIGIBILITY FOR VISAS FOR CERTAIN POLISH AP-**  
11 **PLICANTS FOR THE 1995 DIVERSITY IMMI-**  
12 **GRANT PROGRAM.**

13 (a) IN GENERAL.—The Attorney General, in con-  
14 sultation with the Secretary of State, shall include among  
15 the aliens selected for diversity immigrant visas for fiscal  
16 year 1997 pursuant to section 203(c) of the Immigration  
17 and Nationality Act any alien who, on or before September  
18 30, 1995—

19 (1) was selected as a diversity immigrant under  
20 such section for fiscal year 1995;

21 (2) applied for adjustment of status to that of  
22 an alien lawfully admitted for permanent residence  
23 pursuant to section 245 of such Act during fiscal  
24 year 1995, and whose application, and any associ-

1       ated fees, were accepted by the Attorney General, in  
2       accordance with applicable regulations;

3               (3) was not determined by the Attorney General  
4       to be excludable under section 212 of such Act or in-  
5       eligible under section 203(c)(2) of such Act; and

6               (4) did not become an alien lawfully admitted  
7       for permanent residence during fiscal year 1995.

8       (b) PRIORITY.—The aliens selected under subsection  
9       (a) shall be considered to have been selected for diversity  
10      immigrant visas for fiscal year 1997 prior to any alien  
11      selected under any other provision of law.

12      (c) REDUCTION OF IMMIGRANT VISA NUMBER.—For  
13      purposes of applying the numerical limitations in sections  
14      201 and 203(c) of the Immigration and Nationality Act,  
15      aliens selected under subsection (a) who are granted an  
16      immigrant visa shall be treated as aliens granted a visa  
17      under section 203(c) of such Act.

## 18               **Subtitle D—Other Provisions**

### 19      **SEC. 641. PROGRAM TO COLLECT INFORMATION RELATING** 20                               **TO NONIMMIGRANT FOREIGN STUDENTS AND** 21                               **OTHER EXCHANGE PROGRAM PARTICIPANTS.**

22      (a) IN GENERAL.—

23               (1) PROGRAM.—The Attorney General, in con-  
24      sultation with the Secretary of State and the Sec-  
25      retary of Education, shall develop and conduct a

1 program to collect from approved institutions of  
2 higher education and designated exchange visitor  
3 programs in the United States the information de-  
4 scribed in subsection (c) with respect to aliens  
5 who—

6 (A) have the status, or are applying for the  
7 status, of nonimmigrants under subparagraph  
8 (F), (J), or (M) of section 101(a)(15) of the  
9 Immigration and Nationality Act; and

10 (B) are nationals of the countries des-  
11 ignated under subsection (b).

12 (2) DEADLINE.—The program shall commence  
13 not later than January 1, 1998.

14 (b) COVERED COUNTRIES.—The Attorney General,  
15 in consultation with the Secretary of State, shall designate  
16 countries for purposes of subsection (a)(1)(B). The Attor-  
17 ney General shall initially designate not less than 5 coun-  
18 tries and may designate additional countries at any time  
19 while the program is being conducted.

20 (c) INFORMATION TO BE COLLECTED.—

21 (1) IN GENERAL.—The information for collec-  
22 tion under subsection (a) with respect to an alien  
23 consists of—

24 (A) the identity and current address in the  
25 United States of the alien;

1 (B) the nonimmigrant classification of the  
2 alien and the date on which a visa under the  
3 classification was issued or extended or the date  
4 on which a change to such classification was  
5 approved by the Attorney General;

6 (C) in the case of a student at an approved  
7 institution of higher education, the current aca-  
8 demic status of the alien, including whether the  
9 alien is maintaining status as a full-time stu-  
10 dent or, in the case of a participant in a des-  
11 ignated exchange visitor program, whether the  
12 alien is satisfying the terms and conditions of  
13 such program; and

14 (D) in the case of a student at an ap-  
15 proved institution of higher education, any dis-  
16 ciplinary action taken by the institution against  
17 the alien as a result of the alien's being con-  
18 victed of a crime or, in the case of a participant  
19 in a designated exchange visitor program, any  
20 change in the alien's participation as a result of  
21 the alien's being convicted of a crime.

22 (2) FERPA.—The Family Educational Rights  
23 and Privacy Act of 1974 shall not apply to aliens de-  
24 scribed in subsection (a) to the extent that the At-

1       torney General determines necessary to carry out the  
2       program under subsection (a).

3           (3) ELECTRONIC COLLECTION.—The informa-  
4       tion described in paragraph (1) shall be collected  
5       electronically, where practicable.

6           (4) COMPUTER SOFTWARE.—

7           (A) COLLECTING INSTITUTIONS.—To the  
8       extent practicable, the Attorney General shall  
9       design the program in a manner that permits  
10      approved institutions of higher education and  
11      designated exchange visitor programs to use ex-  
12      isting software for the collection, storage, and  
13      data processing of information described in  
14      paragraph (1).

15          (B) ATTORNEY GENERAL.—To the extent  
16      practicable, the Attorney General shall use or  
17      enhance existing software for the collection,  
18      storage, and data processing of information de-  
19      scribed in paragraph (1).

20      (d) PARTICIPATION BY INSTITUTIONS OF HIGHER  
21      EDUCATION AND EXCHANGE VISITOR PROGRAMS.—

22          (1) CONDITION.—The information described in  
23      subsection (c) shall be provided by as a condition  
24      of—



1 (A) in the case of an approved institution  
2 of higher education, the continued approval of  
3 the institution under subparagraph (F) or (M)  
4 of section 101(a)(15) of the Immigration and  
5 Nationality Act; and

6 (B) in the case of an approved institution  
7 of higher education or a designated exchange  
8 visitor program, the granting of authority to  
9 issue documents to an alien demonstrating the  
10 alien's eligibility for a visa under subparagraph  
11 (F), (J), or (M) of section 101(a)(15) of such  
12 Act.

13 (2) EFFECT OF FAILURE TO PROVIDE INFOR-  
14 MATION.—If an approved institution of higher edu-  
15 cation or a designated exchange visitor program fails  
16 to provide the specified information, such approvals  
17 and such issuance of visas shall be revoked or de-  
18 nied.

19 (e) FUNDING.—

20 (1) IN GENERAL.—Beginning on April 1, 1997,  
21 an approved institution of higher education and a  
22 designated exchange visitor program shall impose  
23 on, and collect from, each alien described in para-  
24 graph (3), with respect to whom the institution or  
25 program is required by subsection (a) to collect in-

1 formation, a fee established by the Attorney General  
2 under paragraph (4) at the time—

3 (A) when the alien first registers with the  
4 institution or program after entering the United  
5 States; or

6 (B) in a case where a registration under  
7 subparagraph (A) does not exist, when the alien  
8 first commences activities in the United States  
9 with the institution or program.

10 (2) REMITTANCE.—An approved institution of  
11 higher education and a designated exchange visitor  
12 program shall remit the fees collected under para-  
13 graph (1) to the Attorney General pursuant to a  
14 schedule established by the Attorney General.

15 (3) ALIENS DESCRIBED.—An alien referred to  
16 in paragraph (1) is an alien who has nonimmigrant  
17 status under subparagraph (F), (J), or (M) of sec-  
18 tion 101(a)(15) of the Immigration and Nationality  
19 Act (other than a nonimmigrant under section  
20 101(a)(15)(J) of such Act who has come to the  
21 United States as a participant in a program spon-  
22 sored by the Federal Government).

23 (4) AMOUNT AND USE OF FEES.—

24 (A) ESTABLISHMENT OF AMOUNT.—The  
25 Attorney General shall establish the amount of

1 the fee to be imposed on, and collected from, an  
2 alien under paragraph (1). Except as provided  
3 in subsection (g)(2), the fee imposed on any in-  
4 dividual may not exceed \$100. The amount of  
5 the fee shall be based on the Attorney General's  
6 estimate of the cost per alien of conducting the  
7 information collection program described in this  
8 section.

9 (B) USE.—Fees collected under paragraph  
10 (1) shall be deposited as offsetting receipts into  
11 the Immigration Examinations Fee Account  
12 (established under section 286(m) of the Immi-  
13 gration and Nationality Act) and shall remain  
14 available until expended for the Attorney Gen-  
15 eral to reimburse any appropriation the amount  
16 paid out of which is for expenses in carrying  
17 out this section.

18 (f) JOINT REPORT.—Not later than 4 years after the  
19 commencement of the program established under sub-  
20 section (a), the Attorney General, the Secretary of State,  
21 and the Secretary of Education shall jointly submit to the  
22 Committees on the Judiciary of the Senate and the House  
23 of Representatives a report on the operations of the pro-  
24 gram and the feasibility of expanding the program to cover  
25 the nationals of all countries.

1 (g) WORLDWIDE APPLICABILITY OF THE PRO-  
2 GRAM.—

3 (1) EXPANSION OF PROGRAM.—

4 (A) IN GENERAL.—Not later than 6  
5 months after the submission of the report re-  
6 quired by subsection (f), the Attorney General,  
7 in consultation with the Secretary of State and  
8 the Secretary of Education, shall commence ex-  
9 pansion of the program to cover the nationals  
10 of all countries.

11 (B) DEADLINE.—Such expansion shall be  
12 completed not later than 1 year after the date  
13 of the submission of the report referred to in  
14 subsection (f).

15 (2) REVISION OF FEE.—After the program has  
16 been expanded, as provided in paragraph (1), the  
17 Attorney General may, on a periodic basis, revise the  
18 amount of the fee imposed and collected under sub-  
19 section (e) in order to take into account changes in  
20 the cost of carrying out the program.

21 (h) DEFINITIONS.—As used in this section:

22 (1) APPROVED INSTITUTION OF HIGHER EDU-  
23 CATION.—The term “approved institution of higher  
24 education” means a college or university approved  
25 by the Attorney General, in consultation with the

1 Secretary of Education, under subparagraph (F),  
2 (J), or (M) of section 101(a)(15) of the Immigration  
3 and Nationality Act.

4 (2) DESIGNATED EXCHANGE VISITOR PRO-  
5 GRAM.—The term “designated exchange visitor pro-  
6 gram” means a program that has been—

7 (A) designated by the Director of the Unit-  
8 ed States Information Agency for purposes of  
9 section 101(a)(15)(J) of the Immigration and  
10 Nationality Act; and

11 (B) selected by the Attorney General for  
12 purposes of the program under this section.

13 **SEC. 642. COMMUNICATION BETWEEN GOVERNMENT AGEN-**  
14 **CIES AND THE IMMIGRATION AND NATU-**  
15 **RALIZATION SERVICE.**

16 (a) IN GENERAL.—Notwithstanding any other provi-  
17 sion of Federal, State, or local law, a Federal, State, or  
18 local government entity or official may not prohibit, or in  
19 any way restrict, any government entity or official from  
20 sending to, or receiving from, the Immigration and Natu-  
21 ralization Service information regarding the citizenship or  
22 immigration status, lawful or unlawful, of any individual.

23 (b) ADDITIONAL AUTHORITY OF GOVERNMENT EN-  
24 TITIES.—Notwithstanding any other provision of Federal,  
25 State, or local law, no person or agency may prohibit, or

1 in any way restrict, a Federal, State, or local government  
2 entity from doing any of the following with respect to in-  
3 formation regarding the immigration status, lawful or un-  
4 lawful, of any individual:

5 (1) Sending such information to, or requesting  
6 or receiving such information from, the Immigration  
7 and Naturalization Service.

8 (2) Maintaining such information.

9 (3) Exchanging such information with any  
10 other Federal, State, or local government entity.

11 (c) OBLIGATION TO RESPOND TO INQUIRIES.—The  
12 Immigration and Naturalization Service shall respond to  
13 an inquiry by a Federal, State, or local government agen-  
14 cy, seeking to verify or ascertain the citizenship or immi-  
15 gration status of any individual within the jurisdiction of  
16 the agency for any purpose authorized by law, by provid-  
17 ing the requested verification or status information.

18 **SEC. 643. REGULATIONS REGARDING HABITUAL RESI-**  
19 **DENCE.**

20 Not later than 6 months after the date of the enact-  
21 ment of this Act, the Commissioner of Immigration and  
22 Naturalization shall issue regulations governing rights of  
23 “habitual residence” in the United States under the terms  
24 of the following:

1           (1) The Compact of Free Association between  
2           the Government of the United States and the Gov-  
3           ernments of the Marshall Islands and the Federated  
4           States of Micronesia (48 U.S.C. 1901 note).

5           (2) The Compact of Free Association between  
6           the Government of the United States and the Gov-  
7           ernment of Palau (48 U.S.C. 1931 note).

8   **SEC. 644. INFORMATION REGARDING FEMALE GENITAL MU-**  
9                           **TILATION.**

10       (a) PROVISION OF INFORMATION REGARDING FE-  
11   MALE GENITAL MUTILATION.—The Immigration and  
12   Naturalization Service (in cooperation with the Depart-  
13   ment of State) shall make available for all aliens who are  
14   issued immigrant or nonimmigrant visas, prior to or at  
15   the time of entry into the United States, the following in-  
16   formation:

17           (1) Information on the severe harm to physical  
18           and psychological health caused by female genital  
19           mutilation which is compiled and presented in a  
20           manner which is limited to the practice itself and re-  
21           spectful to the cultural values of the societies in  
22           which such practice takes place.

23           (2) Information concerning potential legal con-  
24           sequences in the United States for (A) performing  
25           female genital mutilation, or (B) allowing a child

1 under his or her care to be subjected to female geni-  
2 tal mutilation, under criminal or child protection  
3 statutes or as a form of child abuse.

4 (b) LIMITATION.—In consultation with the Secretary  
5 of State, the Commissioner of Immigration and Natu-  
6 ralization shall identify those countries in which female  
7 genital mutilation is commonly practiced and, to the ex-  
8 tent practicable, limit the provision of information under  
9 subsection (a) to aliens from such countries.

10 (c) DEFINITION.—For purposes of this section, the  
11 term “female genital mutilation” means the removal or  
12 infibulation (or both) of the whole or part of the clitoris,  
13 the labia minora, or labia majora.

14 **SEC. 645. CRIMINALIZATION OF FEMALE GENITAL MUTILA-**  
15 **TION.**

16 (a) FINDINGS.—The Congress finds that—

17 (1) the practice of female genital mutilation is  
18 carried out by members of certain cultural and reli-  
19 gious groups within the United States;

20 (2) the practice of female genital mutilation  
21 often results in the occurrence of physical and psy-  
22 chological health effects that harm the women in-  
23 volved;



1           (3) such mutilation infringes upon the guaran-  
2       tees of rights secured by Federal and State law,  
3       both statutory and constitutional;

4           (4) the unique circumstances surrounding the  
5       practice of female genital mutilation place it beyond  
6       the ability of any single State or local jurisdiction to  
7       control;

8           (5) the practice of female genital mutilation can  
9       be prohibited without abridging the exercise of any  
10      rights guaranteed under the first amendment to the  
11      Constitution or under any other law; and

12          (6) Congress has the affirmative power under  
13      section 8 of article I, the necessary and proper  
14      clause, section 5 of the fourteenth amendment, as  
15      well as under the treaty clause, to the Constitution  
16      to enact such legislation.

17      (b) CRIME.—

18          (1) IN GENERAL.—Chapter 7 of title 18, United  
19      States Code, is amended by adding at the end the  
20      following:

21      **“§ 116. Female genital mutilation**

22          “(a) Except as provided in subsection (b), whoever  
23      knowingly circumcises, excises, or infibulates the whole or  
24      any part of the labia majora or labia minora or clitoris  
25      of another person who has not attained the age of 18 years

1 shall be fined under this title or imprisoned not more than  
2 5 years, or both.

3 “(b) A surgical operation is not a violation of this  
4 section if the operation is—

5 “(1) necessary to the health of the person on  
6 whom it is performed, and is performed by a person  
7 licensed in the place of its performance as a medical  
8 practitioner; or

9 “(2) performed on a person in labor or who has  
10 just given birth and is performed for medical pur-  
11 poses connected with that labor or birth by a person  
12 licensed in the place it is performed as a medical  
13 practitioner, midwife, or person in training to be-  
14 come such a practitioner or midwife.

15 “(c) In applying subsection (b)(1), no account shall  
16 be taken of the effect on the person on whom the operation  
17 is to be performed of any belief on the part of that person,  
18 or any other person, that the operation is required as a  
19 matter of custom or ritual.”.

20 (2) CONFORMING AMENDMENT.—The table of  
21 sections at the beginning of chapter 7 of title 18,  
22 United States Code, is amended by adding at the  
23 end the following new item:

“116. Female genital mutilation.”.

1 (c) EFFECTIVE DATE.—The amendments made by  
2 subsection (b) shall take effect on the date that is 180  
3 days after the date of the enactment of this Act.

4 **SEC. 646. ADJUSTMENT OF STATUS FOR CERTAIN POLISH**  
5 **AND HUNGARIAN PAROLEES.**

6 (a) IN GENERAL.—The Attorney General shall adjust  
7 the status of an alien described in subsection (b) to that  
8 of an alien lawfully admitted for permanent residence if  
9 the alien—

10 (1) applies for such adjustment;

11 (2) has been physically present in the United  
12 States for at least 1 year and is physically present  
13 in the United States on the date the application for  
14 such adjustment is filed;

15 (3) is admissible to the United States as an im-  
16 migrant, except as provided in subsection (c); and

17 (4) pays a fee (determined by the Attorney  
18 General) for the processing of such application.

19 (b) ALIENS ELIGIBLE FOR ADJUSTMENT OF STA-  
20 TUS.—The benefits provided in subsection (a) shall only  
21 apply to an alien who—

22 (1) was a national of Poland or Hungary; and

23 (2) was inspected and granted parole into the  
24 United States during the period beginning on No-

1 vember 1, 1989, and ending on December 31, 1991,  
2 after being denied refugee status.

3 (c) WAIVER OF CERTAIN GROUNDS FOR INADMIS-  
4 SIBILITY.—The provisions of paragraphs (4), (5), and  
5 (7)(A) of section 212(a) of the Immigration and National-  
6 ity Act shall not apply to adjustment of status under this  
7 section and the Attorney General may waive any other  
8 provision of such section (other than paragraph (2)(C)  
9 and subparagraphs (A), (B), (C), or (E) of paragraph (3))  
10 with respect to such an adjustment for humanitarian pur-  
11 poses, to assure family unity, or when it is otherwise in  
12 the public interest.

13 (d) DATE OF APPROVAL.—Upon the approval of such  
14 an application for adjustment of status, the Attorney Gen-  
15 eral shall create a record of the alien's admission as an  
16 alien lawfully admitted for permanent residence as of the  
17 date of the alien's inspection and parole described in sub-  
18 section (b)(2).

19 (e) NO OFFSET IN NUMBER OF VISAS AVAILABLE.—  
20 When an alien is granted the status of having been law-  
21 fully admitted for permanent residence under this section,  
22 the Secretary of State shall not be required to reduce the  
23 number of immigrant visas authorized to be issued under  
24 the Immigration and Nationality Act.

1 **SEC. 647. SUPPORT OF DEMONSTRATION PROJECTS.**

2 (a) IN GENERAL.—The Attorney General shall make  
3 available funds under this section, in each of fiscal years  
4 1997 through 2001, to the Commissioner of Immigration  
5 and Naturalization or to other public or private nonprofit  
6 entities to support demonstration projects under this sec-  
7 tion at 10 sites throughout the United States. Each such  
8 project shall be designed to provide for the administration  
9 of the oath of allegiance under section 337(a) of the Immi-  
10 gration and Nationality Act on a business day around  
11 Independence Day to approximately 500 people whose ap-  
12 plication for naturalization has been approved. Each  
13 project shall provide for appropriate outreach and ceremo-  
14 nial and celebratory activities.

15 (b) SELECTION OF SITES.—The Attorney General  
16 shall, in the Attorney General's discretion, select diverse  
17 locations for sites on the basis of the number of natu-  
18 ralization applicants living in proximity to each site and  
19 the degree of local community participation and support  
20 in the project to be held at the site. Not more than 2 sites  
21 may be located in the same State. The Attorney General  
22 shall consider changing the sites selected from year to  
23 year.

24 (c) AMOUNTS AVAILABLE; USE OF FUNDS.—

1           (1) AMOUNT.—The amount made available  
2           under this section with respect to any single site for  
3           a year shall not exceed \$5,000.

4           (2) USE.—Funds made available under this  
5           section may be used only to cover expenses incurred  
6           in carrying out oath administration ceremonies at  
7           the demonstration sites under subsection (a), includ-  
8           ing expenses for—

9                   (A) cost of personnel of the Immigration  
10                  and Naturalization Service (including travel and  
11                  overtime expenses);

12                  (B) rental of space; and

13                  (C) costs of printing appropriate brochures  
14                  and other information about the ceremonies.

15           (3) AVAILABILITY OF FUNDS.—Funds that are  
16           otherwise available to the Immigration and Natu-  
17           ralization Service to carry out naturalization activi-  
18           ties shall be available, to the extent provided in ap-  
19           propriation Acts, to carry out this section.

20           (d) APPLICATION.—In the case of an entity other  
21           than the Immigration and Naturalization Service seeking  
22           to conduct a demonstration project under this section, no  
23           amounts may be made available to the entity under this  
24           section unless an appropriate application has been made

1 to, and approved by, the Attorney General, in a form and  
2 manner specified by the Attorney General.

3 **SEC. 648. SENSE OF CONGRESS REGARDING AMERICAN-**  
4 **MADE PRODUCTS; REQUIREMENTS REGARD-**  
5 **ING NOTICE.**

6 (a) PURCHASE OF AMERICAN-MADE EQUIPMENT  
7 AND PRODUCTS.—It is the sense of the Congress that, to  
8 the greatest extent practicable, all equipment and products  
9 purchased with funds made available under this division  
10 should be American-made.

11 (b) NOTICE TO RECIPIENTS OF GRANTS.—In provid-  
12 ing grants under this division, the Attorney General, to  
13 the greatest extent practicable, shall provide to each recip-  
14 ient of a grant a notice describing the statement made  
15 in subsection (a) by the Congress.

16 **SEC. 649. VESSEL MOVEMENT CONTROLS DURING IMMI-**  
17 **GRATION EMERGENCY.**

18 Section 1 of the Act of June 15, 1917 (50 U.S.C.  
19 191) is amended in the first sentence by inserting “or  
20 whenever the Attorney General determines that an actual  
21 or anticipated mass migration of aliens en route to, or ar-  
22 riving off the coast of, the United States presents urgent  
23 circumstances requiring an immediate Federal response,”  
24 after “United States,” the first place such term appears.

1 **SEC. 650. REVIEW OF PRACTICES OF TESTING ENTITIES.**

2 (a) IN GENERAL.—The Attorney General shall inves-  
3 tigate, and submit a report to the Committees on the Judi-  
4 ciary of the House of Representatives and of the Senate  
5 regarding, the practices of entities authorized to admin-  
6 ister standardized citizenship tests pursuant to section  
7 312.3(a) of title 8, Code of Federal Regulations. The re-  
8 port shall include any findings of fraudulent practices by  
9 such entities.

10 (b) PRELIMINARY AND FINAL REPORTS.—Not later  
11 than 90 days after the date of the enactment of this Act,  
12 the Attorney General shall submit to the Committees on  
13 the Judiciary of the House of Representatives and of the  
14 Senate a preliminary report on the investigation conducted  
15 under subsection (a). The Attorney General shall submit  
16 to such Committees a final report on such investigation  
17 not later than 275 days after the submission of the pre-  
18 liminary report.

19 **SEC. 651. DESIGNATION OF A UNITED STATES CUSTOMS AD-**  
20 **MINISTRATIVE BUILDING.**

21 (a) DESIGNATION.—The United States Customs Ad-  
22 ministrative Building at the Ysleta/Zaragosa Port of  
23 Entry located at 797 South Zaragosa Road in El Paso,  
24 Texas, is designated as the “Timothy C. McCaghren Cus-  
25 toms Administrative Building”.



1 (b) LEGAL REFERENCES.—Any reference in any law,  
2 regulation, document, record, map, or other paper of the  
3 United States to the building referred to in subsection (a)  
4 is deemed to be a reference to the “Timothy C.  
5 McCaghren Customs Administrative Building”.

6 **SEC. 652. MAIL-ORDER BRIDE BUSINESS.**

7 (a) FINDINGS.—The Congress finds as follows:

8 (1) There is a substantial “mail-order bride”  
9 business in the United States. With approximately  
10 200 companies in the United States, an estimated  
11 2,000 to 3,500 men in the United States find wives  
12 through mail-order bride catalogs each year. How-  
13 ever, there are no official statistics available on the  
14 number of mail-order brides entering the United  
15 States each year.

16 (2) The companies engaged in the mail-order  
17 bride business earn substantial profits.

18 (3) Although many of these mail-order mar-  
19 riages work out, in many other cases, anecdotal evi-  
20 dence suggests that mail-order brides find them-  
21 selves in abusive relationships. There is also evidence  
22 to suggest that a substantial number of mail-order  
23 marriages are fraudulent under United States law.

24 (4) Many mail-order brides come to the United  
25 States unaware or ignorant of United States immi-

1       gration law. Mail-order brides who are battered  
2       often think that if they flee an abusive marriage,  
3       they will be deported. Often the citizen spouse  
4       threatens to have them deported if they report the  
5       abuse.

6               (5) The Immigration and Naturalization Serv-  
7       ice estimates that the rate of marriage fraud be-  
8       tween foreign nationals and United States citizens  
9       or aliens lawfully admitted for permanent residence  
10      is 8 percent. It is unclear what percentage of these  
11      marriage fraud cases originate as mail-order mar-  
12      riages.

13      (b) INFORMATION DISSEMINATION.—

14              (1) REQUIREMENT.—Each international match-  
15      making organization doing business in the United  
16      States shall disseminate to recruits, upon recruit-  
17      ment, such immigration and naturalization informa-  
18      tion as the Immigration and Naturalization Service  
19      deems appropriate, in the recruit's native language,  
20      including information regarding conditional perma-  
21      nent residence status and the battered spouse waiver  
22      under such status, permanent resident status, mar-  
23      riage fraud penalties, the unregulated nature of the  
24      business engaged in by such organizations, and the  
25      study required under subsection (c).

1 (2) CIVIL PENALTY.—

2 (A) VIOLATION.—Any international match-  
3 making organization that the Attorney General  
4 determines has violated subsection (b) shall be  
5 subject, in addition to any other penalties that  
6 may be prescribed by law, to a civil money pen-  
7 alty of not more than \$20,000 for each such  
8 violation.

9 (B) PROCEDURES FOR IMPOSITION OF  
10 PENALTY.—Any penalty under subparagraph  
11 (A) may be imposed only after notice and op-  
12 portunity for an agency hearing on the record  
13 in accordance with sections 554 through 557 of  
14 title 5, United States Code.

15 (c) STUDY.—The Attorney General, in consultation  
16 with the Commissioner of Immigration and Naturalization  
17 and the Director of the Violence Against Women Initiative  
18 of the Department of Justice, shall conduct a study of  
19 mail-order marriages to determine, among other things—

20 (1) the number of such marriages;

21 (2) the extent of marriage fraud in such mar-  
22 riages, including an estimate of the extent of mar-  
23 riage fraud arising from the services provided by  
24 international matchmaking organizations;

1           (3) the extent to which mail-order spouses uti-  
2       lize section 244(a)(3) of the Immigration and Na-  
3       tionality Act (providing for suspension of deporta-  
4       tion in certain cases involving abuse), or section  
5       204(a)(1)(A)(iii) of such Act (providing for certain  
6       aliens who have been abused to file a classification  
7       petition on their own behalf);

8           (4) the extent of domestic abuse in mail-order  
9       marriages; and

10          (5) the need for continued or expanded regula-  
11       tion and education to implement the objectives of  
12       the Violence Against Women Act of 1994 and the  
13       Immigration Marriage Fraud Amendments of 1986  
14       with respect to mail-order marriages.

15       (d) REPORT.—Not later than 1 year after the date  
16   of the enactment of this Act, the Attorney General shall  
17   submit a report to the Committees on the Judiciary of  
18   the House of Representatives and of the Senate setting  
19   forth the results of the study conducted under subsection  
20   (c).

21       (e) DEFINITIONS.—As used in this section:

22           (1) INTERNATIONAL MATCHMAKING ORGANIZA-  
23       TION.—

24           (A) IN GENERAL.—The term “inter-  
25       national matchmaking organization” means a

1 corporation, partnership, business, or other  
2 legal entity, whether or not organized under the  
3 laws of the United States or any State, that  
4 does business in the United States and for prof-  
5 it offers to United States citizens or aliens law-  
6 fully admitted for permanent residence, dating,  
7 matrimonial, or social referral services to non-  
8 resident noncitizens, by—

9 (i) an exchange of names, telephone  
10 numbers, addresses, or statistics;

11 (ii) selection of photographs; or

12 (iii) a social environment provided by  
13 the organization in a country other than  
14 the United States.

15 (B) EXCEPTION.—Such term does not in-  
16 clude a traditional matchmaking organization of  
17 a religious nature that otherwise operates in  
18 compliance with the laws of the countries of the  
19 recruits of such organization and the laws of  
20 the United States.

21 (2) RECRUIT.—The term “recruit” means a  
22 noncitizen, nonresident person, recruited by the  
23 international matchmaking organization for the pur-  
24 pose of providing dating, matrimonial, or social re-

1        ferral services to United States citizens or aliens  
2        lawfully admitted for permanent residence.

3    **SEC. 653. REVIEW AND REPORT ON H-2A NONIMMIGRANT**  
4                            **WORKERS PROGRAM.**

5        (a) SENSE OF THE CONGRESS.—It is the sense of the  
6 Congress that the H2–A nonimmigrant worker program  
7 should be reviewed and may need improvement in order  
8 to meet the need of producers of labor-intensive agricul-  
9 tural commodities and livestock in the United States for  
10 an adequate workforce.

11        (b) REVIEW.—The Comptroller General shall review  
12 the effectiveness of the H–2A nonimmigrant worker pro-  
13 gram to ensure that the program provides a sufficient sup-  
14 ply of agricultural labor in the event of future shortages  
15 of domestic workers after the enactment of this Act.  
16 Among other things, the Comptroller General shall review  
17 the H–2A nonimmigrant worker program to determine—

18            (1) whether the program ensures that an ade-  
19 quate supply of qualified United States workers is  
20 available at the time and place needed for employers  
21 seeking such workers after the date of enactment of  
22 this Act;

23            (2) whether the program ensures that there is  
24 timely approval of applications for temporary foreign  
25 workers under the program in the event of shortages

1 of United States workers after the date of the enact-  
2 ment of this Act;

3 (3) whether the program ensures that imple-  
4 mentation of the program is not displacing United  
5 States agricultural workers or diminishing the terms  
6 and conditions of employment of United States agri-  
7 cultural workers;

8 (4) if, and to what extent, the program is con-  
9 tributing to the problem of illegal immigration; and

10 (5) that the program adequately meets the  
11 needs of agricultural employers for all types of tem-  
12 porary foreign agricultural workers, including high-  
13 er-skilled workers in occupations which require a  
14 level of specific vocational preparation of 4 or higher  
15 (as described in the 4th edition of the Dictionary of  
16 Occupational Title, published by the Department of  
17 Labor).

18 (c) REPORT.—Not later than December 31, 1996, or  
19 3 months after the date of the enactment of this Act,  
20 whichever occurs earlier, the Comptroller General shall  
21 submit a report to the appropriate committees of the Con-  
22 gress setting forth the conclusions of the Comptroller Gen-  
23 eral from the review conducted under subsection (b).

24 (d) DEFINITIONS.—As used in this section:

1           (1) The term “Comptroller General” means the  
2       Comptroller General of the United States.

3           (2) The term “H–2A nonimmigrant worker pro-  
4       gram” means the program for the admission of non-  
5       immigrant aliens described in section  
6       101(a)(15)(H)(ii)(a) of the Immigration and Nation-  
7       ality Act.

8       **SEC. 654. REPORT ON ALLEGATIONS OF HARASSMENT BY**  
9                               **CANADIAN CUSTOMS AGENTS.**

10       (a) STUDY AND REVIEW.—

11           (1) IN GENERAL.—Not later than 30 days after  
12       the date of the enactment of this Act, the Commis-  
13       sioner of the United States Customs Service shall  
14       initiate a study of harassment by Canadian customs  
15       agents allegedly undertaken for the purpose of deter-  
16       ring cross-border commercial activity along the Unit-  
17       ed States-New Brunswick border. Such study shall  
18       include a review of the possible connection between  
19       any incidents of harassment and the discriminatory  
20       imposition of the New Brunswick provincial sales tax  
21       on goods purchased in the United States by New  
22       Brunswick residents, and with any other actions  
23       taken by the Canadian provincial governments to  
24       deter cross-border commercial activities.



1           (2) CONSULTATION.—In conducting the study  
2       under paragraph (1), the Commissioner of the Unit-  
3       ed States Customs Service shall consult with rep-  
4       resentatives of the State of Maine, local govern-  
5       ments, local businesses, and any other knowledgeable  
6       persons who the Commissioner considers to be im-  
7       portant to the completion of the study.

8       (b) REPORT.—Not later than 120 days after the date  
9       of the enactment of this Act, the Commissioner of the  
10      United States Customs Service shall submit to the Com-  
11      mittees on the Judiciary of the House of Representatives  
12      and of the Senate a report on the study and review con-  
13      ducted under subsection (a). The report shall include rec-  
14      ommendations for steps that the United States Govern-  
15      ment can take to help end any harassment by Canadian  
16      customs agents that is found to have occurred.

17   **SEC. 655. SENSE OF CONGRESS ON DISCRIMINATORY AP-**  
18                           **PLICATION OF NEW BRUNSWICK PROVINCIAL**  
19                           **SALES TAX.**

20      (a) FINDINGS.—The Congress finds as follows:

21           (1) In July 1993, Canadian customs officers  
22      began collecting an 11 percent New Brunswick pro-  
23      vincial sales tax on goods purchased in the United  
24      States by New Brunswick residents, an action that  
25      has caused severe economic harm to United States

1 businesses located in proximity to the border with  
2 New Brunswick.

3 (2) This impediment to cross-border trade com-  
4 pounds the damage already done from the Canadian  
5 Government's imposition of a 7 percent tax on all  
6 goods bought by Canadians in the United States.

7 (3) Collection of the New Brunswick provincial  
8 sales tax on goods purchased outside of New Bruns-  
9 wick is effected only along the United States-Cana-  
10 dian border, not along New Brunswick's borders  
11 with other Canadian provinces; the tax is thus being  
12 administered by Canadian authorities in a manner  
13 uniquely discriminatory to Canadians shopping in  
14 the United States.

15 (4) In February 1994, the United States Trade  
16 Representative publicly stated an intention to seek  
17 redress from the discriminatory application of the  
18 New Brunswick provincial sales tax under the dis-  
19 pute resolution process in chapter 20 of the North  
20 American Free Trade Agreement (NAFTA), but the  
21 United States Government has still not made such  
22 a claim under NAFTA procedures.

23 (5) Initially, the United States Trade Rep-  
24 resentative argued that filing a New Brunswick pro-  
25 vincial sales tax claim was delayed only because the

1       dispute mechanism under NAFTA had not yet been  
2       finalized, but more than a year after such mecha-  
3       nism has been put in place, the claim has still not  
4       been put forward by the United States Trade Rep-  
5       resentative.

6       (b) SENSE OF CONGRESS.—It is the sense of the  
7 Congress that—

8               (1) the provincial sales tax levied by the Cana-  
9       dian province of New Brunswick on Canadian citi-  
10      zens of that province who purchase goods in the  
11      United States—

12               (A) raises questions about a possible viola-  
13      tion of the North American Free Trade Agree-  
14      ment in the discriminatory application of the  
15      tax to cross-border trade with the United  
16      States; and

17               (B) damages good relations between the  
18      United States and Canada; and

19       (2) the United States Trade Representative  
20      should move forward without further delay in seek-  
21      ing redress under the dispute resolution process in  
22      chapter 20 of the North American Free Trade  
23      Agreement for the violation.

1 **SEC. 656. IMPROVEMENTS IN IDENTIFICATION-RELATED**  
2 **DOCUMENTS.**

3 (a) BIRTH CERTIFICATES.—

4 (1) STANDARDS FOR ACCEPTANCE BY FEDERAL  
5 AGENCIES.—

6 (A) IN GENERAL.—

7 (i) GENERAL RULE.—Subject to  
8 clause (ii), a Federal agency may not ac-  
9 cept for any official purpose a certificate of  
10 birth, unless the certificate—

11 (I) is a birth certificate (as de-  
12 fined in paragraph (3)); and

13 (II) conforms to the standards  
14 set forth in the regulation promul-  
15 gated under subparagraph (B).

16 (ii) APPLICABILITY.—Clause (i) shall  
17 apply only to a certificate of birth issued  
18 after the day that is 3 years after the date  
19 of the promulgation of a final regulation  
20 under subparagraph (B). Clause (i) shall  
21 not be construed to prevent a Federal  
22 agency from accepting for official purposes  
23 any certificate of birth issued on or before  
24 such day.

25 (B) REGULATION.—

1 (i) CONSULTATION WITH GOVERN-  
2 MENT AGENCIES.—The President shall se-  
3 lect 1 or more Federal agencies to consult  
4 with State vital statistics offices, and with  
5 other appropriate Federal agencies des-  
6 ignated by the President, for the purpose  
7 of developing appropriate standards for  
8 birth certificates that may be accepted for  
9 official purposes by Federal agencies, as  
10 provided in subparagraph (A).

11 (ii) SELECTION OF LEAD AGENCY.—  
12 Of the Federal agencies selected under  
13 clause (i), the President shall select 1  
14 agency to promulgate, upon the conclusion  
15 of the consultation conducted under such  
16 clause, a regulation establishing standards  
17 of the type described in such clause.

18 (iii) DEADLINE.—The agency selected  
19 under clause (ii) shall promulgate a final  
20 regulation under such clause not later than  
21 the date that is 1 year after the date of the  
22 enactment of this Act.

23 (iv) MINIMUM REQUIREMENTS.—The  
24 standards established under this subpara-  
25 graph—

1 (I) at a minimum, shall require  
2 certification of the birth certificate by  
3 the State or local custodian of record  
4 that issued the certificate, and shall  
5 require the use of safety paper, the  
6 seal of the issuing custodian of record,  
7 and other features designed to limit  
8 tampering, counterfeiting, and  
9 photocopying, or otherwise duplicat-  
10 ing, the birth certificate for fraudu-  
11 lent purposes;

12 (II) may not require a single de-  
13 sign to which birth certificates issued  
14 by all States must conform; and

15 (III) shall accommodate the dif-  
16 ferences between the States in the  
17 manner and form in which birth  
18 records are stored and birth certifi-  
19 cates are produced from such records.

20 (2) GRANTS TO STATES.—

21 (A) ASSISTANCE IN MEETING FEDERAL  
22 STANDARDS.—

23 (i) IN GENERAL.—Beginning on the  
24 date a final regulation is promulgated  
25 under paragraph (1)(B), the Secretary of

1 Health and Human Services, acting  
2 through the Director of the National Cen-  
3 ter for Health Statistics and after consult-  
4 ing with the head of any other agency des-  
5 ignated by the President, shall make  
6 grants to States to assist them in issuing  
7 birth certificates that conform to the  
8 standards set forth in the regulation.

9 (ii) ALLOCATION OF GRANTS.—The  
10 Secretary shall provide grants to States  
11 under this subparagraph in proportion to  
12 the populations of the States applying to  
13 receive a grant and in an amount needed  
14 to provide a substantial incentive for  
15 States to issue birth certificates that con-  
16 form to the standards described in clause  
17 (i).

18 (B) ASSISTANCE IN MATCHING BIRTH AND  
19 DEATH RECORDS.—

20 (i) IN GENERAL.—The Secretary of  
21 Health and Human Services, acting  
22 through the Director of the National Cen-  
23 ter for Health Statistics and after consult-  
24 ing with the head of any other agency des-  
25 ignated by the President, shall make

1 grants to States to assist them in develop-  
2 ing the capability to match birth and death  
3 records, within each State and among the  
4 States, and to note the fact of death on the  
5 birth certificates of deceased persons. In  
6 developing the capability described in the  
7 preceding sentence, a State that receives a  
8 grant under this subparagraph shall focus  
9 first on individuals born after 1950.

10 (ii) ALLOCATION AND AMOUNT OF  
11 GRANTS.—The Secretary shall provide  
12 grants to States under this subparagraph  
13 in proportion to the populations of the  
14 States applying to receive a grant and in  
15 an amount needed to provide a substantial  
16 incentive for States to develop the capabil-  
17 ity described in clause (i).

18 (C) DEMONSTRATION PROJECTS.—The  
19 Secretary of Health and Human Services, act-  
20 ing through the Director of the National Center  
21 for Health Statistics, shall make grants to  
22 States for a project in each of 5 States to dem-  
23 onstrate the feasibility of a system under which  
24 persons otherwise required to report the death  
25 of individuals to a State would be required to



1 provide to the State's office of vital statistics  
2 sufficient information to establish the fact of  
3 death of every individual dying in the State  
4 within 24 hours of acquiring the information.

5 (3) BIRTH CERTIFICATE.—As used in this sub-  
6 section, the term “birth certificate” means a certifi-  
7 cate of birth—

8 (A) of—

9 (i) an individual born in the United  
10 States; or

11 (ii) an individual born abroad—

12 (I) who is a citizen or national of  
13 the United States at birth; and

14 (II) whose birth is registered in  
15 the United States; and

16 (B) that—

17 (i) is a copy, issued by a State or local  
18 authorized custodian of record, of an origi-  
19 nal certificate of birth issued by such cus-  
20 todian of record; or

21 (ii) was issued by a State or local au-  
22 thorized custodian of record and was pro-  
23 duced from birth records maintained by  
24 such custodian of record.

1 (b) STATE-ISSUED DRIVERS LICENSES AND COM-  
2 PARABLE IDENTIFICATION DOCUMENTS.—

3 (1) STANDARDS FOR ACCEPTANCE BY FEDERAL  
4 AGENCIES.—

5 (A) IN GENERAL.—A Federal agency may  
6 not accept for any identification-related purpose  
7 a driver's license, or other comparable identi-  
8 fication document, issued by a State, unless the  
9 license or document satisfies the following re-  
10 quirements:

11 (i) APPLICATION PROCESS.—The ap-  
12 plication process for the license or docu-  
13 ment shall include the presentation of such  
14 evidence of identity as is required by regu-  
15 lations promulgated by the Secretary of  
16 Transportation after consultation with the  
17 American Association of Motor Vehicle Ad-  
18 ministrators.

19 (ii) SOCIAL SECURITY NUMBER.—Ex-  
20 cept as provided in subparagraph (B), the  
21 license or document shall contain a social  
22 security account number that can be read  
23 visually or by electronic means.

24 (iii) FORM.—The license or document  
25 otherwise shall be in a form consistent

1 with requirements set forth in regulations  
2 promulgated by the Secretary of Transpor-  
3 tation after consultation with the American  
4 Association of Motor Vehicle Administra-  
5 tors. The form shall contain security fea-  
6 tures designed to limit tampering, counter-  
7 feiting, photocopying, or otherwise dupli-  
8 cating, the license or document for fraudu-  
9 lent purposes and to limit use of the li-  
10 cense or document by impostors.

11 (B) EXCEPTION.—The requirement in sub-  
12 paragraph (A)(ii) shall not apply with respect  
13 to a driver’s license or other comparable identi-  
14 fication document issued by a State, if the  
15 State—

16 (i) does not require the license or doc-  
17 ument to contain a social security account  
18 number; and

19 (ii) requires—

20 (I) every applicant for a driver’s  
21 license, or other comparable identi-  
22 fication document, to submit the ap-  
23 plicant’s social security account num-  
24 ber; and

1 (II) an agency of the State to  
2 verify with the Social Security Admin-  
3 istration that such account number is  
4 valid.

5 (C) DEADLINE.—The Secretary of Trans-  
6 portation shall promulgate the regulations re-  
7 ferred to in clauses (i) and (iii) of subparagraph  
8 (A) not later than 1 year after the date of the  
9 enactment of this Act.

10 (2) GRANTS TO STATES.—Beginning on the  
11 date final regulations are promulgated under para-  
12 graph (1), the Secretary of Transportation shall  
13 make grants to States to assist them in issuing driv-  
14 er's licenses and other comparable identification doc-  
15 uments that satisfy the requirements under such  
16 paragraph.

17 (3) EFFECTIVE DATES.—

18 (A) IN GENERAL.—Except as otherwise  
19 provided in this paragraph, this subsection shall  
20 take effect on the date of the enactment of this  
21 Act.

22 (B) PROHIBITION ON FEDERAL AGEN-  
23 CIES.—Subparagraphs (A) and (B) of para-  
24 graph (1) shall take effect beginning on October  
25 1, 2000, but shall apply only to licenses or doc-

1           uments issued to an individual for the first time  
2           and to replacement or renewal licenses or docu-  
3           ments issued according to State law.

4           (c) REPORT.—Not later than 1 year after the date  
5 of the enactment of this Act, the Secretary of Health and  
6 Human Services shall submit a report to the Congress on  
7 ways to reduce the fraudulent obtaining and the fraudu-  
8 lent use of birth certificates, including any such use to  
9 obtain a social security account number or a State or Fed-  
10 eral document related to identification or immigration.

11          (d) FEDERAL AGENCY DEFINED.—For purposes of  
12 this section, the term “Federal agency” means any of the  
13 following:

14           (1) An Executive agency (as defined in section  
15 105 of title 5, United States Code).

16           (2) A military department (as defined in section  
17 102 of such title).

18           (3) An agency in the legislative branch of the  
19 Government of the United States.

20           (4) An agency in the judicial branch of the Gov-  
21 ernment of the United States.

22 **SEC. 657. DEVELOPMENT OF PROTOTYPE OF COUNTER-**  
23 **FEIT-RESISTANT SOCIAL SECURITY CARD.**

24           (a) DEVELOPMENT.—

1           (1) IN GENERAL.—The Commissioner of Social  
2       Security (in this section referred to as the “Commis-  
3       sioner”) shall, in accordance with the provisions of  
4       this section, develop a prototype of a counterfeit-re-  
5       sistant social security card. Such prototype card—

6                   (A) shall be made of a durable, tamper-re-  
7       sistant material such as plastic or polyester;

8                   (B) shall employ technologies that provide  
9       security features, such as magnetic stripes,  
10      holograms, and integrated circuits; and

11                  (C) shall be developed so as to provide in-  
12      dividuals with reliable proof of citizenship or  
13      legal resident alien status.

14           (2) ASSISTANCE BY ATTORNEY GENERAL.—The  
15      Attorney General shall provide such information and  
16      assistance as the Commissioner deems necessary to  
17      achieve the purposes of this section.

18      (b) STUDIES AND REPORTS.—

19           (1) IN GENERAL.—The Comptroller General  
20      and the Commissioner of Social Security shall each  
21      conduct a study, and issue a report to the Congress,  
22      that examines different methods of improving the so-  
23      cial security card application process.

24           (2) ELEMENTS OF STUDIES.—The studies shall  
25      include evaluations of the cost and work load impli-

1 cations of issuing a counterfeit-resistant social secu-  
2 rity card for all individuals over a 3, 5, and 10 year  
3 period. The studies shall also evaluate the feasibility  
4 and cost implications of imposing a user fee for re-  
5 placement cards and cards issued to individuals who  
6 apply for such a card prior to the scheduled 3, 5,  
7 and 10 year phase-in options.

8 (3) DISTRIBUTION OF REPORTS.—Copies of the  
9 reports described in this subsection, along with fac-  
10 similes of the prototype cards as described in sub-  
11 section (a), shall be submitted to the Committees on  
12 Ways and Means and Judiciary of the House of  
13 Representatives and the Committees on Finance and  
14 Judiciary of the Senate not later than 1 year after  
15 the date of the enactment of this Act.

16 **SEC. 658. BORDER PATROL MUSEUM.**

17 (a) AUTHORITY.—Notwithstanding section 203 of the  
18 Federal Property and Administrative Services Act of 1949  
19 (40 U.S.C. 484) or any other provision of law, the Attor-  
20 ney General is authorized to transfer and convey to the  
21 Border Patrol Museum and Memorial Library Founda-  
22 tion, incorporated in the State of Texas, such equipment,  
23 artifacts, and memorabilia held by the Immigration and  
24 Naturalization Service as the Attorney General may deter-

1 mine is necessary to further the purposes of the Museum  
2 and Foundation.

3 (b) TECHNICAL ASSISTANCE.—The Attorney General  
4 is authorized to provide technical assistance, through the  
5 detail of personnel of the Immigration and Naturalization  
6 Service, to the Border Patrol Museum and Memorial Li-  
7 brary Foundation for the purpose of demonstrating the  
8 use of the items transferred under subsection (a).

9 **SEC. 659. SENSE OF THE CONGRESS REGARDING THE MIS-**  
10 **SION OF THE IMMIGRATION AND NATU-**  
11 **RALIZATION SERVICE.**

12 It is the sense of the Congress that the mission state-  
13 ment of the Immigration and Naturalization Service  
14 should include a statement that it is the responsibility of  
15 the Service to detect, apprehend, and remove those aliens  
16 unlawfully present in the United States, particularly those  
17 aliens involved in drug trafficking or other criminal activ-  
18 ity.

19 **SEC. 660. AUTHORITY FOR NATIONAL GUARD TO ASSIST IN**  
20 **TRANSPORTATION OF CERTAIN ALIENS.**

21 Section 112(d)(1) of title 32, United States Code, is  
22 amended by adding at the end the following new sentence:  
23 “The plan as approved by the Secretary may provide for  
24 the use of personnel and equipment of the National Guard  
25 of that State to assist the Immigration and Naturalization



1 Service in the transportation of aliens who have violated  
 2 a Federal or State law prohibiting or regulating the pos-  
 3 session, use, or distribution of a controlled substance.”.

## 4 **Subtitle E—Technical Corrections**

### 5 **SEC. 671. MISCELLANEOUS TECHNICAL CORRECTIONS.**

6 (a) AMENDMENTS RELATING TO PUBLIC LAW 103–  
 7 322 (VIOLENT CRIME CONTROL AND LAW ENFORCEMENT  
 8 ACT OF 1994).—

9 (1) Section 60024(1)(F) of the Violent Crime  
 10 Control and Law Enforcement Act of 1994 (Public  
 11 Law 103–322) (in this subsection referred to as  
 12 “VCCLEA”) is amended by inserting “United  
 13 States Code,” after “title 18,”.

14 (2) Section 130003(b)(3) of VCCLEA is  
 15 amended by striking “Naturalization” and inserting  
 16 “Nationality”.

17 (3)(A) Section 214 (8 U.S.C. 1184) is amended  
 18 by redesignating the subsection (j), added by section  
 19 130003(b)(2) of VCCLEA (108 Stat. 2025), and the  
 20 subsection (k), as amended by section 622(c) of this  
 21 division, as subsections (k) and (l), respectively.

22 (B) Section 101(a)(15)(S) (8 U.S.C.  
 23 1101(a)(15)(S)) is amended by striking “214(j)”  
 24 and inserting “214(k)”.

1           (4)(A) Section 245 (8 U.S.C. 1255) is amended  
2       by redesignating the subsection (i) added by section  
3       130003(c)(1) of VCCLEA as subsection (j).

4           (B) Section 241(a)(2)(A)(i)(I) (8 U.S.C.  
5       1251(a)(2)(A)(i)(I)), as amended by section  
6       130003(d) of VCCLEA and before redesignation by  
7       section 305(a)(2) of this division, is amended by  
8       striking “245(i)” and inserting “245(j)”.

9           (5) Section 245(j)(3), as added by section  
10      130003(c)(1) of VCCLEA and as redesignated by  
11      paragraph (4)(A), is amended by striking “para-  
12      graphs (1) or (2)” and inserting “paragraph (1) or  
13      (2)”.

14          (6) Section 130007(a) of VCCLEA is amended  
15      by striking “242A(d)” and inserting “242A(a)(3)”.

16          (7) The amendments made by this subsection  
17      shall be effective as if included in the enactment of  
18      the VCCLEA.

19      (b) AMENDMENTS RELATING TO IMMIGRATION AND  
20      NATIONALITY TECHNICAL CORRECTIONS ACT OF 1994.—

21          (1) Section 101(d) of the Immigration and Na-  
22      tionality Technical Corrections Act of 1994 (Public  
23      Law 103–416) (in this subsection referred to as  
24      “INTCA”) is amended—

1 (A) by striking “APPLICATION” and all  
2 that follows through “This” and inserting “AP-  
3 PLICABILITY OF TRANSMISSION REQUIRE-  
4 MENTS.—This”;

5 (B) by striking “any residency or other re-  
6 tention requirements for” and inserting “the  
7 application of any provision of law relating to  
8 residence or physical presence in the United  
9 States for purposes of transmitting United  
10 States”; and

11 (C) by striking “as in effect” and all that  
12 follows through the end and inserting “to any  
13 person whose claim is based on the amendment  
14 made by subsection (a) or through whom such  
15 a claim is derived.”.

16 (2) Section 102 of INTCA is amended by add-  
17 ing at the end the following:

18 “(e) TRANSITION.—In applying the amendment made  
19 by subsection (a) to children born before November 14,  
20 1986, any reference in the matter inserted by such amend-  
21 ment to ‘five years, at least two of which’ is deemed a  
22 reference to ‘10 years, at least 5 of which’.”.

23 (3) Section 351(a) (8 U.S.C. 1483(a)), as  
24 amended by section 105(a)(2)(A) of INTCA, is  
25 amended by striking the comma after “nationality”.

1           (4) Section 207(2) of INTCA is amended by in-  
2       serting a comma after “specified”.

3           (5) Section 101(a)(43) (8 U.S.C. 1101(a)(43))  
4       is amended in subparagraph (K)(ii), by striking the  
5       comma after “1588”.

6           (6) Section 273(b) (8 U.S.C. 1323(b)), as  
7       amended by section 209(a) of INTCA, is amended  
8       by striking “remain” and inserting “remains”.

9           (7) Section 209(a)(1) of INTCA is amended by  
10      striking “\$3000” and inserting “\$3,000”.

11          (8) Section 209(b) of INTCA is amended by  
12      striking “subsection” and inserting “section”.

13          (9) Section 219(cc) of INTCA is amended by  
14      striking “ ‘year 1993 the first place it appears’ ”  
15      and inserting “ ‘year 1993’ the first place it ap-  
16      pears”.

17          (10) Section 219(ee) of INTCA is amended by  
18      adding at the end the following:

19      “(3) The amendments made by this subsection shall  
20      take effect on the date of the enactment of this Act.”.

21          (11) Paragraphs (4) and (6) of section 286(r)  
22      (8 U.S.C. 1356(r)) are amended by inserting “the”  
23      before “Fund” each place it appears.

24          (12) Section 221 of INTCA is amended—

1 (A) by striking each semicolon and insert-  
2 ing a comma,

3 (B) by striking “disasters.” and inserting  
4 “disasters,”; and

5 (C) by striking “The official” and inserting  
6 “the official”.

7 (13) Section 242A (8 U.S.C. 1252a), as added  
8 by section 224(a) of INTCA and before redesigna-  
9 tion as section 238 by section 308(b)(5) of this divi-  
10 sion, is amended by redesignating subsection (d) as  
11 subsection (c).

12 (14) Except as otherwise provided in this sub-  
13 section, the amendments made by this subsection  
14 shall take effect as if included in the enactment of  
15 INTCA.

16 (c) AMENDMENTS RELATING TO PUBLIC LAW 104–  
17 132 (ANTITERRORISM AND EFFECTIVE DEATH PENALTY  
18 ACT OF 1996).—

19 (1) Section 219 (8 U.S.C. 1189), as added by  
20 section 302(a) of Antiterrorism and Effective Death  
21 Penalty Act of 1996 (Public Law 104–132) (in this  
22 subsection referred to as “AEDPA”), is amended by  
23 striking the heading and all that follows through  
24 “(a)” and inserting the following:

25 “DESIGNATION OF FOREIGN TERRORIST ORGANIZATIONS  
26 “SEC. 219. (a)”.

1           (2) Section 302(b) of AEDPA is amended by  
2 striking “, relating to terrorism,”.

3           (3) Section 106(a) (8 U.S.C. 1105a(a)), as  
4 amended by sections 401(e) and 440(a) of AEDPA,  
5 is amended—

6                 (A) by striking “and” at the end of para-  
7 graph (8);

8                 (B) by striking the period at the end of  
9 paragraph (9) and inserting “; and”; and

10                (C) in paragraph (10), by striking “Any”  
11 and inserting “any”.

12           (4) Section 440(a) of the AEDPA is amended  
13 by striking “Section 106 of the Immigration and  
14 Nationality Act (8 U.S.C. 1105a(a)(10)) is amended  
15 to read as follows:” and inserting “Section 106(a) of  
16 the Immigration and Nationality Act (8 U.S.C.  
17 1105a(a)) is amended by adding at the end the fol-  
18 lowing:”.

19           (5) Section 440(g)(1)(A) of AEDPA is amend-  
20 ed—

21                 (A) by striking “of this title”; and

22                 (B) by striking the period after  
23 “241(a)(2)(A)(i)”.

24           (6) Section 440(g) of AEDPA is amended by  
25 striking paragraph (2).

1           (7) The amendments made by this subsection  
2       shall take effect as if included in the enactment of  
3       subtitle A of title IV of AEPDA.

4       (d) STRIKING REFERENCES TO SECTION 210A.—

5           (1)(A)   Section   201(b)(1)(C)   (8   U.S.C.  
6       1151(b)(1)(C)) is amended by striking “, 210A,”.

7           (B)   Section   274B(a)(3)(B)   (8   U.S.C.  
8       1324b(a)(3)(B)) is amended by striking “,  
9       210A(a),”.

10          (C) Section 241(a)(1) (8 U.S.C. 1251(a)(1)),  
11       before redesignation by section 305(a)(2) of this di-  
12       vision, is amended by striking subparagraph (F).

13          (2) Sections 204(c)(1)(D)(i) and 204(j)(4) of  
14       Immigration Reform and Control Act of 1986 are  
15       each amended by striking “, 210A,”.

16       (e) MISCELLANEOUS CHANGES IN THE IMMIGRATION  
17   AND NATIONALITY ACT.—

18          (1) Before being amended by section 308(a)(2)  
19       of this division, the item in the table of contents re-  
20       lating to section 242A is amended to read as follows:

“Sec. 242A. Expedited deportation of aliens convicted of committing aggra-  
vated felonies.”.

21          (2) Section 101(c)(1) (8 U.S.C. 1101(c)(1)) is  
22       amended by striking “, 321, and 322” and inserting  
23       “and 321”.

1           (3) Section 212(d)(11) (8 U.S.C. 1182(d)(11))  
2           is amended by inserting a comma after “(4) there-  
3           of)”.

4           (4) Pursuant to section 6(b) of Public Law  
5           103–272 (108 Stat. 1378)—

6                   (A) section 214(f)(1) (8 U.S.C.  
7                   1184(f)(1)) is amended by striking “section  
8                   101(3) of the Federal Aviation Act of 1958”  
9                   and inserting “section 40102(a)(2) of title 49,  
10                  United States Code”; and

11                   (B) section 258(b)(2) (8 U.S.C.  
12                   1288(b)(2)) is amended by striking “section  
13                   105 or 106 of the Hazardous Materials Trans-  
14                   portation Act (49 U.S.C. App. 1804, 1805)”  
15                   and inserting “section 5103(b), 5104, 5106,  
16                   5107, or 5110 of title 49, United States Code”.

17           (5) Section 286(h)(1)(A) (8 U.S.C.  
18           1356(h)(1)(A)) is amended by inserting a period  
19           after “expended”.

20           (6) Section 286(h)(2)(A) (8 U.S.C.  
21           1356(h)(2)(A)) is amended—

22                   (A) by striking “and” at the end of clause  
23                   (iv);

24                   (B) by moving clauses (v) and (vi) 2 ems  
25           to the left;



1 (C) by striking “; and” in clauses (v) and  
2 (vi) and inserting “and for”;

3 (D) by striking the colons in clauses (v)  
4 and (vi); and

5 (E) by striking the period at the end of  
6 clause (v) and inserting “; and”.

7 (7) Section 412(b) (8 U.S.C. 1522(b)) is  
8 amended by striking the comma after “is author-  
9 ized” in paragraph (3) and after “The Secretary” in  
10 paragraph (4).

11 (f) MISCELLANEOUS CHANGE IN THE IMMIGRATION  
12 ACT OF 1990.—Section 161(c)(3) of the Immigration Act  
13 of 1990 is amended by striking “an an” and inserting “of  
14 an”.

15 (g) MISCELLANEOUS CHANGES IN OTHER ACTS.—

16 (1) Section 506(a) of the Intelligence Author-  
17 ization Act, Fiscal Year 1990 (Public Law 101–193)  
18 is amended by striking “this section” and inserting  
19 “such section”.

20 (2) Section 140 of the Foreign Relations Au-  
21 thorization Act, Fiscal Years 1994 and 1995, as  
22 amended by section 505(2) of Public Law 103–317,  
23 is amended—

24 (A) by moving the indentation of sub-  
25 sections (f) and (g) 2 ems to the left; and

1 (B) in subsection (g), by striking “(g)”  
 2 and all that follows through “shall” and insert-  
 3 ing “(g) Subsections (d) and (e) shall”.

4 **DIVISION D—SMALL BUSINESS**  
 5 **PROGRAMS IMPROVEMENT ACT**

6 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

7 (a) SHORT TITLE.—This division may be cited as  
 8 the “Small Business Programs Improvement Act of  
 9 1996”.

10 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.  
 Sec. 2. Administrator defined.  
 Sec. 3. Effective date.

TITLE I—AMENDMENTS TO SMALL BUSINESS ACT

Sec. 101. References.  
 Sec. 102. Risk management database.  
 Sec. 103. Section 7(a) loan program.  
 Sec. 104. Disaster loans.  
 Sec. 105. Microloan demonstration program.  
 Sec. 106. Small business development center program.  
 Sec. 107. Miscellaneous authorities to provide loans and other financial assist-  
 ance.  
 Sec. 108. Small business competitiveness demonstration program.  
 Sec. 109. Amendment to Small Business Guaranteed Credit Enhancement Act  
 of 1993.  
 Sec. 110. STTR program extension.  
 Sec. 111. Level of participation for export working capital loans.

TITLE II—AMENDMENTS TO SMALL BUSINESS INVESTMENT ACT

Sec. 201. References.  
 Sec. 202. Modifications to development company debenture program.  
 Sec. 203. Required actions upon default.  
 Sec. 204. Loan liquidation pilot program.  
 Sec. 205. Registration of certificates.  
 Sec. 206. Preferred surety bond guarantee program.  
 Sec. 207. Sense of the Congress.  
 Sec. 208. Small business investment company improvements.

1 **SEC. 2. ADMINISTRATOR DEFINED.**

2 For purposes of this Act, the term “Adminis-  
3 trator” means the Administrator of the Small Business  
4 Administration.

5 **SEC. 3. EFFECTIVE DATE.**

6 Except as otherwise expressly provided, this Act  
7 and the amendments made by this Act shall take effect  
8 on October 1, 1996.

9 **TITLE I—AMENDMENTS TO**  
10 **SMALL BUSINESS ACT**

11 **SEC. 101. REFERENCES.**

12 Except as otherwise expressly provided, whenever  
13 in this title an amendment or repeal is expressed in  
14 terms of an amendment to, or repeal of, a section or  
15 other provision, the reference shall be considered to be  
16 made to a section or other provision of the Small Busi-  
17 ness Act (15 U.S.C. 631 et seq.).

18 **SEC. 102. RISK MANAGEMENT DATABASE.**

19 Section 4(b) (15 U.S.C. 633) is amended by in-  
20 serting after paragraph (2) the following:

21 “(3) RISK MANAGEMENT DATABASE.—

22 “(A) ESTABLISHMENT.—The Administra-  
23 tion shall establish, within the management sys-  
24 tem for the loan programs authorized by sub-  
25 sections (a) and (b) of section 7 of this Act and  
26 title V of the Small Business Investment Act of

1 1958, a management information system that  
2 will generate a database capable of providing  
3 timely and accurate information in order to  
4 identify loan underwriting, collections, recovery,  
5 and liquidation problems.

6 “(B) INFORMATION TO BE MAINTAINED.—

7 In addition to such other information as the  
8 Administration considers appropriate, the  
9 database established under subparagraph (A)  
10 shall, with respect to each loan program de-  
11 scribed in subparagraph (A), include informa-  
12 tion relating to—

13 “(i) the identity of the institution  
14 making the guaranteed loan or issuing the  
15 debenture;

16 “(ii) the identity of the borrower;

17 “(iii) the total dollar amount of the  
18 loan or debenture;

19 “(iv) the total dollar amount of gov-  
20 ernment exposure in each loan;

21 “(v) the district of the Administration  
22 in which the borrower has its principal of-  
23 fice;

24 “(vi) the principal line of business of  
25 the borrower, as identified by Standard In-

1 industrial Classification Code (or any succes-  
2 sor to that system);

3 “(vii) the delinquency rate for each  
4 program (including number of instances  
5 and days overdue);

6 “(viii) the number and amount of re-  
7 purchases, losses, and recoveries in each  
8 program;

9 “(ix) the number of deferrals or  
10 forbearances in each program (including  
11 days and number of instances);

12 “(x) comparisons on the basis of loan  
13 program, lender, Administration district  
14 and region, for all the data elements main-  
15 tained; and

16 “(xi) underwriting characteristics of  
17 each loan that has entered into default, in-  
18 cluding term, amount and type of collat-  
19 eral, loan-to-value and other actual and  
20 projected ratios, line of business, credit  
21 history, and type of loan.

22 “(C) DEADLINE FOR OPERATIONAL CAPA-  
23 BILITY.—The database established under sub-  
24 paragraph (A) shall—

1 “(i) be operational not later than  
2 June 30, 1997; and

3 “(ii) capture data beginning on the  
4 first day of the second quarter of fiscal  
5 year 1997 beginning after such date and  
6 thereafter.”.

7 **SEC. 103. SECTION 7(A) LOAN PROGRAM.**

8 (a) **SERVICING AND LIQUIDATION OF LOANS BY**  
9 **PREFERRED LENDERS.**—Section 7(a)(2)(C)(ii)(II) (15  
10 U.S.C. 636(a)(2)(C)(ii)(II)) is amended to read as fol-  
11 lows:

12 “(II) complete authority to serv-  
13 ice and liquidate such loans without  
14 obtaining the prior specific approval  
15 of the Administration for routine serv-  
16 icing and liquidation activities, but  
17 shall not take any actions creating an  
18 actual or apparent conflict of inter-  
19 est.”.

20 (b) **CERTIFIED LENDERS PROGRAM.**—Section  
21 7(a)(19) (15 U.S.C. 636(a)(19)) is amended by adding at  
22 the end the following new subparagraph:

23 “(C) Authority to liquidate loans.—

24 “(i) **IN GENERAL.**—The Administrator  
25 may permit lenders participating in the

1 Certified Lenders Program to liquidate  
2 loans made with a guarantee from the Ad-  
3 ministration pursuant to a liquidation plan  
4 approved by the Administrator.

5 “(ii) Automatic approval.—If the Ad-  
6 ministrator does not approve or deny a re-  
7 quest for approval of a liquidation plan  
8 within 10 business days of the date on  
9 which the request is made (or with respect  
10 to any routine liquidation activity under  
11 such a plan, within 5 business days) such  
12 request shall be deemed to be approved.”.

13 (c) LIMITATION ON CONDUCTING PILOT  
14 PROJECTS.—Section 7(a) (15 U.S.C. 636(a)) is amended  
15 by adding at the end the following new paragraph:

16 “(25) LIMITATION ON CONDUCTING PILOT  
17 PROJECTS.—

18 “(A) IN GENERAL.—Not more than 10  
19 percent of the total number of loans guaranteed  
20 in any fiscal year under this subsection may be  
21 awarded as part of a pilot program which is  
22 commenced by the Administrator on or after  
23 October 1, 1996.

24 “(B) PILOT PROGRAM DEFINED.—In this  
25 paragraph, the term ‘pilot program’ means any

1           lending program initiative, project, innovation,  
2           or other activity not specifically authorized by  
3           law.

4           “(C) LOW DOCUMENTATION LOAN PRO-  
5           GRAM.—The Administrator may carry out the  
6           low documentation loan program for loans of  
7           \$100,000 or less only through lenders with sig-  
8           nificant experience in making small business  
9           loans. Not later than 90 days after the date of  
10          enactment of this subsection, the Administrator  
11          shall promulgate regulations defining the expe-  
12          rience necessary for participation as a lender in  
13          the low documentation loan program.”.

14          (d) CALCULATION OF SUBSIDY RATE.—Section  
15   7(a) (15 U.S.C. 636(a)) is amended by adding at the end  
16   the following new paragraph:

17          “(26) CALCULATION OF SUBSIDY RATE.—All  
18          fees, interest, and profits received and retained by  
19          the Administration under this subsection shall be in-  
20          cluded in the calculations made by the Director of  
21          the Office of Management and Budget to offset the  
22          cost (as that term is defined in section 502 of the  
23          Federal Credit Reform Act of 1990) to the Adminis-  
24          tration of purchasing and guaranteeing loans under  
25          this Act.”.



1           (e) SALE OF UNGUARANTEED PORTIONS OF SBA  
2 LOANS.—Section 5(f)(3) (15 U.S.C. 634(f)(3)) is amend-  
3 ed by adding at the end the following: “Beginning on  
4 March 31, 1997, the sale of the unguaranteed portion of  
5 any loan made under section 7(a) shall not be permitted  
6 until a final regulation that applies uniformly to both de-  
7 pository institutions and other lenders is promulgated by  
8 the Administration setting forth the terms and conditions  
9 under which such sales can be permitted, including main-  
10 tenance of appropriate reserve requirements and other  
11 safeguards to protect the safety and soundness of the  
12 program.”.

13           (f) CONDITIONS ON PURCHASE OF LOANS.—Sec-  
14 tion 7(a)(4) (15 U.S.C. 636(a)(4)) is amended—

15           (1) by striking “(4) Notwithstanding” and in-  
16 serting the following:

17           “(4) INTEREST RATES AND FEES.—

18           “(A) INTEREST RATES.—Notwithstand-  
19 ing”; and

20           (2) by adding at the end the following new sub-  
21 paragraph:

22           “(B) PAYMENT OF ACCRUED INTEREST.—

23           “(i) IN GENERAL.—Any bank or other  
24 lending institution making a claim for pay-  
25 ment on the guaranteed portion of a loan

1 made under this subsection shall be paid  
2 the accrued interest due on the loan from  
3 the earliest date of default to the date of  
4 payment of the claim at a rate not to ex-  
5 ceed the rate of interest on the loan on the  
6 date of default, minus one percent.

7 “(ii) LOANS SOLD ON SECONDARY  
8 MARKET.—If a loan described in clause (i)  
9 is sold on the secondary market, the  
10 amount of interest paid to a bank or other  
11 lending institution described in that clause  
12 from the earliest date of default to the  
13 date of payment of the claim shall be no  
14 more than the agreed upon rate, minus one  
15 percent.”.

16 (g) PLAN FOR TRANSFER OF LOAN SERVICING  
17 FUNCTIONS TO CENTRALIZED CENTERS.—

18 (1) IMPLEMENTATION PLAN REQUIRED.—The  
19 Administrator shall submit a detailed plan for com-  
20 pleting the consolidation, in one or more centralized  
21 centers, of the performance of the various functions  
22 relating to the servicing of loans directly made or  
23 guaranteed by the Administration pursuant to the  
24 Small Business Act, addressing the matters de-

scribed in paragraph (2) by the deadline specified in paragraph (3).

(2) CONTENTS OF PLAN.—In addition to such other matters as the Administrator may deem appropriate, the plan required by paragraph (1) shall include—

(A) the proposed number and location of such centralized loan servicing centers;

(B) the proposed workload (identified by type and numbers of loans and their geographic origin by the Small Business Administration district office) and staffing of each such center;

(C) a detailed, time-phased plan for the transfer of the identified loan servicing functions to each proposed center; and

(D) any identified impediments to the timely execution of the proposed plan (including adequacy of available financial resources, availability of needed personnel, facilities, and related equipment) and the recommendations of the Administrator for addressing such impediments.

(3) DEADLINE FOR SUBMISSION.—Not later than February 28, 1997, the plan required by paragraph (1) shall be submitted to the Committees on

1 Small Business of the House of Representatives and  
2 Senate.

3 (h) PREFERRED LENDER STANDARD REVIEW  
4 PROGRAM.—Not later than 90 days after the date of en-  
5 actment of this Act, the Administrator shall commence a  
6 standard review program for the Preferred Lender Pro-  
7 gram established by section 5(b)(7) of the Small Busi-  
8 ness Act (15 U.S.C. 634(b)(7)), which shall include an-  
9 nual or more frequent assessments of the participation of  
10 the lender in the program, including defaults, loans, and  
11 recoveries of loans made by that lender under the author-  
12 ity of this section. The Administrator shall require such  
13 standard review for each new entrant to the Preferred  
14 Lender Program.

15 (i) INDEPENDENT STUDY OF LOAN PROGRAMS.—

16 (1) STUDY REQUIRED.—The Administrator  
17 shall contract with one or more private sector parties  
18 to conduct a comprehensive assessment of the per-  
19 formance of the loan programs authorized by section  
20 7(a) of the Small Business Act (15 U.S.C. 636(a))  
21 and title V of the Small Business Investment Act of  
22 1958 (15 U.S.C. 661) addressing the matters de-  
23 scribed in paragraph (2) and resulting in a report to  
24 the Congress pursuant to paragraph (5).

1           (2) MATTERS TO BE ASSESSED.—In addition to  
2       such other matters as the Administrator considers  
3       appropriate, the assessment required by paragraph  
4       (1) shall address, with respect to each loan program  
5       described in paragraph (1) for each of the fiscal  
6       years described in paragraph (3)—

7           (A) the number and frequency of deferrals  
8       and defaults;

9           (B) default rates;

10          (C) comparative loss rate, by—

11               (i) type of lender (separately address-  
12       ing preferred lenders, certified lenders, and  
13       general participation lenders);

14               (ii) term of the loan;

15               (iii) dollar value of the loan at dis-  
16       bursement; and

17               (iv) underwriting characteristics of  
18       each loan that has entered into default, in-  
19       cluding term, amount and type of collat-  
20       eral, loan-to-value and other actual and  
21       projected ratios, line of business, credit  
22       history, and type of loan; and

23          (D) the economic models used by the Of-  
24       fice of Management and Budget to calculate the

1 credit subsidy rate applicable to the loan pro-  
2 grams.

3 (3) PERIOD OF ASSESSMENT.—The assessments  
4 undertaken pursuant to paragraph (2) shall address  
5 data for the period beginning with fiscal year 1986  
6 of each loan program described in paragraph (1).

7 (4) ACCESS TO INFORMATION.—The Adminis-  
8 trator shall provide to the contractor access to any  
9 information collected by or available to the Adminis-  
10 tration with regard to the loan programs being as-  
11 sessed. The contractor shall preserve the confidential-  
12 ity of any information for which confidentiality is  
13 protected by law or properly asserted by the person  
14 submitting such information.

15 (5) CONTRACT FUNDING.—The Administrator  
16 shall fund the cost of the contract from the amounts  
17 appropriated for the salaries and expenses of the  
18 Administration for fiscal year 1997.

19 (6) REPORT TO THE CONGRESS.—

20 (A) CONTENTS.—The contractor shall pre-  
21 pare a report of—

22 (i) its analyses of the matters to be  
23 assessed pursuant to paragraph (2); and

1 (ii) its independent recommendations  
2 for improving program performance with  
3 respect to each loan program, regarding—

4 (I) improving the timely collec-  
5 tion and subsequent management by  
6 the Administration of data to measure  
7 the performance of each loan program  
8 described in paragraph (1); and

9 (II) reducing loss rates for and  
10 improving the performance of each  
11 such loan program.

12 (B) SUBMISSION TO THE CONGRESS.—Not  
13 later than June 30, 1997, the Administrator  
14 shall submit the report prepared under sub-  
15 paragraph (A) to the Committees on Small  
16 Business of the House of Representatives and  
17 the Senate. The Administrator shall append his  
18 comments, and those of the Office of Manage-  
19 ment and Budget, if any, to the report.

20 **SEC. 104. DISASTER LOANS.**

21 (a) PRIVATE SECTOR LOAN SERVICING DEM-  
22 ONSTRATION PROGRAM.—

23 (1) IN GENERAL.—

24 (A) DEMONSTRATION PROGRAM RE-  
25 QUIRED.—Notwithstanding any other provision

1 of law, the Administration shall conduct a dem-  
2 onstration program, within the parameters de-  
3 scribed in paragraph (2), to evaluate the com-  
4 parative costs and benefits of having the Ad-  
5 ministration's portfolio of disaster loans serv-  
6 iced under contract rather than directly by em-  
7 ployees of the Administration. All costs of the  
8 demonstration program shall be paid from  
9 amounts made available for the Salaries and  
10 Expenses Account of the Administration.

11 (B) INITIATION DATE.—Not later than 90  
12 days after the date of enactment of this Act,  
13 the Administration shall issue a request for pro-  
14 posals for the program parameters described in  
15 paragraph (2).

16 (2) DEMONSTRATION PROGRAM PARAM-  
17 ETERS.—

18 (A) LOAN SAMPLE.—The sample of loans  
19 for the demonstration program shall be ran-  
20 domly drawn from the Administration's port-  
21 folio of loans made pursuant to section 7(b) of  
22 the Small Business Act and shall include a rep-  
23 resentative group of not less than 30 percent of  
24 all loans for residential properties, including 30  
25 percent of all loans made during the demonstra-



tion program after the date of enactment of this Act, which loans shall be selected by the Administration on the basis of geographic distribution and such other factors as the Administration determines to be appropriate.

(B) CONTRACT AND OPTIONS.—The Administration shall solicit and competitively award one or more contracts to service the loans included in the sample of loans described in subparagraph (A) for a term of not less than one year, with 3 one-year contract renewal options, each of which shall be exercised by the Administration unless the Administration terminates the contractor or contractors for good cause.

(3) TERM OF DEMONSTRATION PROGRAM.—The demonstration program shall commence not later than October 1, 1997.

(4) REPORTS.—

(A) INTERIM REPORTS.—Not later than 120 days before the expiration of the initial 4-year contract performance period, the Administrator shall submit to the Committees on Small Business of the House of Representatives and the Senate an interim report on the conduct of

1 the demonstration program. The contractor  
2 shall be afforded a reasonable opportunity to  
3 attach comments to each such report.

4 (B) FINAL REPORT.—Not later than 120  
5 days after the termination of the demonstration  
6 program, the Administrator shall submit to the  
7 Committees on Small Business of the House of  
8 Representatives and the Senate a final report  
9 on the performance of the demonstration pro-  
10 gram, together with the recommendations of the  
11 Administrator for continuation, termination, or  
12 modification of the demonstration program.

13 (b) DEFINITION OF DISASTER.—

14 (1) IN GENERAL.—Section 3(k) (15 U.S.C.  
15 632(k)) is amended by inserting “commercial fishery  
16 failures or fishery resource disasters (as determined  
17 by the Secretary of Commerce under section 308(b)  
18 of the Interjurisdictional Fisheries Act of 1986),”  
19 after “tidal waves,”.

20 (2) EFFECTIVE DATE.—The amendment made  
21 by paragraph (1) shall be effective with respect to  
22 any disaster occurring on or after March 1, 1994.

23 **SEC. 105. MICROLOAN DEMONSTRATION PROGRAM.**

24 Section 7(m)(7)(B) (15 U.S.C. 636(m)(4)) is  
25 amended by adding at the end the following: “If, how-

1 ever, at the beginning of the fourth quarter of a fiscal  
 2 year the Administration determines that a portion of ap-  
 3 propriated microloan funds are unlikely to be awarded  
 4 during that year, the Administration may make addi-  
 5 tional funds available to a State in excess of 125 percent  
 6 of the pro rata share of that State.”.

7 **SEC. 106. SMALL BUSINESS DEVELOPMENT CENTER PRO-**  
 8 **GRAM.**

9 (a) ASSOCIATE ADMINISTRATOR FOR SMALL  
 10 BUSINESS DEVELOPMENT CENTERS.—

11 (1) DUTIES.—Section 21(h) (15 U.S.C. 648(h))  
 12 is amended to read as follows:

13 “(h) ASSOCIATE ADMINISTRATOR FOR SMALL  
 14 BUSINESS DEVELOPMENT CENTERS.—

15 “(1) APPOINTMENT AND COMPENSATION.—The  
 16 Administrator shall appoint an Associate Adminis-  
 17 trator for Small Business Development Centers who  
 18 shall report to an official who is not more than one  
 19 level below the Office of the Administrator and who  
 20 shall serve without regard to the provisions of title  
 21 5, governing appointments in the competitive service,  
 22 and without regard to chapter 51, and subchapter  
 23 III of chapter 53 of such title relating to classifica-  
 24 tion and General Schedule pay rates, but at a rate

1 not less than the rate of GS-17 of the General  
2 Schedule.

3 “(2) DUTIES.—

4 “(A) IN GENERAL.—The sole responsibility  
5 of the Associate Administrator for Small Busi-  
6 ness Development Centers shall be to admin-  
7 ister the small business development center pro-  
8 gram. Duties of the position shall include rec-  
9 ommending the annual program budget, review-  
10 ing the annual budgets submitted by each appli-  
11 cant, establishing appropriate funding levels  
12 therefore, selecting applicants to participate in  
13 this program, implementing the provisions of  
14 this section, maintaining a clearinghouse to pro-  
15 vide for the dissemination and exchange of in-  
16 formation between small business development  
17 centers and conducting audits of recipients of  
18 grants under this section.

19 “(B) CONSULTATION REQUIREMENTS.—In  
20 carrying out the duties described in this sub-  
21 section, the Associate Administrator shall con-  
22 fer with and seek the advice of the Board estab-  
23 lished by subsection (i) and Administration offi-  
24 cials in areas served by the small business de-  
25 velopment centers; however, the Associate Ad-

1           ministrator shall be responsible for the manage-  
2           ment and administration of the program and  
3           shall not be subject to the approval or concur-  
4           rence of such Administration officials.”.

5           (2) REFERENCES TO ASSOCIATE ADMINIS-  
6           TRATOR.—Section 21 (15 U.S.C. 648) is amended—

7                   (A) in subsection (c)(7), by striking “Dep-  
8           uty Associate Administrator of the Small Busi-  
9           ness Development Center program” and insert-  
10          ing “Associate Administrator for Small Busi-  
11          ness Development Centers”; and

12                   (B) in subsection (i)(2), by striking “Dep-  
13          uty Associate Administrator for Management  
14          Assistance” and inserting “Associate Adminis-  
15          trator for Small Business Development Cen-  
16          ters”.

17          (b) EXTENSION OR RENEWAL OF COOPERATIVE  
18          AGREEMENTS.—Section 21(k)(3) (15 U.S.C. 648(k)(3))  
19          is amended to read as follows:

20                   “(3) EXTENSION OR RENEWAL OF COOPERA-  
21          TIVE AGREEMENTS.—

22                           “(A) IN GENERAL.—In extending or re-  
23          newing a cooperative agreement of a small busi-  
24          ness development center, the Administration  
25          shall consider the results of the examination

1 and certification program conducted pursuant  
2 to paragraphs (1) and (2).

3 “(B) CERTIFICATION REQUIREMENT.—

4 After September 30, 2000, the Administration  
5 may not renew or extend any cooperative agree-  
6 ment with a small business development center  
7 unless the center has been approved under the  
8 certification program conducted pursuant to  
9 this subsection, except that the Associate Ad-  
10 ministrator for Small Business Development  
11 Centers may waive such certification require-  
12 ment, in the discretion of the Associate Admin-  
13 istrator, upon a showing that the center is mak-  
14 ing a good faith effort to obtain certification.”.

15 (c) TECHNICAL CORRECTION.—Section 21(l) (15

16 U.S.C. 648(l)) is amended to read as follows:

17 “(l) CONTRACT AUTHORITY.—The authority to

18 enter into contracts shall be in effect for each fiscal year  
19 only to the extent and in the amounts as are provided in  
20 advance in appropriations Acts. After the administration  
21 has entered a contract, either as a grant or a cooperative  
22 agreement, with any applicant under this section, it shall  
23 not suspend, terminate, or fail to renew or extend any  
24 such contract unless the Administration provides the ap-  
25 plicant with written notification setting forth the reasons

1 therefore and affording the applicant an opportunity for  
2 a hearing, appeal, or other administrative proceeding  
3 under the provisions of chapter 5 of title 5, United States  
4 Code.”.

5 **SEC. 107. MISCELLANEOUS AUTHORITIES TO PROVIDE**  
6 **LOANS AND OTHER FINANCIAL ASSISTANCE.**

7 (a) FUNDING LIMITATION; SEMINARS.—Section  
8 7(d) (15 U.S.C. 636(d)) is amended—

9 (1) by striking “(d)(1)” and inserting “(d)”;  
10 and

11 (2) by striking paragraph (2).

12 (b) TRADE ADJUSTMENT LOANS.—Section 7(e)  
13 (15 U.S.C. 636(e)) is amended to read as follows:

14 “(e) [RESERVED].”.

15 (c) WAIVER OF CREDIT ELSEWHERE TEST FOR  
16 COLLEGES AND UNIVERSITIES.—Section 7(f) (15 U.S.C.  
17 636(f)) is amended to read as follows:

18 “(f) [RESERVED].”.

19 (d) LOANS TO SMALL BUSINESS CONCERNS FOR  
20 SOLAR ENERGY AND ENERGY CONSERVATION MEAS-  
21 URES.—Section 7(l) (15 U.S.C. 636(l)) is amended to  
22 read as follows:

23 “(l) [RESERVED].”.

1 **SEC. 108. SMALL BUSINESS COMPETITIVENESS DEM-**  
2 **ONSTRATION PROGRAM.**

3 (a) EXTENSION OF DEMONSTRATION PROGRAM.—

4 (1) IN GENERAL.—Section 711(c) of the Small  
5 Business Competitiveness Demonstration Program  
6 Act of 1988 (15 U.S.C. 644 note; 102 Stat. 3890)  
7 is amended by striking “September 30, 1996” and  
8 inserting “September 30, 1997”.

9 (2) REPEAL.—Section 717(f) of the Small  
10 Business Competitiveness Demonstration Program  
11 Act of 1988 (15 U.S.C. 644 note) is repealed.

12 (b) REPORTING OF SUBCONTRACT PARTICIPATION  
13 IN CONTRACTS FOR ARCHITECTURAL AND ENGINEERING  
14 SERVICES.—Section 714(b)(5) of the Small Business  
15 Competitiveness Demonstration Program Act of 1988 (15  
16 U.S.C. 644 note; 102 Stat. 3892) is amended to read as  
17 follows:

18 “(5) DURATION.—The system described in sub-  
19 section (a) shall be established not later than Octo-  
20 ber 1, 1996 (or as soon as practicable thereafter on  
21 the first day of a subsequent quarter of fiscal year  
22 1997), and shall terminate on September 30,  
23 1997.”.

24 (c) REPORTS TO THE CONGRESS.—

25 (1) IN GENERAL.—Section 716 of the Small  
26 Business Competitiveness Demonstration Program



1 Act of 1988 (15 U.S.C. 644 note; 102 Stat. 3893)  
2 is amended—

3 (A) in subsection (a), by striking “fiscal  
4 year 1991 and 1995” and inserting “each of  
5 fiscal years 1991 through 1996”;

6 (B) in subsection (b), by striking “results”  
7 and inserting “cumulative results”; and

8 (C) in subsection (c), by striking “1996”  
9 and inserting “1997”.

10 (2) CUMULATIVE REPORT THROUGH FISCAL  
11 YEAR 1995.—A cumulative report of the results of  
12 the Small Business Competitiveness Demonstration  
13 Program for fiscal years 1991 through 1995 shall be  
14 submitted not later than February 28, 1997 pursu-  
15 ant to section 716(a) of the Small Business Com-  
16 petitiveness Demonstration Program Act of 1988  
17 (15 U.S.C. 644 note; 102 Stat. 3893), as amended  
18 by paragraph (1) of this subsection.

19 **SEC. 109. AMENDMENT TO SMALL BUSINESS GUARANTEED**  
20 **CREDIT ENHANCEMENT ACT OF 1993.**

21 (a) IN GENERAL.—Section 7 of the Small Busi-  
22 ness Guaranteed Credit Enhancement Act of 1993 (Pub-  
23 lic Law 103–81; 15 U.S.C. 634 note) is repealed effective  
24 September 29, 1996.

1 (b) CLERICAL AMENDMENT.—The table of con-  
2 tents for the Small Business Guaranteed Credit Enhance-  
3 ment Act of 1993 (Public Law 103–81; 15 U.S.C. 631  
4 note) is amended by striking the item relating to section  
5 7.

6 **SEC. 110. STTR PROGRAM EXTENSION.**

7 Section 9(n)(1)(C) (15 U.S.C. 638(n)(1)(C)) is  
8 amended by striking “fiscal year 1996” and inserting  
9 “fiscal years 1996 and 1997”.

10 **SEC. 111. LEVEL OF PARTICIPATION FOR EXPORT WORK-**  
11 **ING CAPITAL LOANS.**

12 Section 7(A)(2) (15 U.S.C. 636(A)(2)) is amend-  
13 ed by adding at the end the following:

14 “(D) PARTICIPATION UNDER EXPORT  
15 WORKING CAPITAL PROGRAM.—Notwithstanding  
16 subparagraph (A), in an agreement to partici-  
17 pate in a loan on a deferred basis under the  
18 Export Working Capital Program established  
19 pursuant to paragraph (14)(A), such participa-  
20 tion by the Administration shall not exceed 90  
21 percent.”.

1 **TITLE II—AMENDMENTS TO**  
2 **SMALL BUSINESS INVEST-**  
3 **MENT ACT**

4 **SEC. 201. REFERENCES.**

5 Except as otherwise expressly provided, whenever  
6 in this title an amendment or repeal is expressed in  
7 terms of an amendment to, or repeal of, a section or  
8 other provision, the reference shall be considered to be  
9 made to a section or other provision of the Small Busi-  
10 ness Investment Act of 1958 (15 U.S.C. 661 et seq.).

11 **SEC. 202. MODIFICATIONS TO DEVELOPMENT COMPANY**  
12 **DEBENTURE PROGRAM.**

13 (a) DECREASED LOAN TO VALUE RATIOS.—Sec-  
14 tion 502(3) (15 U.S.C. 696(3)) is amended to read as  
15 follows:

16 “(3) CRITERIA FOR ASSISTANCE.—

17 “(A) IN GENERAL.—Any development com-  
18 pany assisted under this section or section 503  
19 of this title must meet the criteria established  
20 by the Administration, including the extent of  
21 participation to be required or amount of paid-  
22 in capital to be used in each instance as is de-  
23 termined to be reasonable by the Administra-  
24 tion.

25 “(B) COMMUNITY INJECTION FUNDS.—

1           “(i) SOURCES OF FUNDS.—Commu-  
2           nity injection funds may be derived, in  
3           whole or in part, from—

4                   “(I) State or local governments;

5                   “(II) banks or other financial in-  
6                   stitutions;

7                   “(III) foundations or other not-  
8                   for-profit institutions; or

9                   “(IV) the small business concern  
10                  (or its owners, stockholders, or affili-  
11                  ates) receiving assistance through a  
12                  body authorized by this title.

13           “(ii) FUNDING FROM INSTITU-  
14           TIONS.—Not less than 50 percent of the  
15           total cost of any project financed pursuant  
16           to clauses (i), (ii), or (iii) of subparagraph  
17           (C) shall come from the institutions de-  
18           scribed in subclauses (I), (II), and (III) of  
19           clause (i).

20           “(C) FUNDING FROM A SMALL BUSINESS  
21           CONCERN.—The small business concern (or its  
22           owners, stockholders, or affiliates) receiving as-  
23           sistance through a body authorized by this title  
24           shall provide—

1 “(i) at least 15 percent of the total  
 2 cost of the project financed, if the small  
 3 business concern has been in operation for  
 4 a period of 2 years or less;

5 “(ii) at least 15 percent of the total  
 6 cost of the project financed if the project  
 7 involves the construction of a limited or  
 8 single purpose building or structure;

9 “(iii) at least 20 percent of the total  
 10 cost of the project financed if the project  
 11 involves both of the conditions set forth in  
 12 clauses (i) and (ii); or

13 “(iv) at least 10 percent of the total  
 14 cost of the project financed, in all other  
 15 circumstances, at the discretion of the de-  
 16 velopment company.”.

17 (b) GUARANTEE FEE FOR DEVELOPMENT COM-  
 18 PANY DEBENTURES.—Section 503(b)(7)(A) (15 U.S.C.  
 19 697(b)(7)(A)) is amended by striking “equal to 0.125  
 20 percent” and all that follows before the semicolon and in-  
 21 serting the following: “equal to the lesser of—

22 “(i) 0.9375 percent per year of the  
 23 outstanding balance of the loan; or

24 “(ii) such percentage per year of the  
 25 outstanding balance of the loan as the Ad-

1           ministrator may determine to be necessary  
2           to reduce the cost (as that term is defined  
3           in section 502 of the Federal Credit Re-  
4           form Act of 1990) to the Administration of  
5           purchasing and guaranteeing debentures  
6           under this Act to an amount that, taking  
7           into consideration any available appro-  
8           priated funds, would permit the Adminis-  
9           tration to purchase or guarantee  
10          \$2,000,000,000 of debentures in fiscal  
11          year 1997”.

12          (c) FEES TO OFFSET SUBSIDY COST.—Section  
13 503(d) (15 U.S.C. 697(d)) is amended to read as follows:

14          “(d) CHARGES FOR ADMINISTRATION EX-  
15 PENSES.—

16               “(1) LEVEL OF CHARGES.—The Administration  
17          may impose an additional charge for administrative  
18          expenses with respect to each debenture for which  
19          payment of principal and interest is guaranteed  
20          under subsection (a).

21               “(2) PARTICIPATION FEE.—The Administration  
22          shall collect a one-time fee in an amount equal to 50  
23          basis points on the total participation in any project  
24          of any institution described in subclause (I), (II), or  
25          (III) of section 502(3)(B)(i). Such fee shall be im-

1 posed only when the participation of the institution  
2 will occupy a senior credit position to that of the de-  
3 velopment company. All proceeds of the fee shall be  
4 used to offset the cost (as that term is defined in  
5 section 502 of the Credit Reform Act of 1990) to  
6 the Administration of making guarantees under sub-  
7 section (a).

8 “(3) DEVELOPMENT COMPANY FEE.—The Ad-  
9 ministration shall collect annually from each devel-  
10 opment company a fee of 0.125 percent of the out-  
11 standing principal balance of any guaranteed deben-  
12 ture authorized by the Administration after Septem-  
13 ber 30, 1996. Such fee shall be derived from the  
14 servicing fees collected by the development company  
15 pursuant to regulation, and shall not be derived  
16 from any additional fees imposed on small business  
17 concerns. All proceeds of the fee shall be used to off-  
18 set the cost (as that term is defined in section 502  
19 of the Credit Reform Act of 1990) to the Adminis-  
20 tration of making guarantees under subsection (a).”.

21 (d) EFFECTIVE DATE.—Section 503 (15 U.S.C.  
22 697) is amended by adding at the end the following new  
23 subsection:

24 “(f) EFFECTIVE DATE.—The fees authorized by  
25 subsections (b) and (c) shall apply to financings approved

1 by the Administration on or after October 1, 1996, but  
2 shall not apply to financings approved by the Administra-  
3 tion on or after October 1, 1997.”.

4 (e) CALCULATION OF SUBSIDY RATE.—Section  
5 503 (15 U.S.C. 697a) is amended by adding at the end  
6 the following new subsection:

7 “(g) CALCULATION OF SUBSIDY RATE.—All fees,  
8 interest, and profits received and retained by the Admin-  
9 istration under this section shall be included in the cal-  
10 culations made by the Director of the Office of Manage-  
11 ment and Budget to offset the cost (as that term is de-  
12 fined in section 502 of the Federal Credit Reform Act of  
13 1990) to the Administration of purchasing and guaran-  
14 teeing debentures under this Act.”.

15 **SEC. 203. REQUIRED ACTIONS UPON DEFAULT.**

16 Section 503 (15 U.S.C. 697) is amended by add-  
17 ing at the end the following new subsection:

18 “(h) REQUIRED ACTIONS UPON DEFAULT.—

19 “(1) INITIAL ACTIONS.—Not later than the  
20 45th day after the date on which a payment on a  
21 loan funded through a debenture guaranteed under  
22 this section is due and not received, the Administra-  
23 tion shall—

24 “(A) take all necessary steps to bring such  
25 a loan current; or



1           “(B) implement a formal written deferral  
2           agreement.

3           “(2) PURCHASE OR ACCELERATION OF DEBEN-  
4           TURE.—Not later than the 65th day after the date  
5           on which a payment on a loan described in para-  
6           graph (1) is due and not received, and absent a for-  
7           mal written deferral agreement, the administration  
8           shall take all necessary steps to purchase or acceler-  
9           ate the debenture.

10          “(3) PREPAYMENT PENALTIES.—With respect  
11          to the portion of any project derived from funds set  
12          forth in section 502(3), the Administration—

13               “(A) shall negotiate the elimination of any  
14               prepayment penalties or late fees on defaulted  
15               loans made prior to September 30, 1996;

16               “(B) shall not pay any prepayment penalty  
17               or late fee on the default based purchase of  
18               loans issued after September 30, 1996; and

19               “(C) for any project financed after Sep-  
20               tember 30, 1996, shall not pay any default in-  
21               terest rate higher than the interest rate on the  
22               note prior to the date of default.”.

23 **SEC. 204. LOAN LIQUIDATION PILOT PROGRAM.**

24           (a) IN GENERAL.—The Administrator shall carry  
25          out a loan liquidation pilot program (in this section re-

1 ferred to as the “pilot program”) in accordance with the  
2 requirements of this section.

3 (b) SELECTION OF DEVELOPMENT COMPANIES.—

4 (1) IN GENERAL.—Not later than 90 days after  
5 the date of the enactment of this Act, the Adminis-  
6 trator shall establish a pilot program under which  
7 certain development companies authorized to make  
8 loans and issue debentures under title V of the  
9 Small Business Investment Act of 1958 are selected  
10 by the Administrator in accordance with this sub-  
11 section to carry out loan liquidations.

12 (2) CONFLICTS OF INTEREST.—The develop-  
13 ment companies selected under paragraph (1) shall  
14 agree not to take any action that would create a po-  
15 tential conflict of interest involving the development  
16 company, the third party lender, or an associate of  
17 the third party lender.

18 (3) QUALIFICATIONS.—In order to qualify to  
19 participate in the pilot program under this section,  
20 each development company shall—

21 (A) have not less than 6 years of experi-  
22 ence in the program established by title V of  
23 the Small Business Investment Act of 1958;

24 (B) have made, during the 6 most recent  
25 fiscal years, an average of not less than 10

1 loans per year through the program established  
2 by such title V of the Small Business Invest-  
3 ment Act of 1958;

4 (C) have not less than 2 years of experi-  
5 ence in liquidating loans under the authority of  
6 a Federal, State, or other lending program; and

7 (D) meet such other requirements as the  
8 Administration may establish.

9 (c) AUTHORITY OF DEVELOPMENT COMPANIES.—

10 The development companies selected under subsection (b)  
11 shall, for loans in their portfolio of loans made through  
12 debentures guaranteed under title V of the Small Busi-  
13 ness Investment Act of 1958 that are in default after the  
14 date of enactment of this Act, be authorized to—

15 (1) perform all liquidation and foreclosure func-  
16 tions, including the acceleration or purchase of com-  
17 munity injection funds, subject to such company ob-  
18 taining prior written approval from the Adminis-  
19 trator before committing the agency to purchase any  
20 other indebtedness secured by the property: Pro-  
21 vided, That the Administrator shall approve or deny  
22 a request for such purchase within a period of 10  
23 business days; and

24 (2) liquidate such loans in a reasonable and  
25 sound manner and according to commercially accept-

1 ed practices pursuant to a liquidation plan approved  
2 by the Administrator in advance of its implementa-  
3 tion. If the Administrator does not approve or deny  
4 a request for approval of a liquidation plan within  
5 10 business days of the date on which the request  
6 is made (or with respect to any routine liquidation  
7 activity under such a plan, within 5 business days)  
8 such request shall be deemed to be approved.

9 (d) AUTHORITY OF THE ADMINISTRATOR.—In  
10 carrying out the pilot program, the Administrator shall—

11 (1) have full authority to rescind the authority  
12 granted any development company under this section  
13 upon a 10-day written notice stating the reasons for  
14 the rescission; and

15 (2) not later than 90 days after the admission  
16 of the development companies specified in subsection  
17 (b), implement the pilot program.

18 (e) REPORT.—

19 (1) IN GENERAL.—The Administrator shall  
20 issue a report on the results of the pilot program to  
21 the Committees on Small Business of the House of  
22 Representatives and the Senate. The report shall in-  
23 clude information relating to—

24 (A) the total dollar amount of each loan  
25 and project liquidated;

1 (B) the total dollar amount guaranteed by  
2 the Administration;

3 (C) total dollar losses;

4 (D) total recoveries both as percentage of  
5 the amount guaranteed and the total cost of the  
6 project; and

7 (E) a comparison of the pilot program in-  
8 formation with the same information for liq-  
9 uidation conducted outside the pilot program  
10 over the period of time.

11 (2) REPORTING PERIOD.—The report shall be  
12 based on data from, and issued not later than 90  
13 days after the close of, the first eight fiscal quarters  
14 of the pilot program’s operation after the date of im-  
15 plementation.

16 **SEC. 205. REGISTRATION OF CERTIFICATES.**

17 (a) CERTIFICATES SOLD PURSUANT TO SMALL  
18 BUSINESS ACT.—Section 5(h) of the Small Business Act  
19 (15 U.S.C. 634(h)) is amended—

20 (1) by redesignating paragraphs (1) through  
21 (4) as subparagraphs (A) through (D);

22 (2) by striking “(h)” and inserting “(h)(1)”;

23 (3) by striking subparagraph (A), as redesign-  
24 ated by paragraph (1) of this subsection, and in-  
25 serting the following:

1           “(A) provide for a central registration of  
2           all loans and trust certificates sold pursuant to  
3           subsections (f) and (g) of this section;”; and  
4           (4) by adding at the end the following:

5           “(2) Nothing in this subsection shall prohibit  
6           the utilization of a book-entry or other electronic  
7           form of registration for trust certificates. The Ad-  
8           ministration may, with the consent of the Secretary  
9           of the Treasury, use the book-entry system of the  
10          Federal Reserve System.”.

11          (b) CERTIFICATES SOLD PURSUANT TO SMALL  
12          BUSINESS INVESTMENT COMPANY PROGRAM.—Section  
13          321(f) (15 U.S.C. 687l(f)) is amended—

14               (1) in paragraph (1), by striking “Such central  
15               registration shall include” and all that follows  
16               through the period at the end of the paragraph; and  
17               (2) by adding at the end the following:

18               “(5) Nothing in this subsection shall prohibit  
19               the use of a book-entry or other electronic form of  
20               registration for trust certificates.”.

21          (c) CERTIFICATES SOLD PURSUANT TO DEVELOP-  
22          MENT COMPANY PROGRAM.—Section 505(f) (15 U.S.C.  
23          697b(f)) is amended—

24               (1) by redesignating paragraphs (1) through  
25               (4) as subparagraphs (A) through (D);

1 (2) by striking “(f)” and inserting “(f)(1)”;

2 (3) by striking paragraph (A), as redesignated  
3 by paragraph (1) of this subsection, and inserting  
4 the following:

5 “(A) provide for a central registration of  
6 all trust certificates sold pursuant to this sec-  
7 tion;” and

8 “(4) by adding at the end the following:

9 “(2) Nothing in this subsection shall prohibit  
10 the utilization of a book-entry or other electronic  
11 form of registration for trust certificates.”.

12 **SEC. 206. PREFERRED SURETY BOND GUARANTEE PRO-**  
13 **GRAM.**

14 (a) ADMISSION OF ADDITIONAL PROGRAM PAR-  
15 TICIPANTS.—Section 411(a) (15 U.S.C. 694(a)) is  
16 amended by adding a new paragraph (5), as follows:

17 “(5)(A) The Administration shall promptly act  
18 upon an application from a surety to participate in  
19 the Preferred Surety Bond Guarantee Program, au-  
20 thorized by paragraph (3), in accordance with cri-  
21 teria and procedures established in regulations pur-  
22 suant to subsection (d).

23 “(B) The Administration is authorized to re-  
24 duce the allotment of bond guarantee authority or  
25 terminate the participation of a surety in the Pre-

1       ferred Surety Program Guarantee Program based on  
2       the rate of participation of such surety during the  
3       4 most recent fiscal year quarters compared to the  
4       median rate of participation by the other sureties in  
5       the program.”.

6       (b) EFFECTIVE DATE.—The amendments made  
7       by subsection (a) shall apply with respect to applications  
8       received (or pending substantive evaluation) on or after  
9       October 1, 1995.

10   **SEC. 207. SENSE OF THE CONGRESS.**

11       (a) IN GENERAL.—It is the sense of the Congress  
12       that the subsidy models prepared by the Office of Man-  
13       agement and Budget relative to loan programs sponsored  
14       by the United States Small Business Administration have  
15       a tendency to—

16               (1) overestimate potential risk of loss; and  
17               (2) overemphasize historical losses that may be  
18       anomalous and do not truly reflect the success of the  
19       programs as a whole.

20       (b) INDEPENDENT STUDY.—Consequently, the  
21       Congress mandates the independent study in section  
22       103(h) in an attempt to improve the ability of the Office  
23       of Management and Budget to reflect more accurately  
24       the budgetary implications of such programs.



1 **SEC. 208. SMALL BUSINESS INVESTMENT COMPANY IM-**  
2 **PROVEMENTS.**

3 (a) DEFINITIONS.—

4 (1) SMALL BUSINESS CONCERN.—Section  
5 103(5) (15 U.S.C. 662(5)) is amended by inserting  
6 before the semicolon the following: “, except that,  
7 for purposes of this Act, an investment by a venture  
8 capital firm, investment company (including a small  
9 business investment company) employee welfare ben-  
10 efit plan or pension plan, or trust, foundation, or en-  
11 dowment that is exempt from Federal income tax-  
12 ation—

13 “(A) shall not cause a business concern to  
14 be deemed not independently owned and oper-  
15 ated;

16 “(B) shall be disregarded in determining  
17 whether a business concern satisfies size stand-  
18 ards established pursuant to section 3(a)(2) of  
19 the Small Business Act; and

20 “(C) shall be disregarded in determining  
21 whether a small business concern is a smaller  
22 enterprise”.

23 (2) PRIVATE CAPITAL.—Section 103(9) (15  
24 U.S.C. 662(9)) is amended to read as follows:

25 “(9) the term ‘private capital’—

26 “(A) means the sum of—

1 “(i) the paid-in capital and paid-in  
2 surplus of a corporate licensee, the contrib-  
3 uted capital of the partners of a partner-  
4 ship licensee, or the equity investment of  
5 the members of a limited liability company  
6 licensee; and

7 “(ii) unfunded binding commitments,  
8 from investors that meet criteria estab-  
9 lished by the Administrator, to contribute  
10 capital to the licensee: *Provided*, That such  
11 unfunded commitments may be counted as  
12 private capital for purposes of approval by  
13 the Administrator of any request for lever-  
14 age, but leverage shall not be funded based  
15 on such commitments; and

16 “(B) does not include any—

17 “(i) funds borrowed by a licensee from  
18 any source;

19 “(ii) funds obtained through the issu-  
20 ance of leverage; or

21 “(iii) funds obtained directly or indi-  
22 rectly from any Federal, State, or local  
23 government, or any government agency or  
24 instrumentality, except for—

1                   “(I) funds invested by an em-  
2                   ployee welfare benefit plan or pension  
3                   plan; and

4                   “(II) any qualified nonprivate  
5                   funds (if the investors of the qualified  
6                   nonprivate funds do not control, di-  
7                   rectly or indirectly, the management,  
8                   board of directors, general partners,  
9                   or members of the licensee);”.

10               (3) NEW DEFINITIONS.—Section 103 (15  
11               U.S.C. 662) is amended by striking paragraph (10)  
12               and inserting the following:

13               “(10) the term ‘leverage’ includes—

14                   “(A) debentures purchased or guaranteed  
15                   by the Administration;

16                   “(B) participating securities purchased or  
17                   guaranteed by the Administration; and

18                   “(C) preferred securities outstanding as of  
19                   October 1, 1995;

20               “(11) the term ‘third party debt’ means any in-  
21               debtedness for borrowed money, other than indebt-  
22               edness owed to the Administration;

23               “(12) the term ‘smaller enterprise’ means any  
24               small business concern that, together with its affili-  
25               ates—

1 “(A) has—

2 “(i) a net financial worth of not more  
3 than \$6,000,000, as of the date on which  
4 assistance is provided under this Act to  
5 that business concern; and

6 “(ii) an average net income for the 2-  
7 year period preceding the date on which  
8 assistance is provided under this Act to  
9 that business concern, of not more than  
10 \$2,000,000, after Federal income taxes  
11 (excluding any carryover losses); or

12 “(B) satisfies the standard industrial clas-  
13 sification size standards established by the Ad-  
14 ministration for the industry in which the small  
15 business concern is primarily engaged;

16 “(13) the term ‘qualified nonprivate funds’  
17 means any—

18 “(A) funds directly or indirectly invested in  
19 any applicant or licensee on or before August  
20 16, 1982, by any Federal agency, other than  
21 the Administration, under a provision of law ex-  
22 plicitly mandating the inclusion of those funds  
23 in the definition of the term ‘private capital’;

24 “(B) funds directly or indirectly invested  
25 in any applicant or licensee by any Federal

1 agency under a provision of law enacted after  
2 September 4, 1992, explicitly mandating the in-  
3 clusion of those funds in the definition of the  
4 term ‘private capital’; and

5 “(C) funds invested in any applicant or li-  
6 censee by one or more State or local govern-  
7 ment entities (including any guarantee extended  
8 by those entities) in an aggregate amount that  
9 does not exceed 33 percent of the private cap-  
10 ital of the applicant or licensee;

11 “(14) the terms ‘employee welfare benefit plan’  
12 and ‘pension plan’ have the same meanings as in  
13 section 3 of the Employee Retirement Income Secu-  
14 rity Act of 1974, and are intended to include—

15 “(A) public and private pension or retire-  
16 ment plans subject to such Act; and

17 “(B) similar plans not covered by such Act  
18 that have been established and that are main-  
19 tained by the Federal Government or any State  
20 or political subdivision, or any agency or instru-  
21 mentality thereof, for the benefit of employees;

22 “(15) the term ‘member’ means, with respect to  
23 a licensee that is a limited liability company, a hold-  
24 er of an ownership interest or a person otherwise ad-

1       mitted to membership in the limited liability com-  
2       pany; and

3           “(16) the term ‘limited liability company’  
4       means a business entity that is organized and oper-  
5       ating in accordance with a State limited liability  
6       company statute approved by the Administration.”.

7           (b) ORGANIZATION OF SMALL BUSINESS INVEST-  
8       MENT COMPANIES.—

9           (1) LIMITED LIABILITY COMPANIES.—Section  
10       301(a) (15 U.S.C. 681(a)) is amended in the first  
11       sentence, by striking “body or” and inserting “body,  
12       a limited liability company, or”

13           (2) ISSUANCE OF LICENSE.—Section 301(c) (15  
14       U.S.C. 681(c)) is amended to read as follows:

15           “(c) ISSUANCE OF LICENSE.—

16           “(1) SUBMISSION OF APPLICATION.—Each ap-  
17       plicant for a license to operate as a small business  
18       investment company under this Act shall submit to  
19       the Administrator an application, in a form and in-  
20       cluding such documentation as may be prescribed by  
21       the Administrator.

22           “(2) PROCEDURES.—

23           “(A) STATUS.—Not later than 90 days  
24       after the initial receipt by the Administrator of  
25       an application under this subsection, the Ad-

1           ministrator shall provide the applicant with a  
2           written report detailing the status of the appli-  
3           cation and any requirements remaining for  
4           completion of the application.

5                   “(B) APPROVAL OR DISAPPROVAL.—With-  
6           in a reasonable time after receiving a completed  
7           application submitted in accordance with this  
8           subsection and in accordance with such require-  
9           ments as the Administrator may prescribe by  
10          regulation, the Administrator shall—

11                   “(i) approve the application and issue  
12           a license for such operation to the appli-  
13           cant if the requirements of this section are  
14           satisfied; or

15                   “(ii) disapprove the application and  
16           notify the applicant in writing of the dis-  
17           approval.

18                   “(3) MATTERS CONSIDERED.—In reviewing and  
19          processing any application under this subsection, the  
20          Administrator—

21                   “(A) shall determine whether—

22                   “(i) the applicant meets the require-  
23           ments of subsections (a) and (c) of section  
24           302; and

1 “(ii) the management of the applicant  
2 is qualified and has the knowledge, experi-  
3 ence, and capability necessary to comply  
4 with this Act;

5 “(B) shall take into consideration—

6 “(i) the need for and availability of fi-  
7 nancing for small business concerns in the  
8 geographic area in which the applicant is  
9 to commence business;

10 “(ii) the general business reputation  
11 of the owners and management of the ap-  
12 plicant; and

13 “(iii) the probability of successful op-  
14 erations of the applicant, including ade-  
15 quate profitability and financial soundness;  
16 and

17 “(C) shall not take into consideration any  
18 projected shortage or unavailability of leverage.

19 “(4) EXCEPTION.—

20 “(A) IN GENERAL.—Notwithstanding any  
21 other provision of this Act, the Administrator  
22 may, in the discretion of the Administrator and  
23 based on a showing of special circumstances  
24 and good cause, approve an application and



1 issue a license under this subsection with re-  
2 spect to any applicant that—

3 “(i) has private capital of not less  
4 than \$3,000,000;

5 “(ii) would otherwise be issued a li-  
6 cense under this subsection, except that  
7 the applicant does not satisfy the require-  
8 ments of section 302(a); and

9 “(iii) has a viable business plan rea-  
10 sonably projecting profitable operations  
11 and a reasonable timetable for achieving a  
12 level of private capital that satisfies the re-  
13 quirements of section 302(a).

14 “(B) LEVERAGE.—An applicant licensed  
15 pursuant to the exception provided in this para-  
16 graph shall not be eligible to receive leverage as  
17 a licensee until the applicant satisfies the re-  
18 quirements of section 302(a).”.

19 (3) SPECIALIZED SMALL BUSINESS INVEST-  
20 MENT COMPANIES.—

21 (A) REPEAL.—Section 301(d) (15 U.S.C.  
22 681(d)) is repealed.

23 (B) EFFECT ON EXISTING LICENSES.—  
24 The repeal under subparagraph (A) shall not be  
25 construed to require the Administrator to can-

1 cel, revoke, withdraw, or modify any license is-  
2 sued under section 301(d) of the Small Busi-  
3 ness Investment Act of 1958 before the date of  
4 enactment of this Act.

5 (c) CAPITAL REQUIREMENTS.—

6 (1) INCREASED MINIMUM CAPITAL REQUIRE-  
7 MENTS.—Section 302(a) (15 U.S.C. 682(a)) is  
8 amended by striking “(a)” and all that follows  
9 through “The Administration shall also determine  
10 the ability of the company,” and inserting the fol-  
11 lowing:

12 “(a) AMOUNT.—

13 “(1) IN GENERAL.—Except as provided in para-  
14 graph (2), the private capital of each licensee shall  
15 be not less than—

16 “(A) \$5,000,000; or

17 “(B) \$10,000,000, with respect to each li-  
18 censee authorized or seeking authority to issue  
19 participating securities to be purchased or guar-  
20 anteed by the Administration under this Act.

21 “(2) EXCEPTION.—The Administrator may, in  
22 the discretion of the Administrator and based on a  
23 showing of special circumstances and good cause,  
24 permit the private capital of a licensee authorized or  
25 seeking authorization to issue participating securi-

1       ties to be purchased or guaranteed by the Adminis-  
2       tration to be less than \$10,000,000, but not less  
3       than \$5,000,000, if the Administrator determines  
4       that such action would not create or otherwise con-  
5       tribute to an unreasonable risk of default or loss to  
6       the Federal Government.

7               “(3) ADEQUACY.—In addition to the require-  
8       ments of paragraph (1), the Administrator shall—

9               “(A) determine whether the private capital  
10       of each licensee is adequate to assure a reason-  
11       able prospect that the licensee will be operated  
12       soundly and profitably, and managed actively  
13       and prudently in accordance with its articles;  
14       and

15              “(B) determine that the licensee will be  
16       able”.

17       (2) EXEMPTION FOR CERTAIN LICENSEES.—  
18       Section 302(a) (15 U.S.C. 682(a)) is amended by  
19       adding at the end the following new paragraph:

20              “(4) EXEMPTION FROM CAPITAL REQUIRE-  
21       MENTS.—The Administrator may, in the discretion  
22       of the Administrator, approve leverage for any li-  
23       censee licensed under subsection (c) or (d) of section  
24       301 before the date of enactment of the Small Busi-  
25       ness Program Improvement Act of 1996 that does

1 not meet the capital requirements of paragraph (1),  
2 if—

3 “(A) the licensee certifies in writing that  
4 not less 50 percent of the aggregate dollar  
5 amount of its financings after the date of enact-  
6 ment of the Small Business Program Improve-  
7 ment Act of 1996 will be provided to smaller  
8 enterprises; and

9 “(B) the Administrator determines that  
10 such action would not create or otherwise con-  
11 tribute to an unreasonable risk of default or  
12 loss to the United States Government.”.

13 “(3) DIVERSIFICATION OF OWNERSHIP.—Sec-  
14 tion 302(c) (15 U.S.C. 682(c)) is amended to read  
15 as follows:

16 “(c) DIVERSIFICATION OF OWNERSHIP.—The Ad-  
17 ministrator shall ensure that the management of each li-  
18 censee licensed after the date of enactment of the Small  
19 Business Program Improvement Act of 1996 is suffi-  
20 ciently diversified from and unaffiliated with the owner-  
21 ship of the licensee in a manner that ensures independ-  
22 ence and objectivity in the financial management and  
23 oversight of the investments and operations of the li-  
24 censee.”.

25 (d) BORROWING.—

1           “(2) DEBENTURES.—Section 303(b) (15 U.S.C.  
2       683(b)) is amended in the first sentence, by striking  
3       “(but only” and all that follows through “terms”).

4           “(2) THIRD PARTY DEBT.—Section 303(c) (15  
5       U.S.C. 683(c)) is amended to read as follows:

6           “(c) THIRD PARTY DEBT.—The Administrator—

7           “(1) shall not permit a licensee having out-  
8       standing leverage to incur third party debt that  
9       would create or contribute to an unreasonable risk  
10      of default or loss to the Federal Government; and

11          “(2) shall permit such licensees to incur third  
12      party debt only on such terms and subject to such  
13      conditions as may be established by the Adminis-  
14      trator, by regulation or otherwise.”.

15          (3) REQUIREMENT TO FINANCE SMALLER EN-  
16      TERPRISES.—Section 303(d) (15 U.S.C. 683(d)) is  
17      amended to read as follows:

18          “(d) REQUIREMENT TO FINANCE SMALLER EN-  
19      TERPRISES.—The Administrator shall require each li-  
20      censee, as a condition of approval of an application for  
21      leverage, to certify in writing that not less than 20 per-  
22      cent of the aggregate dollar amount of the financings of  
23      the licensee will be provided to smaller enterprises.”.

24          (4) CAPITAL IMPAIRMENT REQUIREMENTS.—

1 (A) IN GENERAL.—Section 303(e) (15  
2 U.S.C. 683(e)) is amended to read as follows:

3 “(e) CAPITAL IMPAIRMENT.—Before approving  
4 any application for leverage submitted by a licensee  
5 under this Act, the Administrator—

6 “(1) shall determine that the private capital of  
7 the licensee meets the requirements of section  
8 302(a); and

9 “(2) shall determine, taking into account the  
10 nature of the assets of the licensee, the amount and  
11 terms of any third party debt owed by such licensee,  
12 and any other factors determined to be relevant by  
13 the Administrator, that the private capital of the li-  
14 censee has not been impaired to such an extent that  
15 the issuance of additional leverage would create or  
16 otherwise contribute to an unreasonable risk of de-  
17 fault or loss to the Federal Government.”.

18 (B) REGULATIONS.—

19 (i) UNIFORM APPLICABILITY.—Any  
20 regulation issued by the Administration to  
21 implement section 303(e) of the Small  
22 Business Investment Act of 1958 that ap-  
23 plies to any licensee with outstanding le-  
24 verage obtained before the effective date of  
25 that regulation, shall apply uniformly to all

1 licensees with outstanding leverage ob-  
2 tained before that effective date.

3 (ii) DEFINITIONS.—For purposes of  
4 this subparagraph, the terms “Administra-  
5 tion”, “leverage” and “licensee” have the  
6 same meanings as in section 103 of the  
7 Small Business Investment Act of 1958.

8 (5) EQUITY INVESTMENT REQUIREMENT.—Sec-  
9 tion 303(g)(4) (15 U.S.C. 683(g)(4)) is amended by  
10 striking “and maintain”.

11 (6) FEES.—Section 303 (15 U.S.C. 683) is  
12 amended—

13 (A) in subsection (b), in the fifth sentence,  
14 by striking “1 per centum”, and all that follows  
15 before the period at the end of the sentence and  
16 inserting the following: “1 percent, plus an ad-  
17 ditional charge of 1 percent per annum which  
18 shall be paid to and retained by the Administra-  
19 tion”;

20 (B) in subsection (g)(2), by striking “1 per  
21 centum,” and all that follows before the period  
22 at the end of the paragraph and inserting the  
23 following: “1 percent, plus an additional charge  
24 of 1 percent per annum which shall be paid to  
25 and retained by the Administration”; and

1 (C) by adding at the end the following new  
2 subsections:

3 “(i) LEVERAGE FEE.—With respect to leverage  
4 granted by the Administration to a licensee, the Adminis-  
5 tration shall collect from the licensee a nonrefundable fee  
6 in an amount equal to 3 percent of the face amount of  
7 leverage granted to the licensee, payable upon the earlier  
8 of the date of entry into any commitment for such lever-  
9 age or the date on which the leverage is drawn by the  
10 licensee.

11 “(j) CALCULATION OF SUBSIDY RATE.—All fees,  
12 interest, and profits received and retained by the Admin-  
13 istration under this section shall be included in the cal-  
14 culations made by the Director of the Office of Manage-  
15 ment and Budget to offset the cost (as that term is de-  
16 fined in section 502 of the Federal Credit Reform Act of  
17 1990) to the Administration of purchasing and guaran-  
18 teeing debentures and participating securities under this  
19 Act.”.

20 (e) LIABILITY OF THE UNITED STATES.—Section  
21 308(e) (15 U.S.C. 687(e)) is amended by striking “Noth-  
22 ing” and inserting “Except as expressly provided other-  
23 wise in this Act, nothing”.

24 (f) EXAMINATIONS; VALUATIONS.—



1           (1) EXAMINATIONS.—Section 310(b) (15  
2       U.S.C. 687b(b)) is amended in the first sentence by  
3       inserting “which may be conducted with the assist-  
4       ance of a private sector entity that has both the  
5       qualifications to conduct and expertise in conducting  
6       such examinations,” after “Investment Division of  
7       the Administration,”.

8           (2) VALUATIONS.—Section 310(d) (15 U.S.C.  
9       687b(d)) is amended to read as follows:

10       “(d) VALUATIONS.—

11       “(1) FREQUENCY OF VALUATIONS.—

12       “(A) IN GENERAL.—Each licensee shall  
13       submit to the Administrator a written valuation  
14       of the loans and investments of the licensee not  
15       less often than semiannually or otherwise upon  
16       the request of the Administrator, except that  
17       any licensee with no leverage outstanding shall  
18       submit such valuations annually, unless the Ad-  
19       ministrator determines otherwise.

20       “(B) MATERIAL ADVERSE CHANGES.—Not  
21       later than 30 days after the end of a fiscal  
22       quarter of a licensee during which a material  
23       adverse change in the aggregate valuation of  
24       the loans and investments or operations of the  
25       licensee occurs, the licensee shall notify the Ad-

1            administrator in writing of the nature and extent  
2            of that change.

3            “(C) INDEPENDENT CERTIFICATION.—

4            “(i) IN GENERAL.—Not less than  
5            once during each fiscal year, each licensee  
6            shall submit to the Administrator the fi-  
7            nancial statements of the licensee, audited  
8            by an independent certified public account-  
9            ant approved by the Administrator.

10           “(ii) AUDIT REQUIREMENTS.—Each  
11           audit conducted under clause (i) shall in-  
12           clude—

13           “(I) a review of the procedures  
14           and documentation used by the li-  
15           censee in preparing the valuations re-  
16           quired by this section; and

17           “(II) a statement by the inde-  
18           pendent certified public accountant  
19           that such valuations were prepared in  
20           conformity with the valuation criteria  
21           applicable to the licensee established  
22           in accordance with paragraph (2).

23           “(2) VALUATION CRITERIA.—Each valuation  
24           submitted under this subsection shall be prepared by

1 the licensee in accordance with valuation criteria,  
2 which shall—

3 “(A) be established or approved by the Ad-  
4 ministrator; and

5 “(B) include appropriate safeguards to en-  
6 sure that the noncash assets of a licensee are  
7 not overvalued.”.

8 (g) TRUSTEE OR RECEIVERSHIP OVER LICENS-  
9 EES.—

10 (1) FINDING.—It is the finding of the Congress  
11 that increased recoveries on assets in liquidation  
12 under the Small Business Investment Act of 1958  
13 are in the best interests of the Federal Government.

14 (2) DEFINITIONS.—For purposes of this sub-  
15 section—

16 (A) the term “Administrator” means the  
17 Administrator of the Small Business  
18 Administration;

19 (B) the term “Administration” means the  
20 Small Business Administration; and

21 (C) the term “licensee” has the same  
22 meaning as in section 103.

23 (3) LIQUIDATION PLAN.—

24 (A) IN GENERAL.—Not later than January  
25 15, 1997, the Administrator shall submit to the

1 Committees on Small Business of the Senate  
2 and the House of Representatives a detailed  
3 plan to expedite the orderly liquidation of all li-  
4 censee assets in liquidation, including assets of  
5 licensees in receivership or in trust held by or  
6 under the control of the Administration or its  
7 agents.

8 (B) CONTENTS.—The plan submitted  
9 under paragraph (1) shall include a timetable  
10 for liquidating the liquidation portfolio of small  
11 business investment company assets owned by  
12 the Administration, and shall contain the find-  
13 ings and recommendations of the Administrator  
14 on various options providing for the fair and ex-  
15 peditious liquidation of such assets within a  
16 reasonable period of time, giving due consider-  
17 ation to the option of entering into one or more  
18 contracts with private sector entities having the  
19 capability to carry out the orderly liquidation of  
20 similar assets.

21 (h) TECHNICAL AND CONFORMING AMEND-  
22 MENTS.—

23 (1) SMALL BUSINESS INVESTMENT ACT OF  
24 1958.—The Small Business Investment Act of 1958  
25 (15 U.S.C. 661 et seq.) is amended—

1 (A) in section 303—

2 (i) in subsection (a), by striking “de-  
3 benture bonds,” and inserting “securi-  
4 ties,”;

5 (ii) by striking subsection (f) and in-  
6 serting the following:

7 “(f) REDEMPTION OR REPURCHASE OF PRE-  
8 FERRED STOCK.—Notwithstanding any other provision of  
9 law—

10 “(1) the Administrator may allow the issuer of  
11 any preferred stock sold to the Administration be-  
12 fore November 1, 1989 to redeem or repurchase  
13 such stock, upon the payment to the Administration  
14 of an amount less than the par value of such stock,  
15 for a repurchase price determined by the Adminis-  
16 trator after consideration of all relevant factors, in-  
17 cluding—

18 “(A) the market value of the stock;

19 “(B) the value of benefits provided and an-  
20 ticipated to accrue to the issuer;

21 “(C) the amount of dividends paid, ac-  
22 crued, and anticipated; and

23 “(D) the estimate of the Administrator of  
24 any anticipated redemption; and

1           “(2) any moneys received by the Administration  
2           from the repurchase of preferred stock shall be  
3           available solely to provide debenture leverage to li-  
4           censees having 50 percent or more in aggregate dol-  
5           lar amount of their financings invested in smaller  
6           enterprises.”; and

7                       (iii) in subsection (g)(8)—

8                       (I) by striking “partners or  
9                       shareholders” and inserting “part-  
10                      ners, shareholders, or members”;

11                      (II) by striking “partner’s or  
12                      shareholder’s” and inserting “part-  
13                      ner’s, shareholder’s, or member’s”;  
14                      and

15                      (III) by striking “partner or  
16                      shareholder” and inserting “partner,  
17                      shareholder, or member”;

18                      (B) in section 308(h), by striking “sub-  
19                      section (c) or (d) of section 301” each place  
20                      that term appears and inserting “section 301”;

21                      (C) in section 310(c)(4), by striking “not  
22                      less than four years in the case of section  
23                      301(d) licensees and in all other cases,”;

24                      (D) in section 312—

1 (i) by striking “shareholders or part-  
2 ners” and inserting “shareholders, part-  
3 ners, or members”; and

4 (ii) by striking “shareholder, or part-  
5 ner” each place that term appears and in-  
6 serting “shareholder, partner, or member”;

7 (E) by striking sections 317 and 318, and  
8 redesignating sections 319 through 322 as sec-  
9 tions 317 through 320, respectively;

10 (F) in section 319, as redesignated—

11 (i) in subsection (a), by striking “, in-  
12 cluding companies operating under the au-  
13 thority of section 301(d),”; and

14 (ii) in subsection (f)(2), by inserting  
15 “or investments in obligations of the Unit-  
16 ed States” after “accounts”;

17 (G) in section 320, as redesignated, by  
18 striking “section 321” and inserting “section  
19 319”; and

20 (H) in section 509—

21 (i) in subsection (a)(1), by striking  
22 the second sentence; and

23 (ii) in subsection (e)(1)(B), by strik-  
24 ing “subsection (c) or (d) of section 301”  
25 and inserting “section 301”.

1           (2) AMENDMENT IN OTHER LAW.—Section  
2       11(h) of the Federal Home Loan Bank Act (12  
3       U.S.C. 1431(h)) is amended by striking “301(d)”  
4       and inserting “301”.

5           (i) AMENDMENTS TO THE SMALL BUSINESS  
6       ACT.—

7           (1) POWERS OF THE ADMINISTRATOR.—Section  
8       5(b)(7) of the Small Business Act (15 U.S.C.  
9       634(b)(7)) is amended by striking the colon and all  
10      that follows before the semicolon at the end of the  
11      paragraph and inserting the following: “: *Provided*,  
12      That with respect to deferred participation loans,  
13      the Administrator may, in the discretion of and pur-  
14      suant to regulations promulgated by the Adminis-  
15      trator, authorize participating lending institutions to  
16      take actions relating to loan servicing on behalf of  
17      the Administrator, including determining eligibility  
18      and creditworthiness and loan monitoring, collection,  
19      and liquidation”.

20          (2) AUTHORIZATION OF APPROPRIATIONS.—  
21      Section 20(p)(3) of the Small Business Act (15  
22      U.S.C. 631 note) is amended by striking subpara-  
23      graph (B) and inserting the following:

24                   “(B) \$300,000,000 in guarantees of de-  
25                   bentures; and”.



1 (j) EFFECTIVE DATE.—This section and the  
2 amendments made by this section shall become effective  
3 on the date of enactment of this Act.

4 **DIVISION E**  
5 **TITLE I—CALIFORNIA BAY-**  
6 **DELTA ENVIRONMENTAL EN-**  
7 **HANCEMENT AND WATER SE-**  
8 **CURITY ACT**

9 **SEC. 101. SHORT TITLE.**

10 This title may be cited as the “California Bay-  
11 Delta Environmental Enhancement and Water Security  
12 Act.”

13 **SEC. 102. PROGRAM FUNDING.**

14 (a) AUTHORIZATION OF APPROPRIATIONS.—For  
15 each of the fiscal years 1998, 1999 and 2000, there are  
16 authorized to be appropriated an additional  
17 \$143,300,000 for both (1) the initial Federal share of the  
18 cost of developing and implementing that portion of an  
19 ecosystem protection plan for the Bay-Delta, referred to  
20 as “the Category III program” emanating out of the doc-  
21 ument entitled “Principles for Agreement on Bay-Delta  
22 Standards Between the State of California and the Fed-  
23 eral Government,” dated December 15, 1994, and, (2)  
24 the initial Federal share of the cost of developing and im-  
25 plementing the ecosystem restoration elements of the

1 long-term CALFED Bay-Delta Program, pursuant to the  
2 cost-sharing agreement required by Section 78684.10 of  
3 California Senate Bill 900, Chapter 135, Statutes of  
4 1996, signed by the Governor of California on July 11,  
5 1996. Funds appropriated pursuant to this section shall  
6 remain available until expended and shall be administered  
7 in accordance with procedures established by CALFED  
8 Bay-Delta Program until Congress authorizes another  
9 entity that is recommended by CALFED Bay-Delta Pro-  
10 gram to carry out this section.

11 (b) Funds authorized to be appropriated pursuant  
12 to this section to those agencies that are currently or  
13 subsequently become participants in the CALFED Bay-  
14 Delta Program shall be in addition to the baseline fund-  
15 ing levels established pursuant to section 103 of this title,  
16 for currently authorized projects and programs under the  
17 Central Valley Project Improvement Act, Title 34 of Pub-  
18 lic Law 102–575 and other currently authorized Federal  
19 programs for the purpose of Bay-Delta ecosystem protec-  
20 tion and restoration.

21 (c) Nothing in this title shall be deemed to dimin-  
22 ish the Federal interest in and responsibility for working  
23 with the State of California through the CALFED Bay-  
24 Delta Program in developing, funding and implementing  
25 a balanced, long-term solution to the problems of eco-

1 system quality, water quality, water supply and reliabil-  
2 ity, and system vulnerability affecting the San Francisco  
3 Bay/Sacramento-San Joaquin Delta Watershed in Cali-  
4 fornia. Participation in such long-term solution shall only  
5 be undertaken pursuant to authorization provided by law  
6 other than this title, and shall be based on the equitable  
7 allocation of program costs among beneficiary groups  
8 that the CALFED Bay-Delta programs shall develop.

9       (d) To the extent not otherwise authorized, those  
10 agencies and departments that are currently or subse-  
11 quently become participants in the CALFED Bay-Delta  
12 Program are hereby authorized to undertake the activi-  
13 ties and programs for which Federal cost sharing is pro-  
14 vided by this section. The United States shall imme-  
15 diately initiate coordinated consultations and negotiations  
16 with the State of California to expeditiously execute the  
17 cost-sharing agreement required by Section 78684.10 of  
18 California Senate Bill 900, Chapter 135, Statutes of  
19 1996, signed by the Governor of California on July 11,  
20 1996. Such activities shall include, but not be limited to,  
21 planning, design, technical assistance and construction  
22 for ecosystem restoration programs and projects.

23 **SEC.103. BUDGET CROSSCUT.**

24       The Office of Management and Budget is directed  
25 to submit to the House and Senate Committees on Ap-

1 appropriations, as part of the President's Fiscal Year 1998  
2 Budget, an interagency budget crosscut that displays  
3 Federal spending for fiscal years 1993 through 1998 on  
4 ecosystem restoration and other purposes in the Bay-  
5 Delta region, separately showing funding provided pre-  
6 viously or requested under both pre-existing authorities  
7 and new authorities granted by this title.

8 **SEC. 104. EFFECTIVE DATE.**

9       Section 102 of this title shall take effect on the  
10 date of passage of California State Proposition 204.

11       This Act may be cited as the "Omnibus Consoli-  
12 dated Appropriations Act, 1997"

      Passed the House of Representatives September 28,  
1996.

Attest:

*Clerk.*